

**COUNTY OF JEFFERSON
BROOKVILLE, PENNSYLVANIA**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

COUNTY OF JEFFERSON
YEAR ENDED DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

County Commissioners
County of Jefferson
Brookville, Pennsylvania

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of COUNTY OF JEFFERSON, PENNSYLVANIA as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise COUNTY OF JEFFERSON, PENNSYLVANIA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of COUNTY OF JEFFERSON, PENNSYLVANIA, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of COUNTY OF JEFFERSON, PENNSYLVANIA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about COUNTY OF JEFFERSON, PENNSYLVANIA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of COUNTY OF JEFFERSON, PENNSYLVANIA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about COUNTY OF JEFFERSON, PENNSYLVANIA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Adoption of GASB Statements

As described in Note 1 to the financial statements, in 2023 the County adopted the provisions of Governmental Accounting Standards Board Statement No. 94, "*Public-Private and Public-Public Partnership and Availability Payment Arrangements*", Statement No. 96, "*Subscription-Based Information Technology Arrangements*", and Statement No. 99, "*Omnibus 2022*". Our opinion is not modified with respect to these matters.



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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, Schedule of Changes in the County's Net Pension Liability and Related Ratios – Last 10 Years, and Schedule of Employer Contributions – Last 10 Years on pages 5 through 17 and 54 through 57 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise COUNTY OF JEFFERSON, PENNSYLVANIA's basic financial statements. The combining non-major governmental fund financial statements and combining fiduciary fund financial statements on pages 59 through 68 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining non-major governmental fund financial statements and combining fiduciary fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining non-major governmental fund financial statements and combining fiduciary fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2024 on our consideration of COUNTY OF JEFFERSON, PENNSYLVANIA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering COUNTY OF JEFFERSON, PENNSYLVANIA's internal control over financial reporting and compliance.

Zelenkofske Axlerod LLC

ZELENKOFKSKE AXELROD LLC

Pittsburgh, Pennsylvania
September 27, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

The COUNTY OF JEFFERSON, hereafter referred to as the "COUNTY", is pleased to present its financial statements developed in compliance with Statement of Governmental Accounting Standard No. 34, entitled "Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments (hereafter "GASB 34"), and related standards. GASB 34 enhances information provided to the users of its financial statements. This section of the financial reporting package presents our discussion and analysis of the COUNTY's financial performance during the year ended December 31, 2023. We recommend that it be read in conjunction with the accompanying basic financial statements in order to obtain a thorough understanding of the COUNTY's financial condition at December 31, 2023.

FINANCIAL HIGHLIGHTS**Real Estate Taxes**

The COUNTY'S assessed valuation decreased from \$879,396,695 in 2022 to \$879,007,935 in 2023. The COUNTY's millage rate was 12.50 mills for 2023. In 2023, \$10,841,850 of real estate tax revenue was received for General Fund purposes. The COUNTY transferred \$1,230,141 from the General Fund to the Debt Service Fund for Debt Service purposes.

COUNTY'S NET POSITION

The COUNTY's Statement of Net Position in 2023 has a total Net Position of \$42,598,133.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial section of this report consists of four parts:

- Management's discussion and analysis (this section)
- Basic financial statements (including notes)
- Required supplementary information
- Other supplementary information

Management's discussion and analysis is a guide to reading the financial statements and provides related information to help the reader to better understand the COUNTY's government. The basic financial statements include notes that provide additional information essential to a full understanding of the financial data provided in the government-wide and fund financial statements. Required supplementary information is provided on the COUNTY's budget to actual figures for the General Fund and major special revenue fund, as well as certain pension information. In addition to the required elements, an other supplementary section is included with combining and other statements that provide particulars about non-major funds.

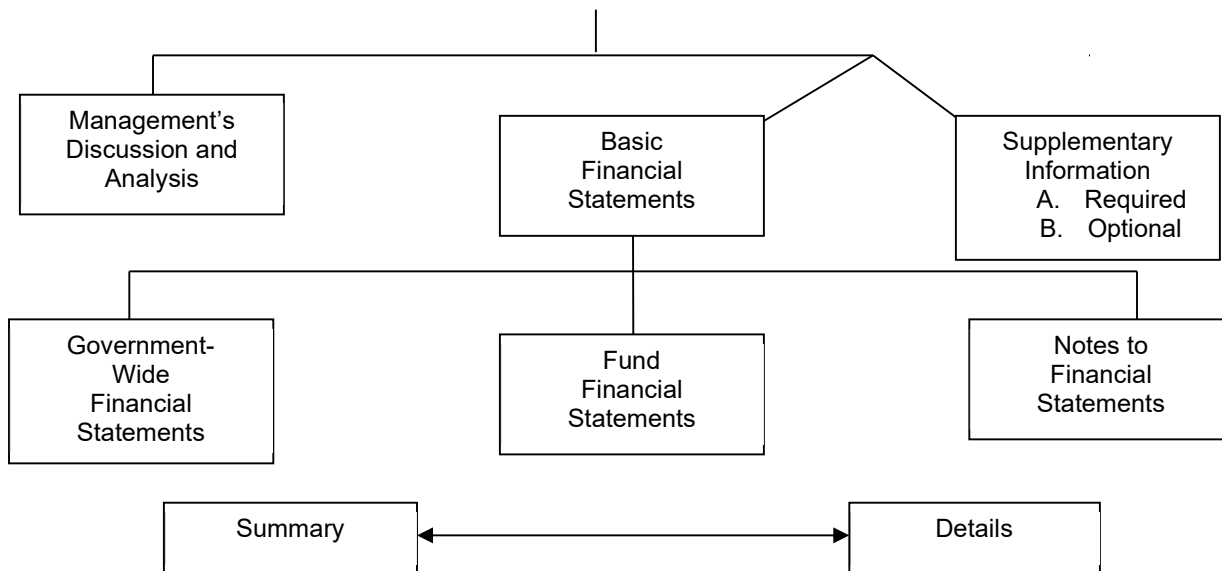
The basic financial statements present two different views of the COUNTY.

- *Government-wide financial statements*, the first two statements, provide information about the COUNTY's overall financial status as well as the financial status of the COUNTY's discrete and blended component units.
- *Fund financial statements*, the remaining statements, focus on individual parts of the COUNTY's government. They provide more detail on operations than the government-wide statements. There are three types of fund financial statements:
 - *Governmental funds statements* show how general government services such as public safety, public works, human services, culture and recreation, and conservation and economic development were financed in the short term, as well as what remains for future spending.
 - *Proprietary fund statements* offer short-term and long-term financial information about the activities the COUNTY operates like a business, such as the Internal Service Fund.
 - *Fiduciary funds statements* reflect activities involving resources that are held by the COUNTY as a trustee or agent for the benefit of others. Fiduciary funds are not reflected in the government-wide statements because the resources cannot be used to support the COUNTY's programs.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Table A-1: Organization of the County's annual financial report

Required Components of the Annual Financial Statements



MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Table A-2 summarizes the major features of the COUNTY's financial statements, including the area of the COUNTY's activities they cover and the types of information they contain.

Table A-2: Major features of the government-wide and fund financial statements

	Government-wide Statements	Fund Financial Statements		
		Governmental	Proprietary	Fiduciary
Scope	Primary government and certain component units (except fiduciary funds)	The day-to-day operating activities of the County, such as public safety and public works	The business-type activities of the County, such as the Internal Service Fund	Instances in which the County administers resources on behalf of others
Required Financial Statements	-Statement of net position -Statement of activities	-Balance Sheet -Statement of revenues, expenditures, and changes in fund balance	-Statement of net position -Statement of revenues, expenses, and changes in net position -Statement of cash flows	-Statement of fiduciary net position -Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources measurement focus	Accrual accounting and economic resource method	Accrual accounting and economic resources focus
Type of asset and liability information	All assets and liabilities both financial and capital, short term and long term	Current assets and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both financial and capital short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow and outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during the year or soon thereafter; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

The remainder of this overview explains the structure and contents of the government-wide and fund financial statements.

Government-wide financial statements

Government-wide financial statements report information about the COUNTY as a whole using accounting methods similar to those used by private-sector companies.

- The statement of net position includes all the COUNTY's assets and liabilities, except fiduciary funds, with the difference between the two reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business.
- The statement of activities focuses on how the COUNTY's net position changed during the year. Because it separates program revenue (revenue generated by specific programs through charges for services, grants and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program has to rely on local taxes for funding.

All changes to net position are reported using the accrual method of accounting, which requires that revenues be reported when they are earned and expenses be reported when the goods and/or services are received, regardless of when cash is received or paid.

Net position is one way to measure the COUNTY's financial position. Over time, increases or decreases in the COUNTY's net position is one indicator of whether the COUNTY's financial position is improving or deteriorating. However, other non-financial factors such as changes in the COUNTY's real estate property tax base and general economic conditions must be considered to assess the overall position of the COUNTY.

The primary government and its component units are included in the government-wide financial statements. Component units reflect the activities of legally separate government entities over which the COUNTY can exercise influence and/or be obligated to provide financial support. The COUNTY has one blended component unit, the Jefferson County Solid Waste Authority, and one discretely presented component unit, the Jefferson County Fair Authority, that are included in the financial statements. Complete and detailed financial statements for the component units are available for public inspection in the COUNTY's Finance Department. (See Note 1 in the Notes to the Financial Statements for additional information).

There is one category of activity for the primary government:

- Governmental activities include the COUNTY's basic services such as general and judicial administration, public safety, public works, human services, culture and recreation, conservation and development, and economic development. Property taxes and state and federal grants finance most of these activities.

Net position of the governmental activities differ from the governmental fund balances because governmental fund level statements only report transactions using or providing current financial resources. Also, capital assets are reported as expenditures when financial resources (money) are expended to purchase or build assets. Likewise, the financial resources that may have been borrowed are considered revenue when they are received. The principal and interest payments are both considered revenue when they are received. The principal and interest payments are both considered expenditures when paid. Depreciation is not calculated as it does not provide or reduce current financial resources. Finally, capital assets and long-term debt do not affect fund balances.

Government-wide statements are reported using an economic resources measurement focus and full accrual basis of accounting that involves the following steps to format the statement of net position:

- Report long-term debt as a liability
- Calculate revenue and expense using the economic resources measurement focus and the accrual basis of accounting

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

- Allocate net position balances as follows:
 - Net Investment in Capital Assets
 - Restricted net position is net position with constraints placed on the use by external sources (creditors, grantors, contributors, or laws or regulations of governments) or imposed by law through constitutional provisions or enabling legislation
 - Unrestricted net position is net position that does not meet any of the above restrictions

Fund Financial Statements

Fund financial statements provide more detailed information on the COUNTY's most significant funds, not the COUNTY as a whole. Funds are accounting devices, i.e., a group of related accounts, the COUNTY uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law. Other funds are established to control and manage resources designated for specific purposes. Fund financial statements are reported using current financial resources and modified accrual accounting established by the Government Accounting Standards Board (GASB) for governments.

The COUNTY has three kinds of funds:

- *Governmental funds* include most of the COUNTY's basic services and focus on: (1) the flow in and out of cash and other financial assets that can readily be converted into cash, and: (2) the balances left at year-end that are available for spending. These funds are reported using the modified accrual accounting basis, and a current financial resources measurement focus. Consequently, the governmental funds statements provide a detailed short-term view that helps the financial resources available in the near future to finance the COUNTY's programs.

The relationship between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation that follows the governmental fund financial statements.

The COUNTY adopts an annual budget for the General Fund, as required by state law, and certain special revenue funds and capital projects funds. A budgetary comparison of the COUNTY's General Fund and major special revenue fund is presented as required supplementary information.

- *Proprietary Funds* report business-type programs and activities that charge fees designed to recover the cost of providing services. They report using full accrual accounting.
- *Fiduciary funds* are funds for which the COUNTY is the trustee or fiduciary. These include certain custodial funds, or clearing accounts, for assets held by the COUNTY in its role as custodian until the funds are allocated to the private parties, organizations, or government agencies to which they belong. The COUNTY is responsible to ensure the assets reported in these funds are used for their intended purposes. This fiduciary activity is reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position. These funds are excluded from the COUNTY's government-wide financial statements because the COUNTY cannot use these assets to finance its operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

GOVERNMENT-WIDE FINANCIAL STATEMENTS**Net Position**

The COUNTY's total assets were \$63,089,808 at December 31, 2023.

GASB No. 34 requires that all capital assets, including infrastructure, be valued and reported within the governmental activities column of the government-wide financial statements.

Table A-3
County of Jefferson
Condensed Statement of Net Position

	Governmental Activities		Changes from 2022 to 2023	Percentage Change
	2022	2023		
Assets:				
Capital Assets	\$ 35,599,121	\$ 34,243,131	\$ (1,355,990)	-3.8%
Other Assets	38,663,981	28,846,677	(9,817,304)	-25.4%
Total Assets	<u>74,263,102</u>	<u>63,089,808</u>	<u>(11,173,294)</u>	<u>-15.0%</u>
Deferred Outflows of Resources:				
Pension	850,787	3,105,963	2,255,176	265.1%
Deferred Charge on Refunding	164,227	149,905	(14,322)	-8.7%
Total Deferred Outflows	<u>1,015,014</u>	<u>3,255,868</u>	<u>2,240,854</u>	<u>220.8%</u>
Total Assets and Deferred Outflows	<u>\$ 75,278,116</u>	<u>\$ 66,345,676</u>	<u>\$ (8,932,440)</u>	<u>-11.9%</u>
Liabilities:				
Long-Term Liabilities	\$ 17,765,605	\$ 16,872,303	\$ (893,302)	-5.0%
Other Liabilities	8,692,038	6,644,414	(2,047,624)	-23.6%
Total Liabilities	<u>26,457,643</u>	<u>23,516,717</u>	<u>(2,940,926)</u>	<u>-11.1%</u>
Deferred Inflows of Resources:				
Pension	4,561,026	230,826	(4,330,200)	-94.9%
Total Liabilities and Deferred Inflows	<u>\$ 31,018,669</u>	<u>\$ 23,747,543</u>	<u>\$ (7,271,126)</u>	<u>-23.4%</u>
Net Position:				
Net Investments in Capital Assets	\$ 17,205,244	\$ 16,704,677	\$ (500,567)	-2.9%
Restricted Net Position	6,567,250	7,015,334	448,084	6.8%
Unrestricted Net Position	20,486,953	18,878,122	(1,608,831)	-7.9%
Total Net Position	<u>\$ 44,259,447</u>	<u>\$ 42,598,133</u>	<u>\$ (1,661,314)</u>	<u>-3.8%</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Change in Net Position

The following statement of activities represents changes in net position for the year ended December 31, 2023. It shows revenues by source and expenses by function for governmental activities and the government as a whole.

Table A-4
County of Jefferson
Condensed Statement of Activities

	Governmental Activities		Changes From 2022 to 2023	Percentage Change
	2022	2023		
Program Revenues:				
Charges for Services	\$ 4,666,639	\$ 3,415,334	\$ (1,251,305)	-26.8%
Operating Grants and Contributions	17,309,490	13,799,488	(3,510,002)	-20.3%
Capital Grants and Contributions	3,564,574	3,469,370	(95,204)	-2.7%
General Revenues:				
Real Estate Taxes	10,718,807	10,869,261	150,454	1.4%
Hotel Tax	288,075	252,413	(35,662)	-12.4%
Investment Earnings	99,282	549,329	450,047	453.3%
Rental Income	11,365	12,162	797	7.0%
	<u>36,658,232</u>	<u>32,367,357</u>	<u>(4,290,875)</u>	<u>-11.7%</u>
Expenses:				
General Government –				
Administrative	1,763,396	2,296,754	533,358	30.2%
General Government - Judicial	3,844,429	4,670,440	826,011	21.5%
Public Safety	6,837,164	8,382,409	1,545,245	22.6%
Public Works	874,732	1,316,719	441,987	50.5%
Human Services	12,127,615	13,588,177	1,460,562	12.0%
Conservation/Economic Development	2,917,125	3,005,754	88,629	3.0%
Culture and Recreation	403,286	300,421	(102,865)	-25.5%
Interest on Long-Term Debt	489,317	467,997	(21,320)	-4.4%
	<u>29,257,064</u>	<u>34,028,671</u>	<u>4,771,607</u>	<u>16.3%</u>
Change in Net Position	7,401,168	(1,661,314)	(9,062,482)	-122.4%
Net Position - January 1 - Beginning of Year	<u>36,858,279</u>	<u>44,259,447</u>	<u>7,401,168</u>	<u>20.1%</u>
Net Position - December 31- End of Year	<u>\$ 44,259,447</u>	<u>\$ 42,598,133</u>	<u>\$ (1,661,314)</u>	<u>-3.8%</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**Net Program Expenses**

Net program expenses indicate the amount of support required from taxes and other general revenues for a program of the government. In 2023, real estate taxes brought in \$10,869,261.

Table A-5
County of Jefferson
Net Cost of Governmental Activities

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Program:		
General Government - Administration	\$ 2,296,754	\$ (707,455)
General Government - Judicial	4,670,440	(2,608,006)
Public Safety	8,382,409	(5,802,263)
Public Works	1,316,719	(676,775)
Human Services	13,588,177	(2,521,655)
Conservation/Economic Development	3,005,754	(291,126)
Culture and Recreation	300,421	(269,202)
Debt Service	467,997	(467,997)
	<u>\$ 34,028,671</u>	<u>\$ (13,344,479)</u>

The COUNTY relied on real estate taxes and other general revenues to fund \$13,344,479 of its governmental activities in 2023.

The real estate tax is based on the assessed value of real property. Changes in the assessed valuation affect tax revenues. The rate of taxation in 2023 was 12.50 mills for general purposes.

Approximately 55.8% of judicial system spending came from property tax and other general revenues with the remainder coming from grants, fines, and courts costs. Property taxes and other general revenues covered 69.2% of public safety cost with the remainder coming from grants and fees covering room and board at the county prison.

Public works, human services, conservation and economic development, culture and recreation, and debt service expenditures required 51.4%, 18.6%, 9.7%, 89.6%, and 100.0% respectively, from property taxes and other general revenue.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**Capital Assets**

The COUNTY's capital assets, net of accumulated depreciation, was \$34,243,131 at December 31, 2023. A summary of capital assets at December 31, 2023 is as follows:

Governmental Activities:	
Capital assets not being depreciated (cost):	
Land	\$ 453,514
Construction in progress	47,425
Total capital assets not being depreciated	<u>500,939</u>
Capital assets being depreciated (cost):	
Buildings and improvements	36,653,474
Furniture, fixtures, and equipment	4,856,568
Vehicles	1,054,184
Bridges, roads, and rail trails	27,059,302
Right of use building space	525,865
Right of use tower	253,521
Total capital assets being depreciated	<u>70,402,914</u>
Less accumulated depreciation for:	
Buildings and improvements	18,840,230
Furniture, fixtures, and equipment	3,870,166
Vehicles	852,144
Bridges, roads, and rail trails	12,930,439
Right of use building space	136,053
Right of use tower	31,690
Total accumulated depreciation	<u>36,660,722</u>
Total capital assets being depreciated, net	<u>33,742,192</u>
Total capital assets, governmental activities	<u>\$ 34,243,131</u>

The total depreciation expense in 2023 to the governmental activities was \$1,829,197.

See Note 5 to the financial statements for further detail on capital assets.

Debt Administration

At December 31, 2023, the COUNTY had \$15,730,000 of long-term bonds and notes outstanding. The COUNTY's long-term debt decreased 4.4% in 2023.

	County of Jefferson			Ending Balance
	Statement of Long-Term Debt			
	Beginning Balance	Additions	Reductions	
General Obligations	\$ 16,455,000	\$ -	\$ (725,000)	\$ 15,730,000
G.O. Premium	1,390,425	-	(77,246)	1,313,179
Total Debt Obligations	<u>17,845,425</u>	-	<u>(802,246)</u>	<u>17,043,179</u>
Leases Payable	712,679	-	(67,499)	645,180
Compensated Absences	<u>271,994</u>	<u>308,515</u>	<u>(271,994)</u>	<u>308,515</u>
Total Long-Term Liabilities	<u>\$ 18,830,098</u>	<u>\$ 308,515</u>	<u>\$ (1,141,739)</u>	<u>\$ 17,996,874</u>

See Note 7 to the financial statements for further detail on long-term debt.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

The COUNTY uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the COUNTY's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the COUNTY's net resources available for spending at the end of the year.

The COUNTY's governmental funds include the General Fund, special revenue funds, capital project funds, and the debt service funds. The General Fund is the chief operating fund for the COUNTY. Special revenue funds are restricted to specific legislated use. Capital project funds account for the proceeds of bond issues. Debt service funds account for the accumulation of financial resources for, and the payment of, general long-term obligations' principal, interest, and related costs. The major funds are shown on the statement of revenues, expenditures and changes in fund balances in the financial statements.

GOVERNMENTAL FUND REVENUES

Governmental fund revenues by source at December 31, 2022, and December 31, 2023, were as follows.

Table A-8
County of Jefferson
Revenues and Other Financing Sources by Source, Governmental Funds

	2022	2023	Changes from 2022 to 2023	Percentage of Change
Revenues and Other Financing Sources:				
Taxes	\$ 11,099,189	\$ 11,094,263	\$ (4,926)	0.0%
Licenses and Permits	59,514	57,139	(2,375)	-4.0%
Grants and Gifts	20,874,064	17,268,858	(3,605,206)	-17.3%
Charges for Services	3,046,550	2,993,400	(53,150)	-1.7%
Fines and Costs	385,895	452,633	66,738	17.3%
Interest and Rents	110,340	552,473	442,133	400.7%
Operating Transfers In	2,807,380	3,496,755	689,375	24.6%
Total Revenue and Other Financing Sources	\$ 38,382,932	\$ 35,915,521	\$ (2,467,411)	-6.4%

Governmental fund revenues totaled \$35,915,521 for the year ended December 31, 2023. This is a net decrease of \$2,467,411 or 6.4% from 2022. The decrease was largely due to decreases in taxes, licenses and permits, grants and gifts, and charges for services. Taxes decreased in 2023 by \$4,926, while licenses and permits decreased by \$2,375 or 4.0%. Grants and gifts decreased by \$3,605,206 or 17.3%. This is largely due to decreases in American Rescue Plan Act (\$4,217,398), Emergency Rental Assistance Program (\$1,326,414), and Department of Development (\$1,718,558) revenue. This was partially offset by increases in Children and Youth (\$1,402,393), Community Development Block Grant (\$1,932,394), and Medical Assistance Transportation Program (\$291,569) funds. Charges for services had a decrease of \$53,150 or 1.7% from 2022. Fines and costs increased \$66,738 or 17.3% in 2023. These increases were largely due to increases in District Justice (\$12,514) and Prothonotary (\$53,235) fines. The interest and rents increased \$442,133 or 400.7% in 2023 due to rising interest rates in 2023. Operating transfers increased by \$689,375 or 24.6% in 2023, largely due to increases in Children and Youth transfers of \$486,306 and Debt Service transfers of \$530,448. This was partially offset by decreases in transfers to the General Fund (\$70,522) and Gas Well Impact Fund (\$265,016).

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**GOVERNMENTAL FUND EXPENDITURES**

Governmental fund expenditures by function at December 31, 2022 and December 31, 2023 are as follows:

Table A-9
County of Jefferson
Expenditures and Other Financing Uses by Function, Governmental Funds

	2022	2023	Changes from 2022 to 2023	Percentage Of Change
Expenditures and Other Financing Uses:				
General Government – Administrative	\$ 3,414,440	\$ 3,379,992	\$ (34,448)	-1.0%
General Government – Judicial	3,590,526	3,654,870	64,344	1.8%
Public Safety	6,765,252	7,171,136	405,884	6.0%
Public Works	885,053	823,890	(61,163)	-6.9%
Human Services	12,396,158	13,302,372	906,214	7.3%
Conservation/Economic Development	2,904,816	2,927,167	22,351	0.8%
Culture and Recreation	535,571	166,971	(368,600)	-68.8%
Debt Service	1,319,823	1,324,326	4,503	0.3%
Operating Transfers Out	2,807,380	3,496,755	689,375	24.6%
Total Expenditures and Other Financing Uses	<u>\$ 34,619,019</u>	<u>\$ 36,247,479</u>	<u>\$ 1,628,460</u>	<u>4.7%</u>

Governmental fund expenditures totaled \$36,247,479 for the year ended December 31, 2023. This represents an increase of \$1,628,460 or 4.7% from 2022. This increase in 2023 was largely due to increases in general government judicial, public safety, human services, conservation and economic development, debt service, and operating transfers out.

Expenditures decreased in general government administrative, public works, and culture and recreation in 2023.

General government administration expenditures decreased by \$34,448 or 1.0% in 2023. This decrease is largely due to decreases in tax assessment expenditures of \$68,260, tax collectors expenditures of \$35,815, treasurer expenditures of \$29,817, and capital purchases of \$249,626. These decreases were partially offset by increases in commissioner expenditures of \$87,257, building and maintenance expenditures of \$48,219, and central department expenditures of \$216,071.

General government judicial expenditures increased by \$64,344 or 1.8% in 2023. District justice expenditures increased by \$88,785, coroner expenditures increased by \$52,133, and public defender expenditures increased by \$43,548. These increases were partially offset by reductions in prothonotary expenditures by \$68,086 and capital purchases by \$43,592.

Public safety expenditures increased \$405,884 or 6.0% in 2023. This increase is largely due to increases in jail expenditures of \$25,846, emergency management expenditures of \$45,188, Intermediate Punishment Program expenditures of \$33,499, Offender Supervision expenditures of \$25,709, and capital purchases of \$348,107. This increase was partially offset by a decrease in 911 Fund expenditures of \$88,272.

Public works expenditures decreased by \$61,163 or 6.9% in 2023. General Fund public works contributions decreased by \$54,225 and Gas Well Impact Fund expenditures decreased by \$412,688. Liquid Fuels expenditures increased by \$423,785.

Human services expenditures increased by \$906,214 or 7.3% in 2023. Children and Youth expenditures increased by \$1,853,266, while Community Action Fund expenditures decreased by \$1,038,866 and Independent Living Fund expenditures decreased by \$79,335.

Conservation and economic development program expenditures increased by \$22,351 or 0.8% in 2023. Community Development Block Grant Fund expenditures increased by \$1,949,341. This increase was partially offset by reductions in Department of Development Fund expenditures of \$1,735,200, PA Accessible Housing Fund expenditures of \$117,221, and contribution expenditures of \$74,569.

Culture and recreation program expenditures decreased by \$368,600 or 68.8% in 2023. This decrease was due to decreases in Hotel Tax Fund expenditures of \$162,335 and capital purchases of \$248,265, and was partially offset by an increase in Gas Well Impact Fund expenditures of \$42,000.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Debt Service expenditures increased in 2023 by \$4,503 or 0.3%, largely due to the increase of debt service payments on the 2021 bond of \$3,749.

Operating transfers out increased by \$689,375 or 24.6% in 2023, due to an increase in General Fund transfers of \$1,024,913. This was partially offset by decreases in Liquid Fuels Fund transfers by \$265,016 and Offender Supervision Fund transfers by \$70,522.

Governmental Fund Balances

Table A-10 reflects ending balances for governmental funds at December 31, 2023:

Table A-10	
Ending Fund Balances, Governmental Funds	
<u>Fund</u>	<u>Fund Balance</u>
General Fund	\$ 13,956,152
Non-Major Governmental Funds	<u>5,364,004</u>
Total Governmental Fund Balances	<u>\$ 19,320,156</u>

BUDGETARY HIGHLIGHTS

In 2023, the COUNTY recorded in the General Fund excess revenue and other financing sources under expenditures and other financing uses in the amount of \$813,705. The General Fund's 2023 ending fund balance was \$13,956,152. The non-spendable fund balance amount is \$301,828, which is made of inventories and prepaid expenditures. The restricted fund balance totals \$5,496,445, which is restricted for governmental programs, debt service, and capital projects. The assigned fund balance totals \$10,913,050 which is earmarked for general government administration, general government judicial, public safety services, human services, capital projects, and debt service. The unassigned balance for the General Fund is \$2,608,833. The General Fund revenues were \$116,149 underbudget while expenditures were \$1,280,956 underbudget. The Children and Youth Fund revenues were \$517,361 overbudget while expenditures were \$519,082 overbudget. The General Fund provided a match of \$1,878,948.

NEXT YEAR'S BUDGET

The COUNTY adopted a 2023 operating budget prior to December 31, 2023. The budget was based on 100% assessed valuation for real estate taxes. The 2023 real estate tax millage rate remained at 12.5 mills. The Hotel Room Tax rate is 5%. \$1,228,050 will be transferred from the General Fund to the Debt Service Fund to cover the 2024 Debt Service payments.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the COUNTY's finances and to demonstrate the COUNTY's accountability. Questions concerning this financial information or requests for additional information should be directed to:

COUNTY OF JEFFERSON
County Commissioners
Courthouse Annex
155 Main Street, Jefferson Place
Brookville, PA 15825

COUNTY OF JEFFERSON
STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Primary Government		Discretely Presented Component Unit
	Governmental Activities	Total	Total
Assets			
Cash and Cash Equivalents	\$ 15,295,141	\$ 15,295,141	\$ 47,317
Investments	53,655	53,655	261,712
Accounts Receivable	1,354,356	1,354,356	1,112
Taxes Receivable	965,134	965,134	-
Due From Other Governments	8,347,786	8,347,786	23,705
Inventory	9,862	9,862	-
Prepaid Assets	344,833	344,833	-
Restricted Cash			
Cash for Debt Service	16,145	16,145	-
Cash for Escheat	20,482	20,482	-
Cash for Revolving Funds	1,181	1,181	-
Cash for Self-Insurance	432,047	432,047	-
Cash for Fair Authority	-	-	102,554
Investments for Fair Authority	-	-	103,352
Capital Assets Not Being Depreciated	500,939	500,939	-
Capital Assets Being Depreciated, Net	33,742,192	33,742,192	7,102
Net Pension Asset	2,006,055	2,006,055	-
	<u>63,089,808</u>	<u>63,089,808</u>	<u>546,854</u>
Total Assets			
Deferred Outflows of Resources			
Pension	3,105,963	3,105,963	-
Deferred Charge on Refunding	149,905	149,905	-
	<u>3,255,868</u>	<u>3,255,868</u>	<u>-</u>
Total Deferred Outflows of Resources			
	<u>66,345,676</u>	<u>66,345,676</u>	<u>546,854</u>
Total Assets and Deferred Outflows of Resources			
Liabilities			
Accounts Payable	3,166,537	3,166,537	1,244
Accrued Expenses and Withholdings	442,208	442,208	-
Escheat Payable	20,482	20,482	-
Unearned Revenue	1,320,365	1,320,365	5,895
Due to Other Governments	2,105	2,105	-
Interest Payable	20,127	20,127	-
Other Current Liabilities	548,019	548,019	-
Current Portions of Long Term Liabilities:			
General Obligation Bonds Payable	745,000	745,000	-
Leases Payable	71,056	71,056	-
Compensated Absences	308,515	308,515	-
Non-Current Portions of Long Term Liabilities:			
General Obligation Bonds Payable	16,298,179	16,298,179	-
Leases Payable	574,124	574,124	-
	<u>23,516,717</u>	<u>23,516,717</u>	<u>7,139</u>
Total Liabilities			
Deferred Inflows of Resources			
Pension	230,826	230,826	-
	<u>230,826</u>	<u>230,826</u>	<u>-</u>
Net Position			
Net Investment in Capital Assets	16,704,677	16,704,677	7,102
Restricted Net Position	7,015,334	7,015,334	205,906
Unrestricted Net Position	18,878,122	18,878,122	326,707
	<u>\$ 42,598,133</u>	<u>\$ 42,598,133</u>	<u>\$ 539,715</u>
Total Net Position			

The accompanying notes are an integral part of the financial statements.

COUNTY OF JEFFERSON
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	General Fund	Children and Youth	Non-Major Governmental Funds	Total Governmental Funds
<u>Assets</u>				
Cash and Cash Equivalents	\$ 7,183,719	\$ 1,616	\$ 8,109,806	\$ 15,295,141
Investments	-	-	53,655	53,655
Accounts Receivable	1,286,011	5,259	63,086	1,354,356
Taxes Receivable	913,655	-	51,479	965,134
Due From Other Governments	417,368	6,943,037	987,381	8,347,786
Due From Other Funds	8,639,094	-	1,465,273	10,104,367
Inventory	9,862	-	-	9,862
Prepaid Assets	291,966	-	52,867	344,833
Restricted Cash				
Cash for Debt Service	-	-	16,145	16,145
Cash for Escheats	20,482	-	-	20,482
Cash for Revolving Funds	-	-	1,181	1,181
Total Assets	\$ 18,762,157	\$ 6,949,912	\$ 10,800,873	\$ 36,512,942
<u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 956,016	\$ 865,295	\$ 1,345,226	\$ 3,166,537
Accrued Expenses and Withholdings	324,737	65,386	52,085	442,208
Escheat Payable	20,482	-	-	20,482
Unearned Revenue	-	-	1,320,365	1,320,365
Due to Other Governments	1,923	-	182	2,105
Due to Other Funds	1,366,125	6,019,231	2,719,011	10,104,367
Other Current Liabilities	548,019	-	-	548,019
Total Liabilities	3,217,302	6,949,912	5,436,869	15,604,083
<u>Deferred Inflows of Resources</u>				
Unavailable Revenue - Property Taxes	501,861	-	-	501,861
Unavailable Revenue - Other	1,086,842	-	-	1,086,842
Total Deferred Inflows of Resources	1,588,703	-	-	1,588,703
<u>Fund Balances</u>				
Nonspendable:	301,828	-	-	301,828
Restricted:				
General Government	20,482	-	1,663,444	1,683,926
Judicial Government	-	-	396,891	396,891
Public Safety	-	-	865,886	865,886
Public Works	-	-	1,090,294	1,090,294
Human Services	111,959	-	44,979	156,938
Conservation/Economic Development	-	-	2,119	2,119
Culture and Recreation	-	-	330,565	330,565
Capital Projects	-	-	953,681	953,681
Debt Service	-	-	16,145	16,145
Assigned:				
General Government	1,890,000	-	-	1,890,000
Judicial Government	1,185,000	-	-	1,185,000
Public Safety	2,030,000	-	-	2,030,000
Human Services	1,100,000	-	-	1,100,000
Capital Projects	3,480,000	-	-	3,480,000
Debt Service	1,228,050	-	-	1,228,050
Unassigned:	2,608,833	-	-	2,608,833
Total Fund Balances	13,956,152	-	5,364,004	19,320,156
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 18,762,157	\$ 6,949,912	\$ 10,800,873	\$ 36,512,942

The accompanying notes are an integral part of the financial statements.

COUNTY OF JEFFERSON
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2023

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Fund Balances of Governmental Funds:	\$ 19,320,156
Capital assets, including infrastructure assets, used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	34,243,131
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	432,047
The funds record only the tax revenue received through a period of 60 days subsequent to year-end. The statement of net position includes a receivable for the County's anticipated collections on the levy.	501,861
The funds record only the revenue other than from property taxes received through a period of 365 days subsequent to year-end. The statement of net position includes a receivable for the County's anticipated collections on these receipts.	1,086,842
Long-term liabilities are not due and payable in the current period and accordingly not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the Statement of Net Position. Long-term liabilities at year-end consist of:	
Net Pension Asset	2,006,055
Deferred Outflows of Resources - Pension	3,105,963
Deferred Inflows of Resources - Pension	(230,826)
General Obligation Bonds Payable	(15,730,000)
Leases Payable	(645,180)
Accrued Interest Payable	(20,127)
Unamortized Bond Premium	(1,313,179)
Deferred Charge on Refunding	149,905
Compensated Absences	(308,515)
	(308,515)
Total Net Position of Governmental Activities	\$ 42,598,133

The accompanying notes are an integral part of the financial statements.

COUNTY OF JEFFERSON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	General Fund	Children and Youth Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues				
Real Estate and Hotel Taxes	\$ 10,841,850	\$ -	\$ 252,413	\$ 11,094,263
Licenses and Permits	57,139	-	-	57,139
Grants and Gifts	948,376	7,915,266	8,405,216	17,268,858
Charges for Services	2,344,746	109,006	539,648	2,993,400
Fines and Costs	452,633	-	-	452,633
Interest and Rents	457,098	-	95,375	552,473
	<u>15,101,842</u>	<u>8,024,272</u>	<u>9,292,652</u>	<u>32,418,766</u>
Total Revenues				
Expenditures				
General Government	3,142,325	-	237,667	3,379,992
Judicial Government	3,239,563	-	415,307	3,654,870
Public Safety	5,406,614	-	1,764,522	7,171,136
Public Works	108,000	-	715,890	823,890
Human Services	382,131	9,903,220	3,017,021	13,302,372
Conservation/Economic Development	94,723	-	2,832,444	2,927,167
Culture/Recreation	54,000	-	112,971	166,971
Debt Service	61,436	-	1,262,890	1,324,326
	<u>12,488,792</u>	<u>9,903,220</u>	<u>10,358,712</u>	<u>32,750,724</u>
Total Expenditures				
Excess of Revenues Over (Under) Expenditures	<u>2,613,050</u>	<u>(1,878,948)</u>	<u>(1,066,060)</u>	<u>(331,958)</u>
Other Financing Sources (Uses)				
Operating Transfers In	35,000	1,878,948	1,582,807	3,496,755
Operating Transfers (Out)	<u>(3,461,755)</u>	<u>-</u>	<u>(35,000)</u>	<u>(3,496,755)</u>
	<u>(3,426,755)</u>	<u>1,878,948</u>	<u>1,547,807</u>	<u>-</u>
Total Other Financing Sources (Uses)				
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(813,705)	-	481,747	(331,958)
Fund Balances - Beginning of Year	<u>14,769,857</u>	<u>-</u>	<u>4,882,257</u>	<u>19,652,114</u>
Fund Balances - End of Year	<u>\$ 13,956,152</u>	<u>\$ -</u>	<u>\$ 5,364,004</u>	<u>\$ 19,320,156</u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF JEFFERSON
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances - Total Governmental Funds \$ (331,958)

Governmental funds report capital purchases as expenditures. In the Statement of Activities, the cost of these assets is depreciated over the estimated useful lives and is reported as depreciation expense. The difference in the current period between capital expenditures (\$473,207) and depreciation expense (\$1,829,197) is a reconciling item.

Capital Assets Additions	\$ 473,207	
Depreciation Expense	<u>(1,829,197)</u>	(1,355,990)

Internal service fund is used by management for self-insurance on employee health insurance deductible claims. The net gain of these activities is reported with the governmental activities. 100,342

Governmental funds report tax receipts through only 60 days of subsequent period. The Statement of Activities includes full amount of levy deemed collectible by County. The increase in revenue is due to an increase in the unavailable revenue - property taxes balance at the end of 2023. 27,411

Governmental funds report revenues other than from property taxes if they are collected within 365 days of the end of the subsequent period. The Statement of Activities includes the full amount of revenue deemed collectible by the County. (87,838)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt.

Lease Principal Payments	67,499	
Amortization of Bond Premium	77,246	
Amortization of Deferred Charge on Refunding	(14,322)	
Principal Repayments	<u>725,000</u>	855,423

Governmental funds do not report the changes in pension expense. (833,089)

Pursuant to the modified accrual basis of accounting, governmental funds do not recognize expenditures for transactions that are not normally paid with expendable available financial resources. Pursuant to the accrual basis of accounting, the Statement of Activities reports expenses and liabilities regardless of when financial resources are available. In addition, interest on long-term debt is not recognized in the governmental funds until due, while it is accrued in the Statement of Activities. The differences for the items discussed above are:

Compensated Absences		(36,521)
Accrual of Interest on Long-Term Debt		<u>906</u>

Change in Net Position of governmental activities \$ (1,661,314)

The accompanying notes are an integral part of the financial statements.

COUNTY OF JEFFERSON
STATEMENT OF NET POSITION – PROPRIETARY FUND
DECEMBER 31, 2023

	<u>Governmental Activities</u>
	<u>Internal Service Fund</u>
Assets	
Restricted Cash	<u>\$ 432,047</u>
Total Assets	<u><u>\$ 432,047</u></u>
Net Position	
Restricted	
Self-Insurance	<u>\$ 432,047</u>
Total Net Position	<u><u>\$ 432,047</u></u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF JEFFERSON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION –
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2023

	Governmental Activities
	Internal Service Fund
Operating Revenues	
Contributions	\$ 259,462
Total Operating Revenues	259,462
Operating Expenses	
Employee Benefits	168,138
Total Operating Expenses	168,138
Operating Gain/(Loss)	91,324
Nonoperating Revenues/Expenses	
Interest Income	9,018
Total Nonoperating Revenues	9,018
Net Gain/(Loss)	100,342
Net Position:	
Beginning of Year	331,705
End of Year	\$ 432,047

The accompanying notes are an integral part of the financial statements.

COUNTY OF JEFFERSON
STATEMENT OF CASH FLOWS – PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2023

	Governmental Activities
	Internal Service Fund
Cash Flows From Operating Activities	
Cash Received for Medical Claims	\$ 259,462
Cash Payments for Medical Claims	(168,138)
Net Cash Provided by Operating Activities	91,324
Cash Flows from Investing Activities	
Interest	9,018
Net Cash Provided by Investing Activities	9,018
Net Increase in Cash and Cash Equivalents	100,342
Cash and Cash Equivalents, Beginning of Year	331,705
Cash and Cash Equivalents, End of Year	\$ 432,047
Reconciliation of operating income to net cash provided by operating activities	
Operating Income	\$ 91,324
Net Cash Provided by Operating Activities	\$ 91,324

The accompanying notes are an integral part of the financial statements.

COUNTY OF JEFFERSON
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2023

	<u>Custodial Funds</u>
Assets	
Cash and Cash Equivalents	<u>\$ 1,263,615</u>
Total Assets	<u><u>\$ 1,263,615</u></u>
Liabilities	
Due to Other Governments	<u>\$ 286,176</u>
Total Liabilities	<u><u>\$ 286,176</u></u>
Net Position	
Restricted For:	
Individuals, Organizations, and Other Governments	<u>\$ 977,439</u>
Total Net Position	<u><u>\$ 977,439</u></u>
Total Liabilities and Net Position	<u><u>\$ 1,263,615</u></u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF JEFFERSON
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED DECEMBER 31, 2023

	Custodial Funds
Additions	
Realty Tax Collected for Other Governments	\$ 1,341,600
Inheritance Tax Collected for Other Governments	104,726
Fees Collected for Other Governments	4,008,323
Inmate Account Collections	798,116
Fees and Fines Collected - Other	349,680
Support Payments	185,125
Miscellaneous Income	9,115
Total Additions	6,796,685
Deductions	
Realty Tax Collected for Other Governments	1,340,132
Inheritance Tax Collected for Other Governments	104,726
Fees Collected for Other Governments	3,665,256
Inmate Disbursements	782,184
Payments to Other Entities	239,060
Support Payments	183,757
Total Deductions	6,315,115
Change in Net Position	481,570
Net Position - Beginning of Year	495,869
Net Position - End of Year	\$ 977,439

The accompanying notes are an integral part of the financial statements.

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1: NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The County of Jefferson (the "County") was formed in 1804, and operates under the direction of an elected Board of Commissioners which provides the following services: general government, judicial government, public safety, public works, human services, culture/recreation, and conservation/development. The County follows the criteria promulgated by the Governmental Accounting Standards Board ("GASB") Statement No. 61 "The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34" for purposes of determining the scope of its reporting entity. As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County of Jefferson (the Primary Government) and its Component Units. The Blended and Discretely Presented Component Units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County.

1. Component Units

a. Blended Component Unit

In conformity with accounting principles generally accepted in the United States of America, the financial statements of the Component Unit discussed below has been included in the financial Reporting Entity as a Blended Component Unit.

The Jefferson County Solid Waste Authority (the "Authority") was established to collect fees and account for expenditures related to the hauling of municipal waste. The County can significantly influence the operations of the Authority by hiring and dismissing employees of the Authority. Therefore, the Authority is included in the Special Revenue Funds of the financial statements of the Reporting Entity. The reporting period for the Authority is for the year ended December 31, 2023.

b. Discretely Presented Component Unit

In conformity with accounting principles generally accepted in the United States of America, the financial statements of the Component Unit described below has been included in the financial reporting entity as a discretely presented component unit.

The Jefferson County Fair Authority ("Fair Authority") was first established as an Authority (originally called the Jefferson County Ag and Youth Fair Authority) on August 29th, 1989, under the Municipalities Authorities Act of 1945. On June 27, 1997, the Authority's by-laws were amended to change the legal name to the Jefferson County Fair Authority. The Fair Authority was formed to create, foster, and conduct annually, an agricultural fair and exposition for peoples of rural and urban residences, occupations, and education. The Fair Authority is governed by a Board of Directors, consisting of up to nine unpaid members who are appointed to five-year terms by the commissioners of Jefferson County.

2. Related Organizations

The Board of Commissioners is also responsible for appointing the members of the Boards of other organizations, but the County's accountability for these organizations generally does not extend beyond making the appointments. The County does not designate management nor does it have the ability to significantly influence the operations of these entities. In addition, the County does not supply significant funding (either directly or as a result of special financing relationships) and has no responsibility for fiscal matters for these entities. These organizations include:

COUNTY OF JEFFERSON
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2023

NOTE 1: NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (CONTINUED)

2. Related Organizations (Continued)

- Clearfield-Jefferson Counties Regional Airport Authority
- Housing Authority of the County of Jefferson
- Jefferson County Area Agency on Aging
- Jefferson County Park Authority
- Jefferson County Hospital Authority
- Clearfield-Jefferson Drug and Alcohol Commission, Inc.
- Area Transportation Authority of North Central Pennsylvania
- Community Connections of Clearfield/Jefferson Counties
- Jefferson County Municipal Authority
- Jefferson County Conservation District

B) Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., statement of net position and the statement of changes in net position) report information on all the non-fiduciary activities of the primary government and its discretely presented component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are affected by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1.) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2.) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

1. Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of the related cash flow. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability rather than expenditures.

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 1: NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

2. Fund Financial Statements

The underlying accounting system of the County is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance or net position, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. The fiduciary statements include financial information of the County's custodial funds. The custodial funds of the County primarily represent assets held by the County in a custodial capacity for other individuals or governments.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 365 days of the end of the current fiscal period with the exception of property taxes which must be received within 60 days of year end to be deemed available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Operating and capital grants and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when the County receives cash.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources". Governmental funds operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during the period.

Because of their spending measurement focus, expenditure recognition for governmental fund types exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

COUNTY OF JEFFERSON
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2023

NOTE 1: NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (CONTINUED)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation
 (Continued)

2. Fund Financial Statements (Continued)

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended rather than as fund assets. The proceeds of long-term debt are recorded as other financing sources rather than fund liabilities. However, debt service expenditures, as well as expenditures related to compensated absences and claims for judgments, are recorded only when payment is due.

Proprietary Funds

The County's internal service fund is a proprietary fund. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Amounts paid to acquire capital assets are capitalized as assets in the fund financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the fund financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities, rather than an expense.

3. Financial Statement Presentation

The County reports the following major governmental funds:

- The General Fund is the primary government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Children and Youth Fund is used to account for Human Service expenditures on domestic childcare.

The County reports the following proprietary fund type:

- The Internal Service Fund is used to account for the activities of the County's Self-Insurance Fund, which is used to help fund health insurance deductibles of County employees.

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 1: NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

3. Financial Statement Presentation (Continued)

Additionally, the County reports the following fiduciary fund type:

- The Custodial Funds are for the recording of restricted revenues of the various row offices of the County. The row office funds, in essence, are escrow funds maintained by the row offices for bail posted, funds held for sheriff sale, realty transfer taxes held and other funds reserved for disposition of legal action.

D) Assets, Liabilities, Deferred Inflows/Outflows, and Net Position or Fund Balances

1. Cash and Cash Equivalents

Cash and cash equivalents include certain short-term investments generally maturing in three months or less, when acquired.

2. Interfund Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as "due to/from other funds."

3. Investments

Investments for the County are reported at fair value. Investments that do not have an established market value are reported at estimated values.

4. Restricted Assets

Assets whose use is limited to a specific purpose have been classified as "restricted" in the statement of net position and balance sheets and offset by either corresponding liabilities or reserved and restricted net position or fund balance. The restricted amounts are held for future debt service payments, special project funds and funds held in fiduciary capacity, as detailed in Note 3.

5. Capital Assets

The cost of capital assets acquired for general government purposes is recorded as an expenditure in the governmental funds and as an asset in the government-wide financial statements to the extent the County's capitalization threshold has been met.

Capital assets, which include land; construction in progress; buildings and improvements; furniture, fixtures and equipment; and infrastructure assets including bridges, roads and rail trail are recorded in the government-wide financial statements. Capital assets are defined by the County as assets with a value of \$5,000 or more and useful life longer than one year. This capitalization threshold is applied to individual capital assets rather than to groups/sets of capital assets (e.g., chairs, desks, etc.). Such assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated.

COUNTY OF JEFFERSON
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2023

NOTE 1: NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (CONTINUED)

D) Assets, Liabilities, Deferred Inflows/Outflows, and Net Position or Fund Balances
 (Continued)

5. Capital Assets (Continued)

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenses that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

In accordance with GASB Statement No. 34, the County's infrastructure has been capitalized retroactively to 1980.

Capital assets of the County are depreciated using the straight-line method over the estimated useful lives of purchased, donated, and leased assets as follows:

Bridges, roads and rail trail	25-50 years
Vehicles	5-7 years
Buildings and improvements	20-40 years
Furniture, fixtures and equipment	3-20 years

6. Compensated Absences

County policy permits employees to accrue thirty days of earned, but unused vacation per year. Sick leave benefits are not paid upon termination. Unused vacation benefits are payable to employees upon separation of services. All leave pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is recorded. The computed liability is in compliance with GASB 16, *Accounting for Compensated Absences*.

7. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 1: NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

D) Assets, Liabilities, Deferred Inflows/Outflows, and Net Position or Fund Balances
(Continued)

8. Unearned Revenues

Revenues that are received but not earned are recorded as unearned revenue in the County's financial statements. In the County's governmental funds, unearned revenues arise when the potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has legal claim to the resources, the liability for unearned revenue is removed from the governmental funds balance sheet and revenue is recognized.

9. Deferred Inflows/Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows related to pensions are described further in Note 6. Under the accrual basis of accounting, the government-wide statement of net position reports contributions subsequent to the measurement date related to pensions, changes in assumptions as deferred outflows of resources, and net difference between projected and actual earnings on pension plan investments. The contributions subsequent to the measurement date will be recognized in the subsequent year. The changes in assumptions is amortized over a five-year closed period beginning the year in which the changes occurred. The net difference between projected and actual earnings on pension plan investments is amortized over a five-year closed period beginning the year in which the difference occurred.

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Under the modified accrual basis of accounting, the governmental funds report unavailable revenue from property taxes as a deferred inflow of resources. Deferred inflows related to pensions are described further in Note 6. Under the accrual basis of accounting, the government-wide statement of net position reports the differences between expected and actual experience as deferred inflows of resources. The differences between expected and actual experience are amortized over a five-year closed period beginning the year in which the difference occurred.

COUNTY OF JEFFERSON
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2023

NOTE 1: NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (CONTINUED)

D) Assets, Liabilities, Deferred Inflows/Outflows, and Net Position or Fund Balances
 (Continued)

10. Net Position/Fund Balances

GASB Statement No. 54 establishes accounting and financial standards for all governments that report governmental funds. It establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions as follow:

- A. Non-spendable - This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally to be maintained intact.
- B. Restricted - This classification consists of amounts that are restricted to specific purposes. This component of net position consists of constraints placed on net position use through external restrictions, such as constitution provisions or enabling legislation.
- C. Committed - This classification consists of amounts used for specific purposes imposed by formal actions of the County's highest level of decision-making authority (Commissioners). The removal or modification of the use of committed funds can only be accomplished by formal action prior to fiscal year-end by the County's highest level of authority.
- D. Assigned - This classification consists of amounts constrained by the County to be used for specific purposes that are neither restricted nor committed. The present procedure is for the Finance Director and Commissioners to jointly assign amounts to be used for specific purposes before issuance of audited financial statements.
- E. Unassigned - This component of net position consists of amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund.

The County's policy is to apply expenditures against any restricted fund balance, committed fund balance, assigned fund balance, and then unassigned fund balance.

The government-wide activities fund financial statements utilize a Net Position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- *Net Investment in Capital Assets* – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Position* – This category represents net position of the County, not restricted for any project or other purpose.

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 1: NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

D) Assets, Liabilities, Deferred Inflows/Outflows, and Net Position or Fund Balances
(Continued)

10. Net Position/Fund Balances (Continued)

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriations or are legally restricted by outside parties for use for a specified purpose. The various reserves and designations are established by actions of the Board of Commissioners and management and can be increased, reduced or eliminated by similar actions.

11. Interfund Transactions

Quasi-external transactions are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions except quasi-external transactions and reimbursements are reported as transfers.

12. Pensions

For purposes of measuring the net pension liability and deferred outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Pennsylvania Municipal Retirement System (PMRS) and additions to/deductions from PMRS's fiduciary net position have been determined on the same basis as they are reported by PMRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

13. Accounting Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual amounts may differ from those estimates.

14. Leases

The County is a lessee for noncancellable leases of property and a 911 tower. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities for leases that management determine to be material.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease asset is initially measured at the initial amount of the lease liability, adjusted for lease payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 1: NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

D) Assets, Liabilities, Deferred Inflows/Outflows, and Net Position or Fund Balances
(Continued)

14. Leases (Continued)

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

E) Budgets and Budgetary Accounting

Legal Requirements

Commonwealth of Pennsylvania statutes require that County Governments establish budgetary systems and adopt annual operating budgets. An annual budget is required to be legally adopted for the General Fund since real estate taxes are levied to finance its operation. Although not legally required, the County also adopts annual budgets for its Capital Projects Fund and certain Special Revenue Funds. Budgetary data is presented on the basis of accounting principles generally accepted in the United States of America for all funds that adopt annual budgets. Budgets are based on estimates of revenues and expenditures and are approved by the Commissioners. The County follows these procedures in establishing the budgetary data reflected in the financial statements:

County Budget Process

1. Prior to October 1, the department heads submit to the County Commissioners proposed operating budgets for the fiscal year which commences January 1.
2. The Commissioners then interview all department heads to discuss their budgets as submitted and allow them to substantiate projected expenditures at public hearings.
3. Subsequently, the County administrator's office assembles the preliminary projections of revenues and expenditures into a formal budget incorporating any revisions or adjustments resulting from the Commissioners' review.
4. Public hearings are conducted on the proposed budget. The proposed budget is available for public inspection for 20 days prior to final adoption.

COUNTY OF JEFFERSON
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2023

NOTE 1: NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (CONTINUED)

E) Budgets and Budgetary Accounting (Continued)

5. After the 20 day inspection period, but prior to December 31, the County Commissioners adopt the final budget by enacting an appropriate resolution.
6. The formal budgeting process is employed as a planning device. The budget adopted is on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budget amounts are as originally adopted, or as amended by the County Commissioners.

Level of Control

The County maintains budgetary control at the individual fund level.

Lapsing of Appropriations

Unexpended appropriations lapse at year-end.

Management Amendment Authority

During the course of the year, departmental needs may change, emergencies may occur, or additional revenue sources may arise. As a result, funds are occasionally transferred between line items of a department's budget or additional revenue may need to be budgeted for a specific project or grant. Adjustments to the budget are made on a line item basis during the year and are approved by the County Commissioners.

Financial analysis is provided monthly to management showing spending levels in comparison to the current budget. The budget is also reviewed by management with operating departments.

F) Adoption of Governmental Accounting Standards Board Statements

The County adopted the requirements of GASB Statement No. 94, "*Public-Private and Public-Public Partnership and Availability Payment Arrangements*". The adoption of this statement had no effect on previously reported amounts.

The County adopted the requirements of GASB Statement No. 96, "*Subscription-Based Information Technology Arrangements*". The adoption of this statement had no effect on previously reported amounts.

The County adopted certain requirements of GASB Statement No. 99, "*Omnibus 2022*". The adoption of the certain requirements of this statement had no effect on previously reported amounts.

G) Pending Changes in Accounting Principles

In June 2022, the GASB issued Statement No. 100, "*Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*". The County is required to adopt Statement No. 100 for its calendar year 2024 financial statements.

In June 2022, the GASB issued Statement No. 101, "*Compensated Absences*". The County is required to adopt Statement No. 101 for its calendar year 2024 financial statements.

COUNTY OF JEFFERSON
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2023

NOTE 1: NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (CONTINUED)

G) Pending Changes in Accounting Principles (Continued)

In December 2023, the GASB issued Statement No. 102, "*Certain Risk Disclosures*". The County is required to adopt Statement No. 102 for its calendar year 2025 financial statements.

In December 2023, the GASB issued Statement No. 103, "*Financial Reporting Model Improvements*". The County is required to adopt Statement No. 103 for its calendar year 2026 financial statements.

The County has not completed the various analysis required to estimate the financial statement impact of these new pronouncements.

NOTE 2: DEPOSIT AND INVESTMENT RISK

The components of cash, cash equivalents, and investments at December 31, 2023, are as follows:

	Cash and Cash Equivalents	Investments	Total
General Fund	\$ 7,204,201	\$ -	\$ 7,204,201
Children and Youth Fund	1,616	-	1,616
Non-major Funds	8,127,132	53,655	8,180,787
Fiduciary Funds	1,263,615	-	1,263,615
Internal Service Fund	432,047	-	432,047
Total	<u>\$ 17,028,611</u>	<u>\$ 53,655</u>	<u>\$ 17,082,266</u>

Interest Rate Risk – All of the investments held at December 31, 2023 were in certificates of deposit totaling \$53,655. The County had \$10,000 of investments with maturities of less than one year. The County does not have a formal investment policy that limits investment maturities, as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk – For deposits and investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

As of December 31, 2023, the County's cash, restricted cash balances, and certificates of deposit were \$17,082,266 and its bank balances were \$17,936,194. Of those bank balances, \$16,965,752 were exposed to custodial credit risk as they were collateralized with securities held by the pledging financial institutions, or by their trust departments or agents, but not in the County's name. Of the bank balances, \$970,442 was covered by Federal Depository Insurance.

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 3: RESTRICTED ASSETS

Assets whose use is limited to a specific purpose have been classified as “restricted” on the balance sheet. Restricted assets are comprised of the following:

<u>Governmental Funds</u>	Escheats Funds	Revolving Funds	Debt Funds	Internal Service Funds	Total
General Fund	\$ 20,482	\$ -	\$ -	\$ -	\$ 20,482
CDBG Fund	-	1,181	-	-	1,181
Debt Service Fund	-	-	16,145	-	16,145
Internal Service Fund	-	-	-	432,047	432,047
 Total Governmental Funds	 <u>\$ 20,482</u>	 <u>\$ 1,181</u>	 <u>\$ 16,145</u>	 <u>\$ 432,047</u>	 <u>\$ 469,855</u>

The escheat funds are funds held in fiduciary capacity. The revolving funds are used for special projects for the CDBG programs. The debt funds are restricted for future debt payments. The internal service funds are assets used to fund certain portions of employees’ health insurance deductibles.

NOTE 4: REAL ESTATE TAXES

Real estate taxes for the calendar year are levied on March 1 of each year. Any unpaid real estate taxes attach as an enforceable lien on property as of January 1 of the following year. Taxes are levied on March 1 and payable with a 2% discount to April 30, with no discount or penalty to June 30 and with a 10% penalty from July 1 to the first Monday in May of the subsequent year. The County bills these taxes which are collected by elected local tax collectors. The County collects delinquent real estate taxes on behalf of itself and other taxing authorities. Real estate property taxes levied for 2023 are recorded as receivables, net of estimated uncollectible. The net receivables collected during 2023 and expected to be collected within the first sixty (60) days of 2024 are recognized as revenue in 2023. Net receivables estimated to be collectible on or after March 1 are reflected in unearned revenue. Prior years’ levies are recorded using these same principles, and remaining receivables are annually reevaluated as to collectability.

The County is permitted by the County Code of the Commonwealth of Pennsylvania to levy real estate taxes up to 25 mills on every dollar of adjusted valuation for general County purposes exclusive of the requirements for the payment of interest and principal on funded debt.

The County’s 2023 real estate taxes are based on assessed values established by the County’s Bureau of Assessments. The total 2023 real estate tax levied equaled \$10,987,599, based on a total County assessed valuation of \$879,007,935. Based on the 2023 levy of 12.50 mills for general purposes a property owner would pay \$12.50 per \$1,000 of assessed valuation.

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 5: CAPITAL ASSETS

A summary of changes in the capital assets for the year ended December 31, 2023 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets not being depreciated (cost):				
Land	\$ 453,514	\$ -	\$ -	\$ 453,514
Construction in progress	364,309	47,425	(364,309)	47,425
Total capital assets not being depreciated	<u>817,823</u>	<u>47,425</u>	<u>(364,309)</u>	<u>500,939</u>
Capital assets being depreciated (cost):				
Buildings and improvements	36,330,163	323,311	-	36,653,474
Furniture, fixtures, and equipment	4,488,989	367,579	-	4,856,568
Vehicles	954,983	99,201	-	1,054,184
Bridges, roads, and rail trail	27,059,302	-	-	27,059,302
Right of use building space	525,865	-	-	525,865
Right of use tower	253,521	-	-	253,521
Total capital assets being depreciated	<u>69,612,823</u>	<u>790,091</u>	<u>-</u>	<u>70,402,914</u>
Less accumulated depreciation for:				
Buildings and improvements	18,024,624	815,606	-	18,840,230
Furniture, fixtures, and equipment	3,614,350	255,816	-	3,870,166
Vehicles	749,300	102,844	-	852,144
Bridges, roads, and rail trail	12,359,380	571,059	-	12,930,439
Right of use building space	68,026	68,027	-	136,053
Right of use tower	15,845	15,845	-	31,690
Total accumulated depreciation	<u>34,831,525</u>	<u>1,829,197</u>	<u>-</u>	<u>36,660,722</u>
Total capital assets being depreciated, net	<u>34,781,298</u>	<u>(1,039,106)</u>	<u>-</u>	<u>33,742,192</u>
Total capital assets, governmental activities	<u>\$ 35,599,121</u>	<u>\$ (991,681)</u>	<u>\$ (364,309)</u>	<u>\$ 34,243,131</u>

Depreciation expense was charged to functions/programs of the County as follows:

Governmental activities	
General Government	\$ 238,756
Judicial Government	211,930
Public Safety	612,987
Public Works	480,181
Human Services	77,303
Conservation/Economic Development	45,307
Culture and Recreation	162,733
Total Depreciation Expense – Governmental Activities	<u>\$ 1,829,197</u>

COUNTY OF JEFFERSON
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2023

NOTE 6: DEFINED BENEFIT PENSION PLAN

A. General Information about the Pension Plan

Plan Description. The County, through a January 2004 agreement, provides employee pension benefits through participation in the Pennsylvania Municipal Retirement System (PMRS). The PMRS was created by the Pennsylvania General Assembly in 1974 with the passage of the Pennsylvania Municipal Retirement Law 1974, P.L. 34, No. 15. PMRS administers pension plans on a contracted basis for any municipality or institution supported and maintained by a Pennsylvania municipality. This agent multiple-employer public employee retirement system maintains each municipality's account separately with that municipality's contributions and related employee contributions, and earnings segregated into separate accounts. PMRS issues a separate Comprehensive Annual Financial Report, which can be obtained by contacting the PMRS accounting office at P.O. Box 1165, Harrisburg, PA 17108-1165.

Benefits Provided. Benefit terms were established under the 2004 agreement between PMRS and the County, changes to benefit terms can only occur by modification of this agreement. Major provisions of the 2004 agreement include the following:

All full-time and permanent part-time County employees are required to participate in the System. Benefits vest after five years of service. Employees can retire with an annual retirement benefit after 20 years of service provided age 55 has been attained, or at age 60.

The normal form of payment of retirement benefits is a monthly annuity available for the life of the retired employee. One and two-thirds percent of the employee's average salary for the final three years of service multiplied by the number of years of service, and any fraction thereof, is used to calculate the normal retirement benefit funded solely by the County's contributions. Supplemental benefits are derived from employee contributions and interest earnings of the fund. A retiree may elect to receive a reduced amount of benefit and provide a death benefit in the form of annuity or lump sum to the designated beneficiary. The plan also provides death and disability benefits for an active employee.

Employees Covered by Benefit Terms. At January 1, 2023, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	116
Inactive employees entitled to but not yet receiving benefits	25
Active employees	<u>173</u>
Total	<u><u>314</u></u>

Contributions. County employees are mandated to contribute at least 7% of their wages, while the County's contributions are determined by an actuarial valuation by PMRS performed biannually. The contribution requirements of plan members and the County are established and may be amended by the PMRS Board of Trustees.

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 6: DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Net Pension Liability

The County's net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, based on the actuarial valuation one year prior and then projected to this date.

Actuarial assumptions. The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	5.25%, net of investment and certain administration expenses.
Projected salary increases	Age/Merit Scale including inflation ranging from 2.79% to 6.22%
Inflation	2.8%

Mortality rates pre-retirement were based on the PUB-2010 General Employees male table and the PUB-2010 General Employees female table. Mortality rates Post-Retirement were based on the RP2006 annuitant male table. Disabled life mortality rates were based on the RP2006 disabled annuitant male table and the RP2006 disabled annuitant female table. All base mortality tables described above are projected from the applicable table's base year to 2023 using Mortality Improvement Scale MP-2018.

The actuarial assumptions used in the December 31, 2022 valuation were based on the PMRS Experience Study for the period covering January 1, 2014 through December 31, 2018 issued by the actuary in September 2020, covering the defined benefit plan participants and all retirees, as well as subsequent assumption changes approved by the Board.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future nominal rates of return (net investment expenses) are developed for each asset class. These ranges are combined to produce the long-term expected real rate of return by calculating the weighted average return for each asset class using each respective target asset allocation percentage and multiplying by the expected future nominal rate of return, while also factoring in covariance across asset classes, then deducting expected inflation (2.25%). Best estimates of geometric real rates of return for each utilized asset class are included in the pension plan's target asset allocation as of December 31, 2022 and summarized in the table below:

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 6: DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Net Pension Liability (Continued)

Asset Class	Target Asset Allocation	Nominal Net Rate of Return	Long-term Expected Real Rate of Return
Domestic equities (large capitalized firms)	24.5%	7.50%	5.00%
Domestic equities (small capitalized firms)	8.0%	8.20%	5.70%
International equities (international developed markets)	14.5%	7.60%	5.10%
International equities (emerging markets)	3.0%	8.01%	5.51%
Global Equities	5.0%	7.03%	4.53%
Real estate	10.0%	7.42%	4.92%
Timber	5.0%	6.50%	4.00%
Fixed income (Core Investment Grade)	24.0%	4.60%	2.10%
Fixed income (Opportunistic Credit)	5.0%	8.00%	5.50%
Cash	1.0%	2.20%	-0.30%
Total Portfolio	<u>100.0%</u>	<u>7.43%</u>	<u>4.93%</u>

Discount rate. The discount rate used to measure the total pension liability was 5.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate, participating plan sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate, and the System's Long-Term Expected Rate of Return will be used in the depletion testing of projected cash flows. Based on these assumptions the pension plan's projected Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in assumptions. The assumption changes from the PMRS Experience Study for the period covering January 1, 2014 through December 31, 2018 issued by the actuary in September 2020 were first used for the December 31, 2020 measurement date.

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 6: DEFINED BENEFIT PENSION PLAN (CONTINUED)

C. Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at 12/31/2021	\$ 33,391,628	\$ 42,816,148	\$ (9,424,520)
Changes for the Year:			
Service Cost	1,451,624	-	1,451,624
Interest Cost	1,782,462	-	1,782,462
Changes of Benefits	-	-	-
Changes of Assumptions	-	-	-
Differences Between Expected and Actual Experience	-	-	-
Contributions - Employer	-	552,693	(552,693)
Contributions - PMRS assessment	-	1,100	(1,100)
Contributions - Member	-	614,257	(614,257)
PMRS Investment Income	-	1,857,276	(1,857,276)
Market Value Investment Income	-	(7,103,512)	7,103,512
Benefit Payments	(1,658,190)	(1,658,190)	-
PMRS Administrative Expense	-	(8,060)	8,060
Additional Administrative expense	-	(98,133)	98,133
Net Changes	1,575,896	(5,842,569)	7,418,465
Balances at 12/31/2022	\$ 34,967,524	\$ 36,973,579	\$ (2,006,055)

Sensitivity of the pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 5.25%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.25%) or 1-percentage-point higher (6.25%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	(4.25%)	(5.25%)	(6.25%)
County's Net Pension Liability	\$ 1,011,389	\$ (2,006,055)	\$ (4,523,410)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PMRS financial report.

D. Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

For the year ended December 31, 2023, the County recognized pension expense of \$833,089. At December 31, 2023 the County reported deferred inflows and outflows of resources related to pensions from the following sources:

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 6: DEFINED BENEFIT PENSION PLAN (CONTINUED)

D. Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Contributions Subsequent to the Measurement Date	\$ 629,965	\$ -
Changes in Assumptions	148,447	-
Differences Between Expected and Actual Experience	-	230,826
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	<u>2,327,551</u>	<u>-</u>
Total	<u>\$ 3,105,963</u>	<u>\$ 230,826</u>

The \$629,965 reported as deferred outflows of resources related to pensions resulting from the County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024 financial statements. The other deferred inflows and outflows of resources will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	<u>Governmental Activities</u>
2024	\$ 153,893
2025	670,575
2026	<u>1,420,704</u>
Total	<u>\$ 2,245,172</u>

NOTE 7: LONG-TERM LIABILITIES

A summary of changes in long-term debt and loans obligations follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities:</u>					
General Obligation Bonds	\$ 16,455,000	\$ -	\$ (725,000)	\$ 15,730,000	\$ 745,000
Bond Premium	1,390,425	-	(77,246)	1,313,179	-
Net General Obligation Debt	<u>17,845,425</u>	<u>-</u>	<u>(802,246)</u>	<u>17,043,179</u>	<u>745,000</u>
Leases Payable	712,679	-	(67,499)	645,180	71,056
Compensated Absences	<u>271,994</u>	<u>308,515</u>	<u>(271,994)</u>	<u>308,515</u>	<u>308,515</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 18,830,098</u>	<u>\$ 308,515</u>	<u>\$ (1,141,739)</u>	<u>\$ 17,996,874</u>	<u>\$ 1,124,571</u>

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

An analysis of debt service requirements to maturity on the General Obligation Bonds Payable and Note Payable is as follows:

Years Ended December 31:	<u>Principal Requirements</u>	<u>Interest Requirements</u>	<u>Total Debt Service Requirements</u>
2024	\$ 745,000	\$ 483,050	\$ 1,228,050
2025	755,000	475,600	1,230,600
2026	760,000	468,050	1,228,050
2027	790,000	437,650	1,227,650
2028	820,000	406,050	1,226,050
2029-2033	4,600,000	1,538,650	6,138,650
2034-2038	5,360,000	776,850	6,136,850
2039-2040	<u>1,900,000</u>	<u>78,300</u>	<u>1,978,300</u>
Total	<u>\$ 15,730,000</u>	<u>\$ 4,664,200</u>	<u>\$ 20,394,200</u>

The following is a summary of the bond outstanding as of December 31, 2023:

<u>Year</u>	<u>Amount of Original Issue</u>	<u>Purpose</u>	<u>Balance Outstanding December 31, 2023</u>
2021	\$ 17,165,000	1.00% to 4.00% General Obligation Bond Series 2021 to currently refund the 2012 General Obligation Bonds and the 2015, 2015B, and 2016 Series Notes. The maturity date on this issue will be on December 15, 2040.	\$ 15,730,000
Total Outstanding Debt:			<u>\$ 15,730,000</u>

NOTE 8: RISK MANAGEMENT

The County participates in the Pennsylvania Counties' Workers' Compensation Trust (the "Trust") insurance pool for workers' compensation insurance. Insurance premiums are developed based on employee job descriptions, rate factors, and payroll costs for the year. The Trust has an audit performed each year and the County may be required to pay an additional premium as a result of the audit, or the County may be entitled to a refund as a result of the audit. For the year ended December 31, 2023, the County paid insurance premiums of \$215,097 to the Trust.

COUNTY OF JEFFERSON
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2023

NOTE 9: LEASES PAYABLE

The County has entered into various leases for building space. It can be expected as a normal business practice that leases such as these will continue to be required for operations. These leases have been entered into over the past several years as well as in 2023, and, currently, will last through 2029. As of December 31, 2023, the collective value of the lease liability for these leases was \$403,621 and the value of the related right-of-use asset, net of accumulated amortization, was \$389,812.

The County has entered into various leases for a 911 tower. It can be expected as a normal business practice that leases such as these will continue to be required for operations. This lease was entered into in 2009, and, currently, will last through 2037. As of December 31, 2023, the value of the lease liability for this lease was \$241,559, and the value of the related right-of-use asset, net of accumulated amortization, was \$221,831.

Future lease payments on the above leases are as follows:

	<u>Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024		\$ 71,056	\$ 24,514	\$ 95,570
2025		74,798	21,603	96,401
2026		78,734	18,540	97,274
2027		82,876	15,315	98,191
2028		87,233	11,921	99,154
2029 - 2033		142,995	32,165	175,160
2034 - 2037		107,488	9,291	116,779
		<u>\$ 645,180</u>	<u>\$ 133,349</u>	<u>\$ 778,529</u>
Total		<u>\$ 645,180</u>	<u>\$ 133,349</u>	<u>\$ 778,529</u>

NOTE 10: INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables balances of each individual fund as of December 31, 2023, are as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 8,639,094	\$ 1,366,125
Children and Youth	-	6,019,231
Non-major Funds	1,465,273	2,719,011
	<u>\$ 10,104,367</u>	<u>\$ 10,104,367</u>
Total Interfund Balances	<u>\$ 10,104,367</u>	<u>\$ 10,104,367</u>

The County utilizes a pooled operating fund to enhance investment return; therefore, interfund receivables and payables are recorded to recognize amounts held by the General Fund in the pooled account on behalf of other funds. In addition, the General Fund has paid expenses on behalf of other funds, therefore, a corresponding interfund receivable and payable has been recorded.

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 11: INTERFUND OPERATING TRANSFERS

Interfund transfers are executed as a result of the requirements for certain funds to fund a portion of the expenditures or expenses of other funds. Interfund operating transfers were as follows for the year ended December 31, 2023:

	Transfers Out	Transfers In
General Fund	\$ 3,461,755	\$ 35,000
Children and Youth Fund	-	1,878,948
Non-major Funds	35,000	1,582,807
Total Transfers	\$ 3,496,755	\$ 3,496,755

NOTE 12: FUND BALANCES

The restricted fund balances included in the fund financial statements represent *portions of fund balances that are restricted for various purposes and are not* available for payment of other subsequent expenditures. The following restrictions of fund balances are included in the fund financial statements:

General Fund**Non-Spendable Funds:**

The non-spendable funds consist of prepaid assets and inventory. \$ 301,828

Restricted Funds:**General Government**

These funds are restricted for the escheats cash balance. \$ 20,482

Human Services

These funds are restricted for the opioid settlement funds. \$ 111,959

Assigned Funds:**General Government**

Funds assigned to support general administrative governmental services and staff raises in 2024. \$ 1,890,000

Judicial Government

Funds assigned to support general judicial governmental services and staff raises in 2024. 1,185,000

Public Safety

Funds assigned to support general public safety governmental services and staff raises in 2024. 2,030,000

Human Service

Funds assigned to support the County match of Children and Youth expenditures and staff raises in 2024. 1,100,000

Capital Projects

Funds assigned for upgrades to the 911 towers and other 2024 capital projects. 3,480,000

Debt Service

Funds assigned for 2024 debt service payments. 1,228,050

Total Assigned Fund Balance \$ 10,913,050

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 12: FUND BALANCES (CONTINUED)

Non-Major Funds:

Restricted Funds:

These restrictions represent amounts restricted for the payments of Special Revenue, Capital Projects, and Debt Service expenditures.

General Government	1,663,444
Judicial Government	396,891
Public Safety	865,886
Public Works	1,090,294
Human Services	44,979
Conservation/Economic Development	2,119
Culture and Recreation	330,565
Capital Projects	953,681
Debt Service	16,145

NOTE 13: EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN MAJOR FUNDS

The Children and Youth Fund had excess of actual expenditures over budget for the year ended December 31, 2023 as follows:

	<u>Appropriations</u>	<u>Expenditures</u>	<u>\$ Variance</u>	<u>Percent of Excess over Appropriations</u>
Children and Youth	\$ 9,384,138	\$ 9,903,220	\$ 519,082	5.5%

The Children and Youth Fund expenditures were covered by grant revenues, charges for services, and General Fund transfers in excess of the budget.

NOTE 14: LITIGATION

The County is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the County financial statements.

NOTE 15: TAX ABATEMENTS

Tax abatements are the result of agreements that are entered into by the County to forgo real estate tax revenues for the promise by an individual or entity to take specific action that contributes to economic development in the County. The County has two real estate abatement programs: Local Economic Revitalization Tax Assistance and Keystone Opportunity Expansion Zone.

COUNTY OF JEFFERSON
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 15: TAX ABATEMENTS (CONTINUED)

Local Economic Revitalization Tax Assistance (“LERTA”)

The LERTA program exists pursuant to the Commonwealth of Pennsylvania Local Economic Revitalization Tax Assistance Act 76 of 1977 (72 P.S. §4722, et seq.). Currently, the LERTA is only in certain municipalities that have adopted a LERTA ordinance. There is not a “county-wide” LERTA program. Once a LERTA ordinance is adopted by a municipality, the County will follow with an ordinance specific to the County and that particular municipality. The LERTA exemption must be applied for by the landowner to the municipality. Once approved by the municipality, the approved application is passed to the county for exemption and LERTA schedule. Some school districts also participate in the LERTA in the same manner as the County. LERTA schedules are 6 to 10 years with most municipalities adopting a 10% per year declining schedule on the new construction value. New construction value is determined by the County Assessment Office. The LERTA program is, generally, on both residential and commercial properties. Many municipalities have the LERTA as a municipal-wide program, where a few municipalities have specified certain areas that the LERTA would be available. During 2023, 5 properties received the LERTA exemption from the County’s real estate property tax at a total of \$2,628 for various projects.

Keystone Opportunity Expansion Zone (“KOEZ”)

The KOEZ program exists pursuant to the Commonwealth of Pennsylvania Keystone Opportunity Zone, Keystone Opportunity Expansion Zone, and Keystone Opportunity Improvement Zone Act (73 P.S. §§820.101- 820.1309). A KOEZ is designated by Executive Order of the Governor and approved by the local communities. A KOEZ provides a significant reduction in state and local taxes. During 2023, 3 properties received the KOEZ exemption from the County’s real estate property tax at a total of \$16,771.

REQUIRED
SUPPLEMENTARY
INFORMATION

COUNTY OF JEFFERSON
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL – GENERAL FUND
 YEAR ENDED DECEMBER 31, 2023

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Real Estate	\$ 11,289,091	\$ 11,289,091	\$ 10,841,850	\$ (447,241)
License and Permits	57,200	57,200	57,139	(61)
Grants and Gifts	845,606	1,220,632	948,376	(272,256)
Charges for Services	2,245,368	2,245,368	2,344,746	99,378
Fines and Costs	377,500	377,500	452,633	75,133
Interest and Rents	28,200	28,200	457,098	428,898
Total Revenues	14,842,965	15,217,991	15,101,842	(116,149)
Expenditures				
General Government	3,447,256	3,820,482	3,142,325	678,157
Judicial Government	3,551,714	3,553,514	3,239,563	313,951
Public Safety	5,623,699	5,623,699	5,406,614	217,085
Public Works	108,000	108,000	108,000	-
Human Services	495,346	495,346	382,131	113,215
Conservation/Economic Development	113,707	113,707	94,723	18,984
Culture/Recreation	55,000	55,000	54,000	1,000
Debt Service	-	-	61,436	(61,436)
Total Expenditures	13,394,722	13,769,748	12,488,792	1,280,956
Excess of Revenues Over (Under) Expenditures	1,448,243	1,448,243	2,613,050	1,164,807
Other Financing Sources (Uses)				
Operating Transfer In	173,500	173,500	35,000	(138,500)
Operating Transfer (Out)	(3,436,452)	(3,436,452)	(3,461,755)	(25,303)
Total Other Financing Sources (Uses)	(3,262,952)	(3,262,952)	(3,426,755)	(163,803)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,814,709)	(1,814,709)	(813,705)	1,001,004
Fund Balance - Beginning of Year	14,769,857	14,769,857	14,769,857	-
Fund Balance - End of Year	\$ 12,955,148	\$ 12,955,148	\$ 13,956,152	\$ 1,001,004

COUNTY OF JEFFERSON
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL – CHILDREN AND YOUTH FUND
 YEAR ENDED DECEMBER 31, 2023

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
Revenues				
Grants and Gifts	\$ 7,404,431	\$ 7,404,431	\$ 7,915,266	\$ 510,835
Charges for Service	102,480	102,480	109,006	6,526
Total Revenues	<u>7,506,911</u>	<u>7,506,911</u>	<u>8,024,272</u>	<u>517,361</u>
Expenditures				
Human Services	<u>9,384,138</u>	<u>9,384,138</u>	<u>9,903,220</u>	<u>(519,082)</u>
Total Expenditures	<u>9,384,138</u>	<u>9,384,138</u>	<u>9,903,220</u>	<u>(519,082)</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,877,227)</u>	<u>(1,877,227)</u>	<u>(1,878,948)</u>	<u>(1,721)</u>
Other Financing Sources (Uses)				
Operating Transfer In	<u>1,877,227</u>	<u>1,877,227</u>	<u>1,878,948</u>	<u>1,721</u>
Total Other Financing Sources (Uses)	<u>1,877,227</u>	<u>1,877,227</u>	<u>1,878,948</u>	<u>1,721</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF JEFFERSON
SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS
LAST 10 YEARS

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total pension liability									
Service cost	\$ 942,881	\$ 983,298	\$ 962,903	\$ 1,084,781	\$ 1,088,848	\$ 1,141,501	\$ 1,213,158	\$ 1,361,960	\$ 1,451,624
Interest	1,342,962	1,415,620	1,485,979	1,511,447	1,531,605	1,593,843	1,626,145	1,730,497	1,782,462
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	-	(219,384)	-	(739,715)	-	(521,492)	-	(577,065)	-
Changes of assumptions	-	281,214	552,303	-	-	-	742,235	-	-
Transfers	-	-	-	-	(227,830)	-	-	-	-
Benefit payments, including refunds of member contributions	<u>(963,895)</u>	<u>(1,041,478)</u>	<u>(1,281,852)</u>	<u>(1,412,036)</u>	<u>(1,278,293)</u>	<u>(1,451,926)</u>	<u>(1,879,663)</u>	<u>(1,573,696)</u>	<u>(1,658,190)</u>
Net change in total pension liability	1,321,948	1,419,270	1,719,333	444,477	1,114,330	761,926	1,701,875	941,696	1,575,896
Total pension liability - beginning	<u>\$ 23,966,773</u>	<u>\$ 25,288,721</u>	<u>\$ 26,707,991</u>	<u>\$ 28,427,324</u>	<u>\$ 28,871,801</u>	<u>\$ 29,986,131</u>	<u>\$ 30,748,057</u>	<u>\$ 32,449,932</u>	<u>\$ 33,391,628</u>
Total pension liability - ending (a)	<u>\$ 25,288,721</u>	<u>\$ 26,707,991</u>	<u>\$ 28,427,324</u>	<u>\$ 28,871,801</u>	<u>\$ 29,986,131</u>	<u>\$ 30,748,057</u>	<u>\$ 32,449,932</u>	<u>\$ 33,391,628</u>	<u>\$ 34,967,524</u>
Plan fiduciary net position									
Contributions - employer	\$ 465,583	\$ 457,349	\$ 554,841	\$ 582,771	\$ 561,975	\$ 558,098	\$ 594,770	\$ 624,405	\$ 552,693
Contributions - PMRS assessment	-	580	720	640	620	6,920	840	740	1,100
Contributions - member	361,209	392,209	404,188	442,714	481,139	494,208	528,015	600,566	614,257
PMRS investment income	1,332,705	1,387,873	1,449,828	1,446,225	1,494,603	1,609,288	1,628,012	1,779,803	1,857,276
Market value investment income	(116,607)	(1,363,608)	695,941	3,126,989	(2,924,025)	4,380,421	3,325,648	3,173,574	(7,103,512)
Transfers	-	-	-	-	(227,830)	-	-	-	-
Benefit payments, including refunds of member contributions	(963,895)	(1,041,478)	(1,281,852)	(1,412,036)	(1,278,293)	(1,451,926)	(1,879,663)	(1,573,696)	(1,658,190)
PMRS administrative expense	(5,900)	(6,000)	(5,380)	(5,800)	(5,940)	(6,920)	(7,000)	(7,040)	(8,060)
Additional administrative expense	<u>(51,110)</u>	<u>(57,857)</u>	<u>(71,029)</u>	<u>(66,511)</u>	<u>(66,698)</u>	<u>(55,627)</u>	<u>(70,931)</u>	<u>(100,805)</u>	<u>(98,133)</u>
Net change in plan fiduciary net position	1,021,985	(230,932)	1,747,257	4,114,992	(1,964,449)	5,534,462	4,119,691	4,497,547	(5,842,569)
Plan fiduciary net position - beginning	<u>\$ 23,975,595</u>	<u>\$ 24,997,580</u>	<u>\$ 24,766,648</u>	<u>\$ 26,513,905</u>	<u>\$ 30,628,897</u>	<u>\$ 28,664,448</u>	<u>\$ 34,198,910</u>	<u>\$ 38,318,601</u>	<u>\$ 42,816,148</u>
Plan fiduciary net position - ending (b)	<u>\$ 24,997,580</u>	<u>\$ 24,766,648</u>	<u>\$ 26,513,905</u>	<u>\$ 30,628,897</u>	<u>\$ 28,664,448</u>	<u>\$ 34,198,910</u>	<u>\$ 38,318,601</u>	<u>\$ 42,816,148</u>	<u>\$ 36,973,579</u>
County's net pension liability - ending (a) - (b)	<u>\$ 291,141</u>	<u>\$ 1,941,343</u>	<u>\$ 1,913,419</u>	<u>\$ (1,757,096)</u>	<u>\$ 1,321,683</u>	<u>\$ (3,450,853)</u>	<u>\$ (5,868,669)</u>	<u>\$ (9,424,520)</u>	<u>\$ (2,006,055)</u>
Plan fiduciary net position as a percentage of the total pension liability	98.85%	92.73%	93.27%	106.09%	95.59%	111.22%	118.09%	128.22%	105.74%
Covered-employee payroll	\$ 4,857,115	\$ 5,040,959	\$ 5,181,819	\$ 5,603,747	\$ 5,633,815	\$ 5,585,478	\$ 5,864,837	\$ 6,512,559	\$ 6,712,747
County's net pension liability as a percentage of covered-employee payroll	5.99%	38.51%	36.93%	-31.36%	23.46%	-61.78%	-100.07%	-144.71%	-29.88%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available.

COUNTY OF JEFFERSON
SCHEDULE OF COUNTY CONTRIBUTIONS
LAST 10 YEARS

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Actuarially determined contribution	\$ 456,396	\$ 457,349	\$ 554,867	\$ 582,771	\$ 561,975	\$ 564,338	\$ 594,770	\$ 624,405	\$ 552,693	\$ 628,505
Contributions in relation to the actuarially determined contribution	<u>465,583</u>	<u>457,929</u>	<u>555,561</u>	<u>583,411</u>	<u>562,595</u>	<u>565,018</u>	<u>595,610</u>	<u>625,145</u>	<u>553,793</u>	<u>629,965</u>
Contribution deficiency (excess)	<u>\$ (9,187)</u>	<u>\$ (580)</u>	<u>\$ (694)</u>	<u>\$ (640)</u>	<u>\$ (620)</u>	<u>\$ (680)</u>	<u>\$ (840)</u>	<u>\$ (740)</u>	<u>\$ (1,100)</u>	<u>\$ (1,460)</u>
Covered-employee payroll	\$ 4,857,115	\$ 5,040,959	\$ 5,181,819	\$ 5,603,747	\$ 5,633,815	\$ 5,585,478	\$ 5,864,837	\$ 6,512,559	\$ 6,712,747	\$ 7,441,095
Contributions as a percentage of covered-employee payroll	9.59%	9.08%	10.72%	10.41%	9.99%	10.12%	10.16%	9.60%	8.25%	8.47%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of January 1 for the even valuation year at least two years prior to the end of the fiscal year in which the contributions were reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level dollar based upon the amortization periods in Act 205
Asset valuation method	Based upon the municipal reserves
Discount Rate	5.25%
Inflation	2.8%
Salary increases	Age related scale with merit and inflation component
COLA increases	2.8% for those eligible for a COLA
Pre-Retirement Mortality	Males - RP 2000 Non-Annuitant Male table projected 15 years with Scale AA Females - RP 2000 Non-Annuitant Female table projected 15 years with Scale AA, setback five years
Post-Retirement Mortality	Males - RP 2000 Annuitant Male table projected 5 years with Scale AA Females - RP 2000 Annuitant Female table projected 10 years with Scale AA

OTHER
SUPPLEMENTARY
INFORMATION

COUNTY OF JEFFERSON
 COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2023

	Liquid Fuel Fund	Haz Mat Fund	Domestic Relations	Human Service Fund	Community Action Fund	IPP and IPP Expended Fund	Independent Living Fund	Department of Development Fund
Assets								
Cash and Cash Equivalents	\$ 851,681	\$ 4,592	\$ 1,370,345	\$ 73,471	\$ 848,728	\$ -	\$ 1,652	\$ 1,207
Investments	-	-	53,655	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-
Tax Receivable	-	-	-	-	-	-	-	-
Due From Other Governments	5,546	-	153,438	28,988	1,024	65,588	161,060	-
Due From Other Funds	-	-	-	-	99,148	-	-	4,308
Prepaid Assets	-	-	-	-	-	-	-	-
Restricted Cash								
Cash for Debt Service	-	-	-	-	-	-	-	-
Cash for Revolving Funds	-	-	-	-	-	-	-	-
Total Assets	\$ 857,227	\$ 4,592	\$ 1,577,438	\$ 102,459	\$ 948,900	\$ 65,588	\$ 162,712	\$ 5,515
Liabilities and Fund Balances								
Liabilities								
Accounts Payable	\$ 45,674	\$ 848	\$ 2,291	\$ 60,854	\$ 294,008	\$ 17,391	\$ 21,889	\$ 727
Accrued Expenses and Withholdings	-	931	9,109	-	-	2,623	-	4,788
Unearned Revenue	-	-	-	21,384	401,566	-	-	-
Due to Other Governments	-	-	-	-	182	-	-	-
Due to Other Funds	-	2,813	1,566,038	20,221	208,165	45,574	140,823	-
Total Liabilities	45,674	4,592	1,577,438	102,459	903,921	65,588	162,712	5,515
Fund Balances								
Restricted for:								
General Government	-	-	-	-	-	-	-	-
Judicial Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Public Works:								
County Bridges and Road Maintenance	811,553	-	-	-	-	-	-	-
Solid Waste	-	-	-	-	-	-	-	-
Human Services	-	-	-	-	44,979	-	-	-
Conservation/Economic Development	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Total Fund Balances	811,553	-	-	-	44,979	-	-	-
Total Liabilities and Fund Balances	\$ 857,227	\$ 4,592	\$ 1,577,438	\$ 102,459	\$ 948,900	\$ 65,588	\$ 162,712	\$ 5,515

COUNTY OF JEFFERSON
 COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
 DECEMBER 31, 2023

	CDBG Fund	Solid Waste Authority Fund	Hotel Tax Fund	PA Accessible Housing Fund	Gas Well Impact Fund	Recovery Grants Fund	Record Improvement Fund	ROD Improvement Fund	ROW Improvement Fund
<u>Assets</u>									
Cash and Cash Equivalents	\$ 841,540	\$ 221,969	\$ 301,320	\$ 8,459	\$ 803,185	\$ 589,279	\$ -	\$ 71,646	\$ 25,101
Investments	-	-	-	-	-	-	-	-	-
Accounts Receivable	36,129	5,949	-	-	-	-	830	1,245	95
Tax Receivable	-	-	51,479	-	-	-	-	-	-
Due From Other Governments	36,539	58,052	-	-	-	-	-	-	-
Due From Other Funds	375,026	-	-	-	852,872	-	95,476	-	-
Prepaid Assets	-	-	-	-	-	-	-	-	-
Restricted Cash									
Cash for Debt Service	-	-	-	-	-	-	-	-	-
Cash for Revolving Funds	1,181	-	-	-	-	-	-	-	-
Total Assets	\$ 1,290,415	\$ 285,970	\$ 352,799	\$ 8,459	\$ 1,656,057	\$ 589,279	\$ 96,306	\$ 72,891	\$ 25,196
<u>Liabilities and Fund Balances</u>									
Liabilities									
Accounts Payable	\$ 874,194	\$ 3,997	\$ 234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Expenses and Withholdings	-	3,232	1,863	-	-	-	-	-	-
Unearned Revenue	414,671	-	-	-	-	482,744	-	-	-
Due to Other Governments	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	20,137	7,890	-	99,148	-	-	-
Total Liabilities	1,288,865	7,229	22,234	7,890	-	581,892	-	-	-
Fund Balances									
Restricted for:									
General Government	-	-	-	-	1,656,057	7,387	-	-	-
Judicial Government	-	-	-	-	-	-	96,306	72,891	25,196
Public Safety	-	-	-	-	-	-	-	-	-
Public Works:									
County Bridges and Road Maintenance	-	-	-	-	-	-	-	-	-
Solid Waste	-	278,741	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	-	-
Conservation/Economic Development	1,550	-	-	569	-	-	-	-	-
Culture and Recreation	-	-	330,565	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Total Fund Balances	1,550	278,741	330,565	569	1,656,057	7,387	96,306	72,891	25,196
Total Liabilities and Fund Balances	\$ 1,290,415	\$ 285,970	\$ 352,799	\$ 8,459	\$ 1,656,057	\$ 589,279	\$ 96,306	\$ 72,891	\$ 25,196

COUNTY OF JEFFERSON
 COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
 DECEMBER 31, 2023

	911 Fund	Prothonotary Fund	Confiscated Fund	Offender Supervision Fund	Drug Task Force Fund	Capital Projects Fund	Debt Service Fund	Total
<u>Assets</u>								
Cash and Cash Equivalents	\$ 1,032,759	\$ 89,152	\$ 110,662	\$ 126,119	\$ 2,999	\$ 733,940	\$ -	\$ 8,109,806
Investments	-	-	-	-	-	-	-	53,655
Accounts Receivable	18,330	508	-	-	-	-	-	63,086
Tax Receivable	-	-	-	-	-	-	-	51,479
Due From Other Governments	290,643	-	-	-	-	186,503	-	987,381
Due From Other Funds	-	-	2,176	-	846	35,421	-	1,465,273
Prepaid Assets	52,867	-	-	-	-	-	-	52,867
Restricted Cash								
Cash for Debt Service	-	-	-	-	-	-	16,145	16,145
Cash for Revolving Funds	-	-	-	-	-	-	-	1,181
Total Assets	<u>\$ 1,394,599</u>	<u>\$ 89,660</u>	<u>\$ 112,838</u>	<u>\$ 126,119</u>	<u>\$ 3,845</u>	<u>\$ 955,864</u>	<u>\$ 16,145</u>	<u>\$ 10,800,873</u>
<u>Liabilities and Fund Balances</u>								
Liabilities								
Accounts Payable	\$ 20,323	\$ -	\$ -	\$ 613	\$ -	\$ 2,183	\$ -	\$ 1,345,226
Accrued Expenses and Withholdings	29,539	-	-	-	-	-	-	52,085
Unearned Revenue	-	-	-	-	-	-	-	1,320,365
Due to Other Governments	-	-	-	-	-	-	-	182
Due to Other Funds	608,202	-	-	-	-	-	-	2,719,011
Total Liabilities	<u>658,064</u>	<u>-</u>	<u>-</u>	<u>613</u>	<u>-</u>	<u>2,183</u>	<u>-</u>	<u>5,436,869</u>
Fund Balances								
Restricted for:								
General Government	-	-	-	-	-	-	-	1,663,444
Judicial Government	-	89,660	112,838	-	-	-	-	396,891
Public Safety	736,535	-	-	125,506	3,845	-	-	865,886
Public Works:								
County Bridges and Road Maintenance	-	-	-	-	-	-	-	811,553
Solid Waste	-	-	-	-	-	-	-	278,741
Human Services	-	-	-	-	-	-	-	44,979
Conservation/Economic Development	-	-	-	-	-	-	-	2,119
Culture and Recreation	-	-	-	-	-	-	-	330,565
Capital Projects	-	-	-	-	-	953,681	-	953,681
Debt Service	-	-	-	-	-	-	16,145	16,145
Total Fund Balances	<u>736,535</u>	<u>89,660</u>	<u>112,838</u>	<u>125,506</u>	<u>3,845</u>	<u>953,681</u>	<u>16,145</u>	<u>5,364,004</u>
Total Liabilities and Fund Balances	<u>\$ 1,394,599</u>	<u>\$ 89,660</u>	<u>\$ 112,838</u>	<u>\$ 126,119</u>	<u>\$ 3,845</u>	<u>\$ 955,864</u>	<u>\$ 16,145</u>	<u>\$ 10,800,873</u>

COUNTY OF JEFFERSON
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
 NON-MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED DECEMBER 31, 2023

	Liquid Fuel Fund	Haz Mat Fund	Domestic Relations	Human Service Fund	Community Action Fund	IPP and IPP Expended Fund	Independent Living Fund	Department of Development Fund
Revenues								
Hotel Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants and Gifts								
General Government	-	-	-	-	-	-	-	-
Judicial Government	-	-	319,742	-	-	-	-	-
Public Safety	-	3,200	-	-	-	177,980	-	-
Public Works	384,989	-	-	-	-	-	-	-
Human Services	-	-	-	39,059	2,625,475	-	279,324	-
Conservation/Economic Development	-	-	-	-	-	-	-	72,575
Culture/Recreation	-	-	-	-	-	-	-	-
Charges for Services								
Judicial Government	-	-	1,544	-	-	-	-	-
Public Safety	-	12,150	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-
Conservation/Economic Development	-	-	-	-	-	-	-	74,792
Interest and Rents	89	-	27,583	7	36,001	-	107	24
Total Revenues	385,078	15,350	348,869	39,066	2,661,476	177,980	279,431	147,391
Expenditures								
Program and Operating Expenditures								
General Government	-	-	-	-	-	-	-	-
Judicial Government	-	-	411,657	-	-	-	-	-
Public Safety	-	42,742	-	-	-	249,072	-	-
Public Works	506,411	-	-	-	-	-	-	-
Human Services	-	-	-	39,066	2,625,475	-	352,480	-
Conservation/Economic Development	-	-	-	-	-	-	-	248,236
Culture/Recreation	-	-	-	-	-	-	-	-
Debt Service	-	-	17,500	-	-	-	-	-
Total Expenditures	506,411	42,742	429,157	39,066	2,625,475	249,072	352,480	248,236
Excess of Revenues Over (Under) Expenditures	(121,333)	(27,392)	(80,288)	-	36,001	(71,092)	(73,049)	(100,845)
Other Financing Sources (Uses)								
Operating Transfers In	-	27,392	80,288	-	-	71,092	73,049	100,845
Operating Transfers (Out)	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	27,392	80,288	-	-	71,092	73,049	100,845
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(121,333)	-	-	-	36,001	-	-	-
Fund Balances - Beginning of Year	932,886	-	-	-	8,978	-	-	-
Fund Balances - End of Year	\$ 811,553	\$ -	\$ -	\$ -	\$ 44,979	\$ -	\$ -	\$ -

COUNTY OF JEFFERSON
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
 NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
 YEAR ENDED DECEMBER 31, 2023

	CDBG Fund	Solid Waste Authority Fund	Hotel Tax Fund	PA Accessible Housing Fund	Gas Well Impact Fund	Recovery Grants Fund	Record Improvement Fund	ROD Improvement Fund	ROW Improvement Fund
Revenues									
Hotel Taxes	\$ -	\$ -	\$ 252,413	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants and Gifts									
General Government	-	-	-	-	305,282	-	-	-	-
Judicial Government	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	-	101,873	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	-	-
Conservation/Economic Development	2,549,674	-	-	17,587	-	-	-	-	-
Culture/Recreation	-	-	-	-	-	-	-	-	-
Charges for Services									
Judicial Government	-	-	-	-	-	-	8,926	13,394	2,682
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	-	153,082	-	-	-	-	-	-	-
Conservation/Economic Development	-	-	-	-	-	-	-	-	-
Interest and Rents	-	1,232	-	245	61	147	-	1,030	-
Total Revenues	2,549,674	256,187	252,413	17,832	305,343	147	8,926	14,424	2,682
Expenditures									
Program and Operating Expenditures									
General Government	-	-	-	-	-	-	-	-	-
Judicial Government	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	-	209,479	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	-	-
Conservation/Economic Development	2,566,621	-	-	17,587	-	-	-	-	-
Culture/Recreation	-	-	39,752	-	42,000	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Total Expenditures	2,566,621	209,479	39,752	17,587	42,000	-	-	-	-
Excess of Revenues Over (Under) Expenditures	(16,947)	46,708	212,661	245	263,343	147	8,926	14,424	2,682
Other Financing Sources (Uses)									
Operating Transfers In	-	-	-	-	-	-	-	-	-
Operating Transfers (Out)	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(16,947)	46,708	212,661	245	263,343	147	8,926	14,424	2,682
Fund Balances - Beginning of Year	18,497	232,033	117,904	324	1,392,714	7,240	87,380	58,467	22,514
Fund Balances - End of Year	\$ 1,550	\$ 278,741	\$ 330,565	\$ 569	\$ 1,656,057	\$ 7,387	\$ 96,306	\$ 72,891	\$ 25,196

COUNTY OF JEFFERSON
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
 NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
 YEAR ENDED DECEMBER 31, 2023

	911 Fund	Prothonotary Fund	Confiscated Fund	Offender Supervision Fund	Drug Task Force Fund	Capital Projects Fund	Debt Service Fund	Total
Revenues								
Hotel Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 252,413
Grants and Gifts								
General Government	-	-	-	-	-	234,590	-	539,872
Judicial Government	-	-	-	-	-	-	-	319,742
Public Safety	1,166,897	-	-	-	18,887	76,863	-	1,443,827
Public Works	-	-	-	-	-	-	-	486,862
Human Services	-	-	-	-	-	-	-	2,943,858
Conservation/Economic Development	-	-	-	-	-	-	-	2,639,836
Culture/Recreation	-	-	-	-	-	31,219	-	31,219
Charges for Services								
Judicial Government	-	8,653	376	-	-	-	-	35,575
Public Safety	-	-	-	264,049	-	-	-	276,199
Public Works	-	-	-	-	-	-	-	153,082
Conservation/Economic Development	-	-	-	-	-	-	-	74,792
Interest and Rents	22,953	1,332	2,201	6	-	346	2,011	95,375
Total Revenues	1,189,850	9,985	2,577	264,055	18,887	343,018	2,011	9,292,652
Expenditures								
Program and Operating Expenditures								
General Government	-	-	-	-	-	237,074	593	237,667
Judicial Government	-	1,720	1,930	-	-	-	-	415,307
Public Safety	1,024,555	-	-	82,753	17,293	348,107	-	1,764,522
Public Works	-	-	-	-	-	-	-	715,890
Human Services	-	-	-	-	-	-	-	3,017,021
Conservation/Economic Development	-	-	-	-	-	-	-	2,832,444
Culture/Recreation	-	-	-	-	-	31,219	-	112,971
Debt Service	15,841	-	-	-	-	-	1,229,549	1,262,890
Total Expenditures	1,040,396	1,720	1,930	82,753	17,293	616,400	1,230,142	10,358,712
Excess of Revenues Over (Under) Expenditures	149,454	8,265	647	181,302	1,594	(273,382)	(1,228,131)	(1,066,060)
Other Financing Sources (Uses)								
Operating Transfers In	-	-	-	-	-	-	1,230,141	1,582,807
Operating Transfers (Out)	-	-	-	(35,000)	-	-	-	(35,000)
Total Other Financing Sources (Uses)	-	-	-	(35,000)	-	-	1,230,141	1,547,807
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	149,454	8,265	647	146,302	1,594	(273,382)	2,010	481,747
Fund Balances - Beginning of Year	587,081	81,395	112,191	(20,796)	2,251	1,227,063	14,135	4,882,257
Fund Balances - End of Year	<u>\$ 736,535</u>	<u>\$ 89,660</u>	<u>\$ 112,838</u>	<u>\$ 125,506</u>	<u>\$ 3,845</u>	<u>\$ 953,681</u>	<u>\$ 16,145</u>	<u>\$ 5,364,004</u>

COUNTY OF JEFFERSON
 COMBINING STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS
 DECEMBER 31, 2023

	Treasurer	Employee Activity	Clerk of Courts	Register, Recorder, and Clerk of Orphans' Court	Sheriff	Jail Inmate
<hr/> <u>Assets</u> <hr/>						
Cash and Cash Equivalents	\$ 18,064	\$ 3,077	\$ 248,899	\$ 125,869	\$ 287,707	\$ 158,142
Total Assets	<u>\$ 18,064</u>	<u>\$ 3,077</u>	<u>\$ 248,899</u>	<u>\$ 125,869</u>	<u>\$ 287,707</u>	<u>\$ 158,142</u>
<hr/> <u>Liabilities and Net Position</u> <hr/>						
Liabilities						
Due to Other Governments	\$ 17,396	\$ -	\$ 107,168	\$ 123,108	\$ -	\$ -
Total Liabilities	<u>17,396</u>	<u>-</u>	<u>107,168</u>	<u>123,108</u>	<u>-</u>	<u>-</u>
Net Position						
Restricted for:						
Individuals, Organizations, and Other Governments	<u>668</u>	<u>3,077</u>	<u>141,731</u>	<u>2,761</u>	<u>287,707</u>	<u>158,142</u>
Total Net Position	<u>668</u>	<u>3,077</u>	<u>141,731</u>	<u>2,761</u>	<u>287,707</u>	<u>158,142</u>
Total Liabilities and Net Position	<u>\$ 18,064</u>	<u>\$ 3,077</u>	<u>\$ 248,899</u>	<u>\$ 125,869</u>	<u>\$ 287,707</u>	<u>\$ 158,142</u>

COUNTY OF JEFFERSON
 COMBINING STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS (CONTINUED)
 DECEMBER 31, 2023

	Jail Work Release	Prothonotary	District Justices	Domestic Relations	Total
<hr/> <u>Assets</u> <hr/>					
Cash and Cash Equivalents	\$ 615	\$ 373,401	\$ 43,823	\$ 4,018	\$ 1,263,615
Total Assets	<u>\$ 615</u>	<u>\$ 373,401</u>	<u>\$ 43,823</u>	<u>\$ 4,018</u>	<u>\$ 1,263,615</u>
<hr/> <u>Liabilities and Net Position</u> <hr/>					
Liabilities					
Due to Other Governments	\$ -	\$ 9,639	\$ 28,865	\$ -	\$ 286,176
Total Liabilities	<u>-</u>	<u>9,639</u>	<u>28,865</u>	<u>-</u>	<u>286,176</u>
Net Position					
Restricted for:					
Individuals, Organizations, and Other Governments	<u>615</u>	<u>363,762</u>	<u>14,958</u>	<u>4,018</u>	<u>977,439</u>
Total Net Position	<u>615</u>	<u>363,762</u>	<u>14,958</u>	<u>4,018</u>	<u>977,439</u>
Total Liabilities and Net Position	<u>\$ 615</u>	<u>\$ 373,401</u>	<u>\$ 43,823</u>	<u>\$ 4,018</u>	<u>\$ 1,263,615</u>

COUNTY OF JEFFERSON
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS
 YEAR ENDED DECEMBER 31, 2023

	Treasurer	Employee Activity	Clerk of Courts	Register, Recorder, and Clerk of Orphans' Court	Sheriff	Jail Inmate
Additions						
Realty Tax Collected for Other Governments	\$ -	\$ -	\$ -	\$ 1,341,600	\$ -	\$ -
Inheritance Tax Collected for Other Governments	-	-	-	104,726	-	-
Fees Collected for Other Governments	117,522	-	1,866,596	38,869	503,200	-
Inmate Account Collections	-	-	-	-	-	284,839
Fees and Fines Collected - Other	-	-	-	-	-	-
Support Payments	-	-	-	-	-	-
Miscellaneous Income	-	-	4,993	-	-	-
Total Additions	117,522	-	1,871,589	1,485,195	503,200	284,839
Deductions						
Realty Tax Collected for Other Governments	-	-	-	1,340,132	-	-
Inheritance Tax Collected for Other Governments	-	-	-	104,726	-	-
Fees Collected for Other Governments	117,509	-	1,849,750	38,869	260,334	-
Inmate Disbursements	-	-	-	-	-	268,908
Payments to Other Entities	-	-	-	-	-	-
Support Payments	-	-	-	-	-	-
Total Deductions	117,509	-	1,849,750	1,483,727	260,334	268,908
Change in Net Position	13	-	21,839	1,468	242,866	15,931
Net Position - Beginning of Year	655	3,077	119,892	1,293	44,841	142,211
Net Position - End of Year	\$ 668	\$ 3,077	\$ 141,731	\$ 2,761	\$ 287,707	\$ 158,142

COUNTY OF JEFFERSON
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS (CONTINUED)
 YEAR ENDED DECEMBER 31, 2023

	Jail Work Release	Prothonotary	District Justices	Domestic Relations	Total
Additions					
Realty Tax Collected for Other Governments	\$ -	\$ -	\$ -	\$ -	\$ 1,341,600
Inheritance Tax Collected for Other Governments	-	-	-	-	104,726
Fees Collected for Other Governments	-	-	1,482,136	-	4,008,323
Inmate Account Collections	513,277	-	-	-	798,116
Fees and Fines Collected - Other	-	349,680	-	-	349,680
Support Payments	-	-	-	185,125	185,125
Miscellaneous Income	-	4,122	-	-	9,115
Total Additions	513,277	353,802	1,482,136	185,125	6,796,685
Deductions					
Realty Tax Collected for Other Governments	-	-	-	-	1,340,132
Inheritance Tax Collected for Other Governments	-	-	-	-	104,726
Fees Collected for Other Governments	-	-	1,398,794	-	3,665,256
Inmate Disbursements	513,276	-	-	-	782,184
Payments to Other Entities	-	150,855	88,205	-	239,060
Support Payments	-	-	-	183,757	183,757
Total Deductions	513,276	150,855	1,486,999	183,757	6,315,115
Change in Net Position	1	202,947	(4,863)	1,368	481,570
Net Position - Beginning of Year	614	160,815	19,821	2,650	495,869
Net Position - End of Year	\$ 615	\$ 363,762	\$ 14,958	\$ 4,018	\$ 977,439