

**COUNTY OF LAWRENCE, PENNSYLVANIA**

**NEW CASTLE, PENNSYLVANIA**

**FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019**

COUNTY OF LAWRENCE, PENNSYLVANIA  
YEAR ENDED DECEMBER 31, 2019

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# *Zelenkofske Axcelrod LLC*

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## INDEPENDENT AUDITOR'S REPORT

County Commissioners  
County of Lawrence  
New Castle, Pennsylvania

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the COUNTY OF LAWRENCE, PENNSYLVANIA as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the COUNTY OF LAWRENCE, PENNSYLVANIA's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the COUNTY OF LAWRENCE, PENNSYLVANIA, as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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3800 McKnight East Drive, Suite 3805, Pittsburgh, PA 15237  
34745 Burbage Road, Frankford, DE 19945

2370 York Road, Suite A-5, Jamison, PA 18929  
420 Chinquapin Round Road, Suite 2-i, Annapolis, MD 21401  
210 Tollgate Hill Road, Greensburg, PA 15601



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## **Adoption of GASB Statements**

As described in Note 1 to the financial statements, in 2019 the County adopted the provisions of Governmental Accounting Standards Board GASB Statement No. 95 "Postponement of the effective dates of Certain Authoritative Guidance". Our opinion is not modified with respect to these matters.

## **Emphasis in Matter of Opinion**

As discussed in Note 13, subsequent events may have a significant impact on the operations of the County. Management has determined that it is not possible to predict the eventual outcome of the subsequent event. The accompanying financial statements do not include any adjustments related to the subsequent event. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *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 county contributions and investment returns, and schedules of changes in the net pension liability and related ratios (as listed in the table of contents as required supplementary information) on pages 4 - 15 and 47 - 52 be presented to supplement the basic financial statements. Such information, 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.

### *Other Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the COUNTY OF LAWRENCE, PENNSYLVANIA's basic financial statements. The combining nonmajor fund financial statements on pages 54 through 59 are presented for purposes of additional analysis and are not a required part of the basic financial statements.



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## **Other Matters (Continued)**

### Other Supplementary Information (Continued)

The combining nonmajor 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. Such 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 nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated September 29, 2020 on our consideration of the COUNTY OF LAWRENCE'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 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 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 the COUNTY OF LAWRENCE's internal control over financial reporting and compliance.

*Zelenkofske Axlerod LLC*

ZELENKOFKSKE AXELROD LLC

Pittsburgh, Pennsylvania  
September 29, 2020

## **MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2019**

The COUNTY OF LAWRENCE, 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 that ended on December 31, 2019. Please read this Management Discussion and Analysis in conjunction with the COUNTY's financial statements that follow this section.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This report consists of the following four parts:

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

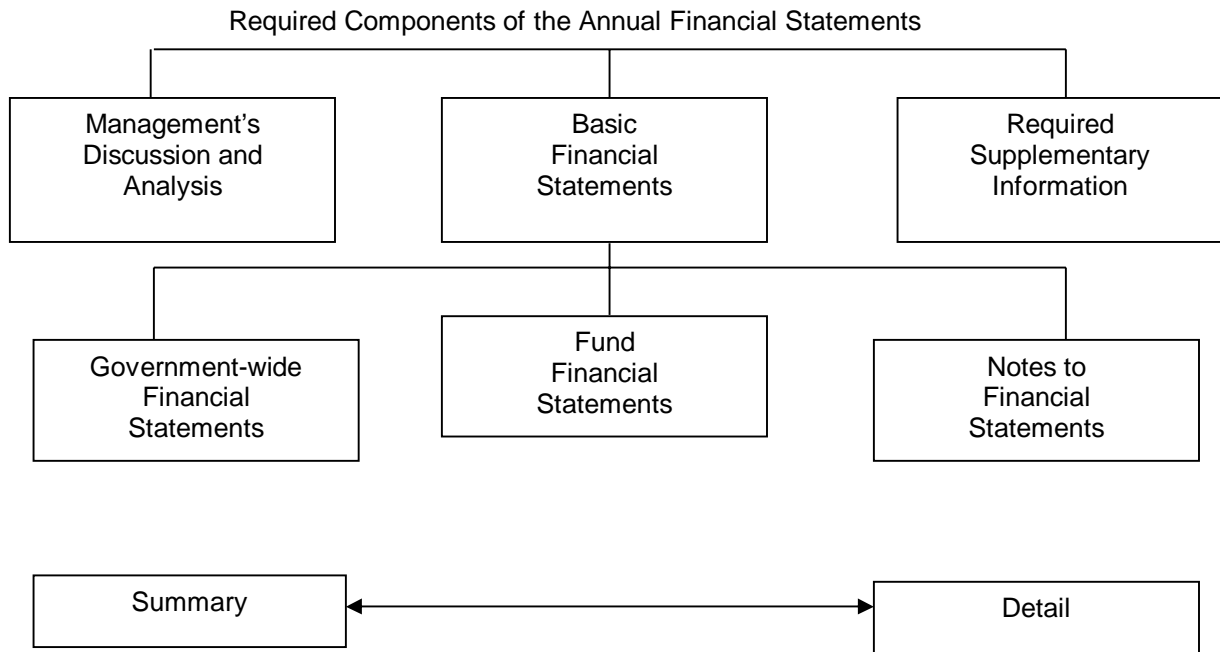
Management's discussion and analysis is a guide to reading the financial statements and provides related information to help the reader to better understand the COUNTY's government. The basic financial statements include notes that provide additional information essential to a full understanding of the 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, behavioral health/developmental services fund and the children and youth services fund.

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.
- *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 two types of fund financial statements:
  - *Governmental funds statements* show how general government services such as public safety, human services, public works, culture and recreation, and conservation and development are financed in the short term, as well as what remains for future spending.
  - *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  
DECEMBER 31, 2019**

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



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2019**

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**

	<b>Government- wide Statements</b>	<b>Fund Financial Statements</b>	
		<b><u>Governmental</u></b>	<b><u>Fiduciary</u></b>
Scope	Entire entity (except fiduciary funds)	The day-to-day operating activities of the County, such as public safety and courts	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 balances	-Statement of fiduciary net position
Accounting basis and measurement focus	Accrual	Modified Accrual	Accrual accounting and economic resources focus
Type of asset and liability information	All assets and liabilities, 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, short-term and long-term
Type of inflow and outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenue 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 additions and deductions during the year, regardless of when cash is received or paid



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2019**

The remainder of the 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 economic resources measurement focus and the accrual basis of accounting, which requires that revenues be reported when they are earned and expenses recorded when a liability is incurred, regardless of the timing of the related cash flow.

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 property tax base and general economic conditions must be considered to assess the overall position of the COUNTY.

The Statement of Net Position and the Statement of Activities include the following:

- *Governmental activities* include the COUNTY's basic services such as general government, judicial, public safety, public works, human services, culture and recreation, and conservation and development.

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 in the fund level statements 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.

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2019**

Government-wide statements are reported on the accrual basis of accounting that involves the following steps to format the statement of net position:

- Capitalize current outlays for capital assets
- Report long-term debt as a liability
- Depreciate capital assets and allocate the depreciation to the proper program/activities
- Allocate net position balances as follows:
  - Net investment in capital assets
  - Restricted net position is the 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 the modified accrual basis of accounting.

The COUNTY has two 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 basis of accounting.

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. The County also adopts a budget for the behavioral health/developmental services fund and the children and youth services fund. A budgetary comparison of the COUNTY's general fund, behavioral health/developmental services fund and the children and youth services fund are presented as required supplementary information.

- *Fiduciary Funds* are funds for which the COUNTY is the trustee or fiduciary. These include certain agency 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. These funds are excluded from the COUNTY's government-wide financial statements because the COUNTY cannot use these assets to finance its operations. The fiduciary funds are reported using the accrual basis of accounting.

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2019**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**Net Position**

The COUNTY's total assets were \$71,541,358 at December 31, 2019. Of this amount, \$48,576,499 was capital assets.

GASB No. 34 required that all capital assets, including infrastructure, be valued and reported within the governmental activities column of the government-wide financial statements, but allowed infrastructure to be added over several years. The COUNTY adopted the provisions of GASB 34 related to infrastructure on the retroactive basis.

**Condensed Statement of Net Position – 2019/2018**

	2019 Governmental Activities	2018 Governmental Activities	Changes from 2019 to 2018
Capital Assets	\$ 48,576,499	\$ 48,971,869	\$ (395,370)
Other Assets	22,964,859	17,954,370	5,010,489
<b>Total Assets</b>	<b>\$ 71,541,358</b>	<b>\$ 66,926,239</b>	<b>\$ 4,615,119</b>
Deferred Outflows- Pensions	\$ 783,753	\$ 4,397,096	\$ (3,613,343)
<b>Total Deferred Outflows</b>	<b>\$ 783,753</b>	<b>\$ 4,397,096</b>	<b>\$ (3,613,343)</b>
Current Liabilities	\$ 7,983,023	\$ 9,180,392	\$ (1,197,369)
Long-term Liabilities	33,046,062	34,713,598	(1,667,536)
<b>Total Liabilities</b>	<b>\$ 41,029,085</b>	<b>\$ 43,893,990</b>	<b>\$ (2,864,905)</b>
Deferred Inflows- Pensions	\$ 5,369,363	\$ 647,638	\$ 4,721,725
<b>Total Deferred Inflows</b>	<b>\$ 5,369,363</b>	<b>\$ 647,638</b>	<b>\$ 4,721,725</b>
<b>Net Position</b>			
Net Investment in Capital Assets	\$ 23,572,355	\$ 23,134,985	\$ 437,370
Restricted	5,931,818	6,781,421	(849,603)
Unrestricted	(3,577,510)	(3,134,699)	(442,811)
<b>Total Net Position</b>	<b>\$ 25,926,663</b>	<b>\$ 26,781,707</b>	<b>\$ (855,044)</b>

**Change in Net Position**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2019**

The following statement of activities represents the change in net position for the year ended December 31, 2019 and December 31, 2018 and changes from 2019 to 2018. It shows revenues by source and expenses by function for governmental activities.

**Condensed Statement of Activities**

	2019 Governmental Activities	2018 Governmental Activities	Changes from 2019 to 2018
Program Revenues:			
Charges for Services	\$ 7,476,269	\$ 6,914,121	\$ 562,148
Grants and Contributions	24,921,814	24,043,138	878,676
General Revenues:			
Taxes	26,506,198	26,473,313	32,885
Unrestricted			
Investment Earnings	214,388	119,352	95,036
Miscellaneous Revenue	1,428,349	1,684,618	(256,269)
Total Revenues	<u>\$ 60,547,018</u>	<u>\$ 59,234,542</u>	<u>1,312,476</u>
Expenses:			
General Government - Administrative	\$ 6,218,720	\$ 8,251,894	(2,033,174)
General Government - Judicial	11,860,499	11,792,531	67,968
Public Safety	12,695,243	12,147,526	547,717
Public Works	1,676,461	4,158,515	(2,482,054)
Human Services	23,885,550	24,288,321	(402,771)
Culture and Recreation	732,484	723,770	8,714
Conservation and Development	3,010,260	1,953,425	1,056,835
Miscellaneous	37,977	3,539	34,438
Interest on Long-Term Debt	1,284,868	1,250,144	34,724
Total Expenses	<u>61,402,062</u>	<u>64,569,665</u>	<u>(3,167,603)</u>
Change in Net Position	<u>(855,044)</u>	<u>(5,335,123)</u>	<u>4,480,079</u>
Net Position - January 1	<u>26,781,707</u>	<u>32,116,830</u>	<u>(5,335,123)</u>
Net Position - December 31	<u>\$ 25,926,663</u>	<u>\$ 26,781,707</u>	<u>(855,044)</u>

**MANAGEMENT DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2019**

**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 2019, property taxes brought in \$26,390,370.

**Net Cost of Governmental Activities**

	<b>2019 Total Cost of Services</b>	<b>2019 Net Cost of Services</b>	<b>2018 Total Cost of Services</b>	<b>2018 Net Cost of Services</b>
Program:				
General Government -Administrative	\$ 6,218,720	\$ (2,987,400)	\$ 8,251,894	\$ (5,667,835)
General Government - Judicial	11,860,499	(8,673,706)	11,792,531	(8,938,843)
Public Safety	12,695,243	(8,778,294)	12,147,526	(8,375,965)
Public Works	1,676,461	(811,011)	4,158,515	(3,319,435)
Human Services	23,885,550	(4,292,925)	24,288,321	(4,016,540)
Culture and Recreation	732,484	(728,370)	723,770	(723,770)
Conservation and Development	3,010,260	(1,409,428)	1,953,425	(1,316,335)
Miscellaneous	37,977	(37,977)	3,539	(3,539)
Interest on Long-Term Debt	1,284,868	(1,284,868)	1,250,144	(1,250,144)
<b>Total</b>	<b>\$ 61,402,062</b>	<b>\$ (29,003,979)</b>	<b>\$ 64,569,665</b>	<b>\$ (33,612,406)</b>

The COUNTY relied on property taxes and other general revenues to fund 47.2% of its governmental activities in 2019.

**MANAGEMENT DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2019**

**Capital Assets**

The COUNTY's investment in capital assets at December 31, 2019, net of accumulated depreciation, was \$48,576,499. Capital assets consist primarily of land, buildings and equipment. The following is a summary of capital assets at December 31, 2019:

	<b>Capital Assets</b>			
GOVERNMENTAL ACTIVITIES	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets, Not Being Depreciated:				
Land	\$ 546,459	\$ -	\$ -	\$ 546,459
Construction in Progress	949,191	581,244	(720,119)	810,316
Total Capital Assets, Not Being Depreciated	<u>1,495,650</u>	<u>581,244</u>	<u>(720,119)</u>	<u>1,356,775</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	35,809,535	1,325,820	-	37,135,355
Equipment and Vehicles	14,052,535	1,159,020	-	15,211,555
Infrastructure	31,993,006	-	-	31,993,006
Total Capital Assets, Being Depreciated	<u>81,855,076</u>	<u>2,484,840</u>	<u>-</u>	<u>84,339,916</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	(18,015,861)	(956,426)	-	(18,972,287)
Equipment and Vehicles	(5,921,894)	(1,167,144)	-	(7,089,038)
Infrastructure	(10,441,102)	(617,765)	-	(11,058,867)
Total Accumulated Depreciation	<u>(34,378,857)</u>	<u>(2,741,335)</u>	<u>-</u>	<u>(37,120,192)</u>
Total Capital Assets, Being Depreciated, Net	<u>47,476,219</u>	<u>(256,495)</u>	<u>-</u>	<u>47,219,724</u>
Governmental Activities Capital Assets, Net	<u>\$ 48,971,869</u>	<u>\$ 324,749</u>	<u>\$ (720,119)</u>	<u>\$ 48,576,499</u>

Detailed information about the COUNTY's capital assets can be found in Note 5, Notes to the Financial Statements.

**MANAGEMENT DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2019**

**Debt Administration**

At December 31, 2019, the COUNTY had \$34,475,696 of long-term obligations outstanding. Debt decreased 4.4% from the previous year. The following is a summary of debt obligations for the 2019 year:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities:</u>					
<u>Bonds and Notes Payable:</u>					
General Obligation Bonds	\$ 9,195,000	\$ -	\$ (270,000)	\$ 8,925,000	\$ 275,000
General Obligation Notes	26,102,500	-	(1,360,000)	24,742,500	1,390,000
Total Bonds and Notes Payable	<u>35,297,500</u>	<u>-</u>	<u>(1,630,000)</u>	<u>33,667,500</u>	<u>1,665,000</u>
			Less amounts due within one year	<u>(1,665,000)</u>	
				<u><u>32,002,500</u></u>	
<u>Other Liabilities:</u>					
Capital Lease Obligations	23,010	-	(9,871)	13,139	13,139
Compensated Absences	761,583	33,474	-	795,057	-
Total Other Liabilities	<u>784,593</u>	<u>33,474</u>	<u>(9,871)</u>	<u>808,196</u>	<u>13,139</u>
Governmental Activities Long-Term Liabilities	<u>\$ 36,082,093</u>	<u>\$ 33,474</u>	<u>\$ (1,639,871)</u>	<u>\$ 34,475,696</u>	<u>\$ 1,678,139</u>

See Note 7 for more information regarding long-term debt.

**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 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 and various special revenue funds. The general fund is the chief operating fund for the COUNTY. Special revenue funds are restricted to specific legislated use. The major funds are shown on the statement of revenues, expenditures and changes in fund balances in the financial statements.

**MANAGEMENT DISCUSSION AND ANALYSIS  
DECEMBER 31, 2019**

**GOVERNMENTAL FUND REVENUES**

Governmental fund revenues by source at December 31, 2019 and 2018 were as follows:

	<u>2019</u>	<u>2018</u>
Revenues:		
Taxes	\$ 26,390,370	\$ 26,851,441
Intergovernmental Revenues	24,921,814	24,043,138
Charges for Services	7,476,269	6,914,121
Interest	214,388	119,352
Other	1,428,351	1,684,618
Debt Proceeds	-	1,500,000
Transfers In	4,392,253	4,105,188
	<u>4,392,253</u>	<u>4,105,188</u>
Total Revenue	<u>\$ 64,823,445</u>	<u>\$ 65,217,858</u>

The decrease in tax revenues was offset by the increase in intergovernmental revenues and charges for services for the year ended 2019.

**GOVERNMENTAL FUND EXPENDITURES**

Governmental fund expenditures by function at December 31, 2019 and 2018 were as follows:

	<u>2019</u>	<u>2018</u>
Expenditures:		
General Government - Administrative	\$ 7,300,420	\$ 7,930,988
General Government - Judicial	11,959,492	11,668,656
Public Safety	11,348,939	10,558,462
Public Works	1,054,735	424,693
Human Services	23,232,147	23,939,514
Culture and Recreation	701,137	681,019
Conservation and Development	3,000,685	1,893,075
Debt Service	2,896,073	2,830,861
Capital Outlay	1,271,140	371,174
Transfers Out	4,392,253	4,105,188
Miscellaneous	37,977	3,539
	<u>37,977</u>	<u>3,539</u>
Total Expenditures	<u>\$ 67,194,998</u>	<u>\$ 64,407,169</u>

Public Safety expenditures increased due to a increase in 911 spending. General Government Administrative and Judicial expenditures decreased as a result of decreased usage and demand for services during 2019. Human services expenditures decreased due to a decrease in CCIS grant funding. Conservation and Development expenditures increased as a result of an uptick in Planning grants received during 2019.



**MANAGEMENT DISCUSSION AND ANALYSIS  
DECEMBER 31, 2019**

**GOVERNMENTAL FUND BALANCES**

Ending balances for governmental funds at December 31, 2019 and 2018 were as follows:

<u>Fund</u>	<u>2019</u>	<u>2018</u>
General Fund	\$ 461,047	\$ 1,895,121
Behavioral Health/Development Services	-	-
Children and Youth Services	-	-
Pass Through Grants Fund	-	-
Other Governmental Funds	<u>5,651,653</u>	<u>6,589,132</u>
Total Fund Balance	<u><u>\$ 6,112,700</u></u>	<u><u>\$ 8,484,253</u></u>

The reasons for the changes in governmental fund balances are explained above in the governmental funds revenues and expenditures sections.

**BUDGETARY HIGHLIGHTS**

The COUNTY adopts an annual appropriated budget for its general fund, behavioral health/developmental services fund and children and youth services fund. In 2019, general fund expenditures were under budget by \$1,621,907 or 5.42%. Behavioral health/developmental services fund expenditures were under budget by \$401,770 or 5.27%. Children and youth services fund expenditures were under budget by \$3,065,195 or 22.33%. Detailed information about the COUNTY's 2019 budgets for these funds can be found in Required Supplemental Information.

**ECONOMIC CONDITIONS AND NEXT YEAR'S BUDGET**

The county has stagnant property values which limit revenues and places constraints of expenditures and the delivery of services. The millage rate for 2020 will increase to 8.309 mills.

**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 Lawrence  
Controller's Office  
430 Court Street  
New Castle, PA 16101

Phone: 724-656-2132

COUNTY OF LAWRENCE, PENNSYLVANIA  
STATEMENT OF NET POSITION  
DECEMBER 31, 2019

Assets	Primary Government Governmental Activities
Cash and Cash Equivalents	\$ 6,094,900
Restricted Cash	406,640
Receivables (Net, where applicable, of Allowance for Uncollectibles)	
Accounts	1,580,856
Taxes	2,191,461
Due From Other Governments	3,654,301
Prepaid Assets	277,811
Net Pension Asset	8,758,890
Capital Assets: (Net)	
Depreciable	47,219,724
Non-depreciable	1,356,775
Total Assets	\$ 71,541,358
Deferred Outflows of Resources	
Pensions	\$ 783,753
Liabilities	
Current Liabilities:	
Accounts Payable	\$ 3,892,604
Cash Overdraft	94,920
Accrued Expenses	960,139
Unearned Revenues	759,411
Accrued Interest Payable on Debt	191,170
Escrow Liability	406,640
Current Portions of Long-Term Liabilities:	
Loans and Notes Payable	1,665,000
Capital Lease Payable	13,139
Non-Current Portions of Long-Term Liabilities:	
Loans and Notes Payable	32,002,500
Bond Premium	248,505
Compensated Absences	795,057
Total Liabilities	41,029,085
Deferred Inflows of Resources	
Pensions	\$ 5,369,363
Net Position	
Net Investment in Capital Assets	23,572,355
Restricted Net Position	
Program Purposes	5,931,818
Unrestricted	(3,577,510)
Total Net Position	\$ 25,926,663

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

COUNTY OF LAWRENCE, PENNSYLVANIA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government - Administrative	\$ 6,218,720	\$ 2,709,597	\$ 94,938	\$ 426,785	\$ (2,987,400)
General Government - Judicial	11,860,499	1,156,219	2,030,574	-	(8,673,706)
Public Safety	12,695,243	3,488,982	427,967	-	(8,778,294)
Public Works	1,676,461	-	865,450	-	(811,011)
Human Services	23,885,550	-	19,592,625	-	(4,292,925)
Culture and Recreation	732,484	-	4,114	-	(728,370)
Conservation and Development	3,010,260	121,471	1,479,361	-	(1,409,428)
Miscellaneous	37,977	-	-	-	(37,977)
Interest on Long-Term Debt	1,284,868	-	-	-	(1,284,868)
Total Governmental Activities	61,402,062	7,476,269	24,495,029	426,785	(29,003,979)
General Revenues:					
Taxes					26,506,198
Unrestricted investment earnings					214,388
Miscellaneous					1,428,349
Total General Revenues					28,148,935
Change in Net Position					(855,044)
Net Position - Beginning					26,781,707
Net Position - Ending					\$ 25,926,663

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

COUNTY OF LAWRENCE, PENNSYLVANIA  
BALANCE SHEET  
DECEMBER 31, 2019

Assets	General Fund	Behavioral Health/ Developmental Services	Children and Youth Services	Pass Through Grants	Total Nonmajor Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents	\$ 166,576	\$ 480,348	\$ 136,047	\$ 241,253	\$ 5,070,676	\$ 6,094,900
Restricted Cash	380,274	-	-	-	26,366	406,640
Receivables:						
Taxes	2,191,461	-	-	-		2,191,461
Other Governmental Grants	-	141,058	2,753,562	231,117	528,564	3,654,301
Other	1,005,456	-	-	-	575,400	1,580,856
Due from Other Funds	407,755	183,814	-	-	7,723	599,292
Prepaid Assets	217,095	5,058	15,829	-	39,829	277,811
<b>Total Assets</b>	<b>\$ 4,368,617</b>	<b>\$ 810,278</b>	<b>\$ 2,905,438</b>	<b>\$ 472,370</b>	<b>\$ 6,248,558</b>	<b>\$ 14,805,261</b>
<b>Liabilities</b>						
Accounts Payable	\$ 614,397	\$ 428,127	\$ 2,421,739	\$ 203,397	\$ 224,944	\$ 3,892,604
Cash Overdraft	-	-	-	-	94,920	94,920
Accrued Liabilities	753,038	28,284	79,315	-	99,502	960,139
Due to Other Funds	180,306	-	404,384	-	14,602	599,292
Escrow Liability	380,274	-	-	-	26,366	406,640
Unearned Revenues	-	353,867	-	268,973	136,571	759,411
<b>Total Liabilities</b>	<b>1,928,015</b>	<b>810,278</b>	<b>2,905,438</b>	<b>472,370</b>	<b>596,905</b>	<b>6,713,006</b>
Deferred Inflows of Resources						
Unavailable Revenue - Property Taxes	1,979,555	-	-	-	-	1,979,555
<b>Fund Balances</b>						
Reserved						
Nonspendable	217,095	5,058	15,829	-	39,629	277,611
Restricted	42,183	-	-	-	5,612,024	5,654,207
Assigned						
Funds to be used for future capital projects	-	-	-	-	-	-
Unassigned	201,769	(5,058)	(15,829)	-	-	180,882
<b>Total Fund Balances</b>	<b>461,047</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,651,653</b>	<b>6,112,700</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 4,368,617</b>	<b>\$ 810,278</b>	<b>\$ 2,905,438</b>	<b>\$ 472,370</b>	<b>\$ 6,248,558</b>	<b>\$ 14,805,261</b>

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

COUNTY OF LAWRENCE, PENNSYLVANIA  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
DECEMBER 31, 2019

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

Total fund balances of governmental funds	\$	6,112,700
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$85,696,691 and the accumulated depreciation is \$37,120,192.		48,576,499
Revenues not available to pay for current period expenditures and therefore reported as deferred inflows of resources in the funds:		
Real estate taxes		1,979,555
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. Both current and long-term liabilities are reported in the Statement of Net Position. Long-term liabilities at year-end consist of:		
Long-term debt	(33,667,500)	
Unamortized Premium	(248,505)	
Accrued interest on long-term debt	(191,170)	
Capital Lease Payable	(13,139)	
Net Pension Asset	8,758,890	
Deferred Outflows of Resources - Pension	783,753	
Deferred Inflows of Resources - Pension	(5,369,363)	
Compensated Absences	(795,057)	
	(30,742,091)	
Total net position of governmental activities	\$	25,926,663

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

COUNTY OF LAWRENCE, PENNSYLVANIA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2019

	General Fund	Behavioral Health/ Developmental Services	Children and Youth Services	Pass Through Grants	Total Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Taxes, Real estate	\$ 23,753,884	\$ -	\$ -	\$ -	\$ 2,636,486	\$ 26,390,370
Intergovernmental revenue	1,703,418	6,043,692	8,141,038	5,273,507	3,760,159	24,921,814
Charges for services	4,938,047	-	-	-	2,538,222	7,476,269
Interest income	125,874	16,992	502	-	71,020	214,388
Other revenue	239,797	910,038	274,496	-	4,020	1,428,351
Total Revenues	<u>30,761,020</u>	<u>6,970,722</u>	<u>8,416,036</u>	<u>5,273,507</u>	<u>9,009,907</u>	<u>60,431,192</u>
<b>Expenditures</b>						
Current operating:						
General government	7,141,984	-	-	-	158,436	7,300,420
Judicial	9,862,742	-	-	-	2,096,750	11,959,492
Public safety	9,027,024	-	-	-	2,321,915	11,348,939
Public works	-	-	-	-	1,054,735	1,054,735
Human services	-	7,227,482	10,663,912	5,272,954	67,799	23,232,147
Culture and recreation	254,001	-	-	-	447,136	701,137
Conservation and development	1,904,685	-	-	553	1,095,447	3,000,685
Miscellaneous	37,977	-	-	-	-	37,977
Debt service						
Principal	-	-	-	-	1,630,000	1,630,000
Interest	58,418	-	-	-	1,207,655	1,266,073
Capital outlay	-	-	-	-	1,271,140	1,271,140
Total Expenditures	<u>28,286,831</u>	<u>7,227,482</u>	<u>10,663,912</u>	<u>5,273,507</u>	<u>11,351,013</u>	<u>62,802,745</u>
Excess (deficiency) of revenues over expenditures	<u>2,474,189</u>	<u>(256,760)</u>	<u>(2,247,876)</u>	<u>-</u>	<u>(2,341,106)</u>	<u>(2,371,553)</u>
<b>Other financing sources (uses)</b>						
Transfers in	241,995	293,811	2,340,795	-	1,515,652	4,392,253
Transfers out	(4,150,258)	(37,051)	(92,919)	-	(112,025)	(4,392,253)
Total other financing sources (uses)	<u>(3,908,263)</u>	<u>256,760</u>	<u>2,247,876</u>	<u>-</u>	<u>1,403,627</u>	<u>-</u>
Net change in fund balance	(1,434,074)	-	-	-	(937,479)	(2,371,553)
Fund balance, beginning of year	1,895,121	-	-	-	6,589,132	8,484,253
Fund balance, end of year	<u>\$ 461,047</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,651,653</u>	<u>\$ 6,112,700</u>

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

COUNTY OF LAWRENCE, PENNSYLVANIA  
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
FOR THE YEAR ENDED DECEMBER 31, 2019

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

Net Change in fund balances - total governmental funds		\$	(2,371,553)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense is exceeded by capital outlay in the current period.</p>			
Capital outlays			2,345,965
Depreciation expense			(2,741,335)
			(395,370)
<p>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.</p>			
Amortization of bond premium			22,870
Change in interest payable on long-term debt			(41,667)
Principal repayments			1,630,000
			1,611,203
<p>The acquisition of capital assets through capital lease arrangements are only expensed when the monthly payments are made on the leases at the fund level. Such transactions only effect net position when new capital leases are entered into. This amount is the difference between capital lease payments and new capital lease obligations.</p>			
Payments made on capital lease obligations			9,871
			9,871
Governmental funds do not report the changes in pension expense.			(33,474)
Governmental funds do not report the changes in the net pension asset and other related items:			208,451
<p>Real estate taxes reported in the funds include receipt of prior year delinquent taxes and do not include revenue attributable to the current year's delinquent tax receivable. This amount is the net effect of these differences.</p>			
Current year			1,979,555
Prior year			(1,863,727)
			115,828
Changes in net position of governmental activities			\$ (855,044)

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

COUNTY OF LAWRENCE  
STATEMENT OF FIDUCIARY NET POSITION  
DECEMBER 31, 2019

	<u>Employee Retirement</u>	<u>Other Agency Funds</u>	<u>Total</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 720,350	\$ 2,958,172	\$ 3,678,522
Investments	<u>86,304,525</u>	<u>-</u>	<u>86,304,525</u>
Total Assets	<u>\$ 87,024,875</u>	<u>\$ 2,958,172</u>	<u>\$ 89,983,047</u>
<u>Liabilities</u>			
Liabilities			
Funds Held in Fiduciary Capacity	<u>\$ -</u>	<u>\$ 2,958,172</u>	<u>\$ 2,958,172</u>
Total Liabilities	<u>-</u>	<u>2,958,172</u>	<u>2,958,172</u>
<u>Net Position</u>			
Held in Trust For			
Employees' Pension Benefits	<u>87,024,875</u>	<u>-</u>	<u>87,024,875</u>
Total Net Position	<u>\$ 87,024,875</u>	<u>\$ -</u>	<u>\$ 87,024,875</u>

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



COUNTY OF LAWRENCE  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2019

	Employee Retirement Trust Fund
Additions:	
Contributions:	
Employee	\$ 1,812,933
Other	152,499
County Contribution	483,454
Total Contributions	2,448,886
Investment Income:	
Net Appreciation in Fair Value of Investments	12,516,173
Interest and Dividends	1,574,051
Total Investment Income	14,090,224
Less: Investment Expense	(222,286)
Net Investment Income	13,867,938
Total Additions	16,316,824
Deductions	
Employee Benefits Paid	4,133,694
Members' Contributions Refunded	235,387
Administrative Expenses	128,945
Total Deductions	4,498,026
Net Increase in Net Position	11,818,798
Net Position Held In Trust For Employees' Pension Benefits:	
Beginning of Year	75,206,077
End of Year	\$ 87,024,875

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

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2019

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

A summary of the County's significant accounting policies consistently applied in the preparation of the accompanying financial statements is as follows:

The County of Lawrence (the "County") was formed in 1849. The County operates under the direction of an elected three member Board of Commissioners and provides the following services: general administrative services, tax assessment and collections, judicial, public improvements, public safety, public works, human services, culture and recreation, and conservation and development. The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") applicable to governmental units, as prescribed by the Governmental Accounting Standards Board ("GASB").

A) Reporting Entity

The County follows the criteria promulgated by the Governmental Auditing 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 include those of the County of Lawrence (the "Primary Government") and its Component Units. The County does not have any component units included in its reporting entity.

Related Organizations

The Board of County Commissioners is also responsible for appointing the members of the governing boards of other organizations, but the County's accountability for the organization does not extend beyond making the appointments. These organizations include:

- Lawrence County Planning Commission
- Lawrence County Airport Authority
- Lawrence County Conservation District
- Lawrence County Drug and Alcohol Commission Advisory Board
- Lawrence County Housing Authority
- Agricultural Land Preservation Board
- Federated Library Board
- Lawrence County Industrial Development Authority

B) Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., statement of net position, and the statement of activities) report information on all the non-fiduciary activities of the primary government. The effect of interfund activity has been removed from these statements.

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.

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

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

B) Government-Wide and Fund Financial Statements (Continued)

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

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

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 a 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 reductions of the related liability, rather than as expenditures.

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 the year end to be deemed available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Licenses, 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 cash is received by the County.

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

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

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

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 excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

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 as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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. Revenues of this fund are primarily derived from real estate taxes, state and federal grants, and fees for services. Many of the basic activities of the County are accounted for in this fund including operation of general County government, boards, commissions, the court system, and health and welfare services.
- The Behavioral Health/Developmental Services Fund is used to account for proceeds of revenue received from various federal, state, and local sources. This fund is restricted for the provisions of the specified social services to eligible recipients.
- The Children and Youth Services Fund is used to account for proceeds of revenue received from various federal, state, and local sources. This fund is restricted for the provisions of the specified social services to eligible recipients.
- The Pass Through Grants Fund is used to account for revenues from federal and state grants that are given to various organizations throughout the county who administer the grants in accordance with the specified purpose of each grant.

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

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

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

Additionally, the County reports the following fiduciary fund types:

- The Lawrence County Employee's Retirement Fund is a Pension Trust Fund used to account for the pension plan contributions of the County and its employees and the related benefit payments and other plan costs.
- The Agency Fund is used to account for assets held by certain County offices that are subsequently disbursed to the County, other governments, and other activities for which it was collected.

D) Assets, Liabilities, and Net Position or Fund Balance

1. Cash and Cash Equivalents

The County considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. The County had cash overdrafts of \$94,920 due to timing issues with revenues.

2. Investments

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

3. Interfund Transactions

The County affects a variety of transactions between funds to finance operations. Certain interfund transactions have not been paid or received as of December 31, 2019, and appropriate interfund receivables or payables have been established accordingly.

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the governmental activity column in the government-wide financial statements. Property, plant and equipment with initial, individual costs that equal or exceed \$5,000 and estimated useful lives of over one year are recorded as capital assets. The County adopted the provisions of GASB 34 related to infrastructure on the retroactive basis. Capital assets are recorded at historical costs or estimated historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are completed.

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

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

D) Assets, Liabilities, and Net Position or Fund Balance (Continued)

4. Capital Assets (Continued)

Capital assets of the County are depreciated using the straight line method over the following intended useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and Improvements	20-40
Equipment and Vehicles	5-15
Infrastructure	50

5. Allowance for Doubtful Accounts

Taxes receivable have been reported net of allowance for doubtful accounts of \$394,346.

6. Inventories

The County's Inventories consist entirely of central supplies and are therefore valued at historical cost.

7. Long-Term Obligations

In the government-wide financial statements, long-term debts are reported as liabilities in the Statement of Net Position and bond discounts and premiums are deferred and amortized over the life of the bonds using the straight line method. Bond issuance costs are expensed as incurred.

In the fund financial statements, the face amount of debt issued is reported as other financing sources.

8. Compensated Absences

County policy permits employees to accumulate a limited amount of earned but unused vacation and sick leave time. These 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*.

9. Unearned Revenues

Unearned revenues are reported in the government-wide, enterprise fund, and governmental fund financial statements. Unearned revenues represent unearned revenues or revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned revenues. The County deems revenues received within 365 days of year end to be available with the exception of property taxes which must be received within 60 days of year end to be deemed available.

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

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

D) Assets, Liabilities, and Net Position or Fund Balance (Continued)

10. Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of items, which arise under a modified accrual basis of accounting, that qualify for reporting in this category, unavailable property tax revenue and deferred inflows of resources related to pensions. Unavailable property tax revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. Deferred inflows of resources related to pensions are described further in Note 6. The annual difference between expected and actual experience is amortized over a 4.6 year period.

11. Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, 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. The government only has one type of item, which arises under a modified accrual basis of accounting, that qualifies for reporting in this category. Deferred outflows of resources related to pensions are described further in Note 6. The annual difference between the projected and actual earnings on plan investments is amortized over a five-year closed period beginning the year in which the difference occurs (current year).

12. Net Position/Fund Balances

The government-wide 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 LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

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

D) Assets, Liabilities, and Net Position or Fund Balance (Continued)

12. Net Position/Fund Balances (Continued)

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 follows:

- Non-spendable – This classification consists of accounts that cannot be spent because they are not in spendable form or are legally required to be maintained intact.
- Restricted – This classification consists of amounts that are restricted to specific purposes. The County's restricted fund balances consist of external enabling legislation for the state, federal, or local government.
- Committed – This classification consists of amounts used for specific purposes imposed by formal action of the County's Board of Commissioners. The removal or modification of the use of committed funds can only be accomplished by a formal action of the Commissioners prior to fiscal year end.
- Assigned – This classification consists of amounts constrained by the County's intent to be used for specific purposes that are neither restricted nor committed. The County Commissioners have delegated the authority to assign fund balance for specific purposes to the Chief Clerk and the County Controller.
- Unassigned – This classification 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 General Fund is the only fund permitted to report a positive unassigned fund balance.

The County's GASB 54 policy is to first apply expenditures against any restricted fund balances, committed fund balances, assigned fund balances, and then unassigned fund balances, in that order.

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.



COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

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

D) Assets, Liabilities, and Net Position or Fund Balance (Continued)

14. Adoption of Governmental Accounting Standards Board Statements

The County adopted the provisions of GASB Statement No. 95 "Postponement of the effective dates of Certain Authoritative Guidance". The adoption has no effect on previously reported amounts.

15. Pending Changes in Accounting Principles

In November of 2016, the GASB issued Statement No. 83 "Certain Asset Retirement Obligations". The County is required to adopt Statement No. 83 for its fiscal year 2020 financial statements.

In January 2018, the GASB issued Statement No. 84 "Fiduciary Activities". The County is required to adopt Statement No. 84 for its fiscal year 2020 financial statements.

In June 2018, the GASB issued Statement No. 87 "Leases". The County is required to adopt Statement No. 87 for its fiscal year 2021 financial statements.

In April 2018, the GASB issued Statement No. 88 "Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements". The County is required to adopt Statement No. 88 for its fiscal year 2020 financial statements.

In June 2018, the GASB issued Statement No. 89 "*Accounting for Interest Cost Incurred before the End of Construction Period*". The County is required to adopt Statement No. 89 for its calendar year 2021 financial statements.

In August 2018, the GASB issued Statement No. 90 "*Majority Equity Interest—An Amendment of GASB Statements No. 14 and No. 61*". The County is required to adopt Statement No. 90 for its calendar year 2020 financial statements.

In May 2019, the GASB issued Statement No. 91 "*Conduit Debt Obligations*". The County is required to adopt Statement No. 91 for its fiscal year 2022 financial statements.

In January 2020, the GASB issued Statement No. 92 "*Omnibus 2020*". The County is required to adopt Statement No. 92 for its fiscal year 2022 financial statements.

In March 2020, the GASB issued Statement No. 93 "*Replacement of Interbank Offered Rates*". The County is required to adopt Statement No. 93 for its fiscal year 2022 financial statements.

In March 2020, the GASB issued Statement No. 94 "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*". The County is required to adopt Statement No. 94 for its 2023 financial statements.

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

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

## NOTE 2: BUDGETARY DATA

Commonwealth of Pennsylvania statutes require that all County Governments establish budgetary systems and approve annual operating budgets. The County's annual budget includes the General Fund and certain Special Revenue Funds and is based on estimates of revenues and expenditures approved by the Board of County Commissioners. The County of Lawrence adopted the 2019 budget on the same basis of accounting as reported in the fund financial statements. The County of Lawrence follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Commissioners' office then interviews each department head to discuss their budgets, as submitted, and allows them to substantiate projected expenditures.
2. Upon consolidation of department and agency expenditure projections, the Commissioners' office ascertains the most viable method of financing them.
3. Subsequently, the Budget Director assembles the preliminary projections of revenues and expenditures into a final budget incorporating any revisions or adjustments resulting from the aforementioned Commissioners' review.
4. By early December, the final budget is presented to the Commissioners. Pursuant to budgetary requirements as set forth in the County Code, public notice is given that the final budget is available for inspection for a period of 20 days.
5. After a 20 day inspection period, but no later than December 31, the Commissioners adopt the final budget by enacting the appropriate resolution.

During the course of the year, departmental needs may change, emergencies may occur, or additional revenue sources may arise. As a result, funds are often transferred between line items of the 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 other departments.

## NOTE 3: DEPOSITS AND INVESTMENTS

As of December 31, 2019, the County had the following investments:

	<u>Cost</u>	<u>Market</u>
Fiduciary Funds		
Retirement Fund		
Equity Mutual Funds	\$ 41,450,389	\$ 51,788,832
Fixed Income Mutual Funds	20,869,417	21,074,068
Miscellaneous	<u>12,265,889</u>	<u>13,441,625</u>
 Total Fiduciary Fund Investments	 <u>\$ 74,585,695</u>	 <u>\$ 86,304,525</u>

*Interest Rate Risk* – The County's Retirement Fund 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.

*Credit Risk* – The County has no formal investment policy for its operating funds that addresses credit risk.

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

## NOTE 3: DEPOSITS AND INVESTMENTS (CONTINUED)

*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 investment or collateral securities that are in the possession of an outside party. As of December 31, 2019, the County's cash balances for its governmental and agency fund were \$9,364,792 and its bank balances were \$10,128,403. Of these bank balances, \$9,496,589 was collateralized with securities held by the pledging financial institutions, or by their trust departments or agents, but not in the County's name. The entire cash and cash equivalent balance in the Retirement Fund was collateralized with securities held by the pledging financial institutions, or by their trust departments or agents, but not in the County's name. None of the County's retirement investments were exposed to custodial credit risk at December 31, 2019 because the custodians hold the securities in an account that designates the County as the owner of the securities.

*Concentration of Credit Risk* – The County has no formal investment policy for operating investments pertaining to the concentration of credit risk. The following investments represent 5 percent or more of the Retirement Fund's assets at December 31, 2019:

247,745 shares of Vanguard (Mutual Fund-Equity) which represents 22.69 percent of the Retirement Fund's Assets.

581,886 shares of Schroder International Multi Cap (Mutual Fund-Equity) which represents 6.29 percent of the Retirement Fund's Assets.

1,769,443 shares of Fidelity US Bond Index (Fixed Income) which represents 24.22 percent of the Retirement Fund's Assets.

341,520 shares of MFS Low Volatility Global Equity which represents 6.18 percent the Retirement of Fund's Assets.

There were no other investments in any one organization that represents 5 percent or more of plan assets.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At December 31, 2019, the County had the following recurring fair value measurements:

	<u>Fair Value Measurements Using</u>			
	12/31/2019	Level 1	Level 2	Level 3
<b>Investments measured by fair value level</b>				
Equity Mutual Funds	\$ 51,788,832	\$ 51,788,832	\$ -	\$ -
Fixed Income Mutual Funds	21,074,068	21,074,068	-	-
Total investments by fair value level	\$ 72,862,900	\$ 72,862,900	\$ -	\$ -

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

## NOTE 3: DEPOSITS AND INVESTMENTS (CONTINUED)

**Investments measured at the net asset value (NAV)**

	<u>Fair Value</u>	<u>Redemption Frequency (If Currently Eligible</u>	<u>Redemption Notice Period</u>
Real Estate Funds (1)	\$ 8,058,827	Quarterly	30-60 days
Global Opportunities Hedge Funds (2)	<u>5,382,798</u>	Quarterly	30-60 days
Total investments measured at the NAV	<u>13,441,625</u>		
Total investments measured at fair value	<u>\$ 86,304,525</u>		

- (1) *Real estate funds.* This type includes real estate funds that invest primarily in U.S. commercial real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received as the underlying investments of the funds are liquidated. It is expected that the underlying assets of the funds will be liquidated over the next 7 to 10 years. Twenty percent of the total investment in this type is expected to be sold. However, the individual investments that will be sold have not yet been determined. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Once it has been determined which investments will be sold and whether those investments will be sold individually or in a group, the investments will be sold in an auction process. The investee fund's management is required to approve of the buyer before the sale of the investments can be completed.
- (2) *Global opportunities hedge funds.* This type includes investments in 5 hedge funds that hold approximately 80 percent of the funds' investments in non-U.S. common stocks in the healthcare, energy, information technology, utilities, and telecommunications sectors and approximately 20 percent of the funds' investments in diversified currencies. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments.

## NOTE 4: PROPERTY TAXES

Real Estate Property Taxes

Real estate property 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 thereafter. The County bills these taxes which are collected by the County Treasurer.

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 bonded or funded debt. In 2019 the County had total millage of 7.309 mills on 100% of the assessed valuation, of which .603 mills were reserved for principal and interest on debt, .135 mills were reserved for special purposes, and 6.261 mills were for general County purposes.

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

## NOTE 4: PROPERTY TAXES (CONTINUED)

The County's 2019 real estate taxes are based on assessed values established by the County's Bureau of Assessments. Assessed values of real property are generally 100% of the base year value (2001) as determined by the Lawrence County Tax Assessment Office. The total 2019 real estate taxes levied was \$26,289,733 based on a total County assessed valuation of \$3,596,899,160. Based on the 2019 levy of 7.309 mills, a property owner would pay \$7.31 per \$1,000 of assessed valuation.

## NOTE 5: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

GOVERNMENTAL ACTIVITIES	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	\$ 546,459	\$ -	\$ -	\$ 546,459
Construction in Progress	949,191	581,244	(720,119)	810,316
Total Capital Assets, Not Being Depreciated	<u>1,495,650</u>	<u>581,244</u>	<u>(720,119)</u>	<u>1,356,775</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	35,809,535	1,325,820	-	37,135,355
Equipment and Vehicles	14,052,535	1,159,020	-	15,211,555
Infrastructure	31,993,006	-	-	31,993,006
Total Capital Assets, Being Depreciated	<u>81,855,076</u>	<u>2,484,840</u>	<u>-</u>	<u>84,339,916</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	(18,015,861)	(956,426)	-	(18,972,287)
Equipment and Vehicles	(5,921,894)	(1,167,144)	-	(7,089,038)
Infrastructure	(10,441,102)	(617,765)	-	(11,058,867)
Total Accumulated Depreciation	<u>(34,378,857)</u>	<u>(2,741,335)</u>	<u>-</u>	<u>(37,120,192)</u>
Total Capital Assets, Being Depreciated, Net	<u>47,476,219</u>	<u>(256,495)</u>	<u>-</u>	<u>47,219,724</u>
Governmental Activities Capital Assets, Net	<u>\$ 48,971,869</u>	<u>\$ 324,749</u>	<u>\$ (720,119)</u>	<u>\$ 48,576,499</u>

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

Governmental Activities:	
General Government - Administrative	\$ 349,416
General Government - Judicial	36,924
Public Safety	1,663,447
Public Works	621,530
Human Services	15,928
Culture and Recreation	33,841
Conservation and Development	<u>20,249</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,741,335</u>

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

NOTE 6: EMPLOYEE RETIREMENT TRUST FUND

The Lawrence County Employee's Retirement Plan (the "Plan") is a single-employer defined benefit pension plan that covers all full time employees of the County. The plan provides retirement, disability and death benefits to plan members and their beneficiaries. The Plan is part of the County's financial reporting entity and is included in the County's financial statements as a Pension Trust Fund.

Summary of Significant Accounting Policies

*Method used to value investments.* Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Real estate assets are reported at fair value utilizing an income approach to valuation. An independent appraisal should be obtained once every year to determine the fair market value of the real estate assets.

Description of Plan

*Plan Administration.* The Retirement Board administers the Lawrence County Employees Pension Plan. The Plan is governed by the 1971 County Pension Law, Act 96, of the General Assembly of the Commonwealth of Pennsylvania, as amended (the "Act"). Benefit and contribution provisions of the Plan are established and can be amended as provided by the Act. Cost of living adjustments are provided at the discretion of the County Retirement Board.

Management of the Plan is vested in the Board, which consists of five members - three elected County Commissioners, the County Controller and the County Treasurer.

*Plan membership.* For the 2019 measurement period, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	308
Inactive plan members entitled to but not yet receiving benefits	38
Active plan members	<u>396</u>
	<u>742</u>

*Benefits provided.* Lawrence County Employees Pension Plan provides retirement, disability, and death benefits. Retirement benefits for plan members are calculated as a percent of the member's highest 3-year average salary times the member's years of service depending on class basis. Plan members with 20 years of service are eligible to retire at age 55. Plan members that have attained age 60 are eligible to retire. All plan members are eligible for disability benefits after 5 years of service if disabled while in service and unable to continue as a county employee. Disability retirement benefits are equal to 25% of highest average salary at time of retirement. Death benefits for a member who dies with 10 years of service prior to retirement is the total present value of member's retirement paid in a lump sum. A plan member who leaves County service with less than 5 years of service may withdraw his or her contributions, plus any accumulated interest.

*Contributions.* The Retirement Board establishes contribution rates based on an actuarially determined contribution recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the year ended December 31, 2019, the minimum required active member contribution rate was 8 percent of annual pay and the County's average contribution rate was 5.64% of annual payroll. Employees may contribute up to an additional 10% of gross pay, at their option. Per Act 96 of 1971, as amended, the

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

NOTE 6: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

contribution requirements of the Plan members and the County may be amended by the General Assembly of the Commonwealth of Pennsylvania. Interest is credited each year in an amount allowed by the County Retirement Board to each member's account.

Administrative costs of the Plan may be financed through investment earnings. The Act makes no provision for termination of the Plan. The County does not issue a separate financial report for the Plan.

Legally Required Reserves

At December 31, 2019, the County has a balance of \$25,349,922 in the Members' Annuity Reserve Account. This account is the total of the contributions deducted from the salaries of the active and terminated vested members of the retirement system and the IRC 414(h)(2) pickup contributions together with the interest additions as of December 31, 2019. Since these accumulations represent the present value as of December 31, 2019 of future benefits, the reserve balance and liability are identical.

The County has a balance of \$16,233,580 in the County Annuity Reserve Account as of December 31, 2019. This balance and the amounts expected to be credited in the future, plus investment earnings, represent the reserves set aside for the payment of the County's share of the retirement allowances and this reserve is fully funded.

This is the account out of which regular interest is credited to the member's annuity and retired members' reserve account, administrative expenses may be paid and the pension obligations of the county are funded.

When a County annuity is scheduled to commence for a particular member, sufficient monies are transferred from the County annuity reserve account to the retired members' reserve account to provide for such County annuities actually entered into.

The Retired Members' Reserve Account is the account out of which monthly retirement allowances, including cost-of-living adjustments and death benefits are paid. The balance in this account was \$45,441,373 as of December 31, 2019. The corresponding liability for those annuitants on the roll is identical.

Plan Reporting

*Net Pension Liability of the County*

The total pension liability was based on an actuarial valuation dated January 1, 2019 and update procedures were used to rollforward the total pension liability to the December 31, 2019 measurement date. The components of the net pension liability of the County for the 2018 measurement period were as follows:

Total Pension Liability	\$ 78,265,985
Plan Fiduciary Net Position	87,024,875
Net Pension Liability (Asset)	<u>\$ (8,758,890)</u>

Plan fiduciary net position as a percentage of the total pension liability	111.19%
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COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

## NOTE 6: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Changes in the County's net pension liability for the plan for the year ended December 31, 2019 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/18	\$ 74,990,706	\$ 75,206,077	\$ (215,371)
Service Cost	2,179,897	-	2,179,897
Interest Cost	5,265,536	-	5,265,536
Changes of Benefit Terms	-	-	-
Differences Between Actual and Expected Experience	198,927	-	198,927
Contributions - Employer	-	483,454	(483,454)
Contributions - Member	-	1,812,933	(1,812,933)
Net Investment Income	-	13,867,938	(13,867,938)
Benefit Payments, including Refunds of Member Contributions	(4,369,081)	(4,369,081)	-
Administrative Expense	-	(128,945)	128,945
Other Changes	-	152,499	(152,499)
Net Changes	3,275,279	11,818,798	(8,543,519)
Balances at 12/31/19	<u>\$ 78,265,985</u>	<u>\$ 87,024,875</u>	<u>\$ (8,758,890)</u>

*Deferred Outflows of Resources*

The total pension expense recognized in 2019 for the plan was \$275,005. At December 31, 2019, the County reported deferred outflows of resources related to the pension plan from the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 443,591	\$ 413,586
Changes in Assumptions	-	370,167
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,925,772	-
Total	<u>\$ 5,369,363</u>	<u>\$ 783,753</u>



COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

## NOTE 6: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

The deferred outflows of resources will be recognized in pension expense as follows:

<u>Year Ended</u> <u>December 31:</u>	<u>Governmental</u> <u>Activities</u>
2020	\$ (1,094,119)
2021	(1,621,216)
2022	(156,525)
2023	<u>(1,713,750)</u>
Total	<u>\$ (4,585,610)</u>

The schedule of changes in the net pension liability and related ratios, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about the plan.

Plan Actuarial Methods and Assumptions

*Actuarial assumptions.* The total pension liability was determined by an actuarial valuation for the 2019 measurement period, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.5 percent, average, including inflation
Investment rate of return	7.0 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2013 Annuitant and Non- Annuitant Mortality Tables for Males and Females with no projected improvement.

The actuarial assumptions used in the valuation for the 2019 measurement period were based on past experience under the plan and reasonable future expectations which represent our best estimate of anticipated experience under the plan. An actuarial experience study was performed during 2016; however, no modifications to assumptions were made as a result.

Under the Act, cost-of-living adjustments to each member's retirement allowance shall be reviewed at least once every three years subsequent to the member's retirement date. The adjustment, should the Plan elect to give one, is a percentage of the change in the Consumer Price Index. The Plan did not include an assumption for projected ad hoc postemployment benefit changes as they are not considered to be substantively automatic.

*Investment policy.* The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Board by a majority vote of its members. It is the policy of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

## NOTE 6: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

The following was the Board's asset allocation policy for the 2019 measurement period:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	49%
International equity	18%
Fixed income	24.5%
Real Estate/Alternative	8%
Cash	<u>0.5%</u>
Total	<u>100%</u>

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation for the 2019 measurement period (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	5.4-6.4%
International equity	5.5-6.5
Fixed income	1.3-3.3
Real Estate/Alternative	4.5-5.5
Cash	0.0-1.0

*Discount rate.* The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the actuarially determined contribution rates in accordance with the County's recently adopted funding policy. Based on those assumptions, the pension plan's 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.

*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the County, calculated using the discount rate of 7.0 percent, 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 (6.0 percent) or 1-percentage-point higher than the current rate:

	1% Decrease <u>(6.0%)</u>	Current Discount Rate <u>(7.0%)</u>	1% Increase <u>(8.0%)</u>
County's net pension liability	\$(808,946)	\$(8,758,890)	\$(15,483,177)

*Rate of return.* For the 2019 measurement period, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 20.01 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

## NOTE 7: LONG-TERM OBLIGATIONS

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

A summary of changes in long-term debt obligations for 2019 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities:</u>					
Bonds and Notes Payable:					
General Obligation Bonds	\$ 9,195,000	\$ -	\$ (270,000)	\$ 8,925,000	\$ 275,000
General Obligation Notes	26,102,500	-	(1,360,000)	24,742,500	1,390,000
Total Bonds and Notes Payable	<u>35,297,500</u>	<u>-</u>	<u>(1,630,000)</u>	<u>33,667,500</u>	<u>1,665,000</u>
			Less amounts due within one year	<u>(1,665,000)</u>	
				<u>32,002,500</u>	
Other Liabilities:					
Capital Lease Obligations	23,010	-	(9,871)	13,139	13,139
Compensated Absences	761,583	33,474	-	795,057	-
Total Other Liabilities	<u>784,593</u>	<u>33,474</u>	<u>(9,871)</u>	<u>808,196</u>	<u>13,139</u>
Governmental Activities Long-Term Liabilities	<u>\$ 36,082,093</u>	<u>\$ 33,474</u>	<u>\$ (1,639,871)</u>	<u>\$ 34,475,696</u>	<u>\$ 1,678,139</u>

An analysis of debt service requirements to maturity on these obligations follows (with the exception of capital leases and compensated absences liability):

<u>Governmental Activities</u> Year Ended December 31:	<u>Principal</u> <u>Requirements</u>	<u>Interest</u> <u>Requirements</u>	<u>Total Debt Service</u> <u>Requirements</u>
2020	\$ 1,665,000	\$ 1,188,301	\$ 2,853,301
2021	1,705,000	1,140,167	2,845,167
2022	1,745,000	1,090,621	2,835,621
2023	1,795,000	1,037,170	2,832,170
2024	1,850,000	965,301	2,815,301
2025-2029	9,932,500	3,800,779	13,733,279
2030-2034	11,250,000	1,970,097	13,220,097
2035-2039	2,535,000	626,370	3,161,370
2040-2041	1,190,000	82,340	1,272,340
Total	<u>\$ 33,667,500</u>	<u>\$ 11,901,146</u>	<u>\$ 45,568,646</u>

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

Pertinent information regarding long-term debt obligations outstanding is presented below:

Governmental  
Activities

Issuance	Amount of Original Issue	Purpose	Balance Outstanding December 31, 2019
Refunding Series B of 2013	\$ 3,545,000	General Obligation Note with a 2.5% interest rate through 2022 used to refund Series A of 2003 and to pay the costs of issuance.	\$ 3,520,000
Refunding Series A of 2014	\$ 18,790,000	General Obligation Note with a variable interest rate ranging from 3.0 to 5.0% maturing in 2034 used to fund a radio communications infrastructure system, emergency operations center and to pay the costs of issuance.	\$ 18,790,000
Refunding Series B of 2014	\$ 1,395,000	General Obligation Note with a variable interest rate ranging from 1.0 to 3.0% maturing in 2023 used to refund a portion of series 2009 and pay the costs of issuance. The new notes were used to refund a portion of the Series 2009 Bonds. The refunding resulted in a difference between the cash flow required to service the old debt and that required to services the new debt of (\$262,713). The refunding also resulted in an economic loss (difference between the present value of the debt service payments on the old and new debt) of (\$56,615).	\$ 1,195,000
General Obligation Series of 2016	\$ 9,755,000	General Obligation Bond with a variable interest rate ranging from 1.2% to 4.6%. The bond was used to help fund the Employee Retirement Fund.	\$ 8,925,000
General Obligation Series of 2018	\$ 1,500,000	General Obligation Note with a fixed interest rate of 3.05%. The bond was used to help fund various capital projects throughout the County	\$ 1,237,500
Total Long Term Obligations			<u>\$ 33,667,500</u>

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

Capital Leases

The County has entered into capital leases for equipment to be used in operations. Amortization expense has been included with depreciation. Future minimum lease payments at December 31, 2019 and present value of capital lease obligations were:

<u>Year ended December 31</u>	<u>Governmental Activities</u>
2020	\$ 13,635
Total Minimum Lease Payments	13,635
Less amount representing interest	<u>(496)</u>
Present value of net minimum lease payments	<u>13,139</u>
Less: Amount Due Within One Year	<u>\$ 13,139</u>

NOTE 8: INTERFUND RECEIVABLES AND PAYABLES

Certain funds have paid the expenditures of the other funds and the amounts have not been repaid at year end, resulting in interfund balances. Interfund receivable and payable balances of each major fund as of December 31, 2019, are as follows:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 407,755	\$ 180,306
Mental Health/Developmental Services	183,814	-
Children and Youth Services	-	404,384
Other Governmental Funds	<u>7,723</u>	<u>14,602</u>
Total Interfund Balances	<u>\$ 599,292</u>	<u>\$ 599,292</u>

The outstanding balances between the funds result mainly from the time lag between the dates that (1) interfund goods and services are provided, (2) reimbursable expenditures occur, and (3) payments between funds are made.

NOTE 9: INTERFUND OPERATING TRANSFERS

Interfund operating transfers are as follows:

<u>Governmental Fund Types</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 241,995	\$ 4,150,258
Mental Health/Developmental Services	293,811	37,051
Children and Youth Services	2,340,795	92,919
Other Governmental Funds	<u>1,515,652</u>	<u>112,025</u>
Total Interfund Transfers	<u>\$ 4,392,253</u>	<u>\$ 4,392,253</u>

Certain funds are required to fund a portion or all of the expenses of other funds or cover deficits in those funds. The County records operating transfers to account for these transactions.

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

## NOTE 10: FUND BALANCES

Under GASB 54, fund balances are recorded as non-spendable, restricted, committed, assigned, and unassigned. The following restrictions are included in the fund financial statements:

**Major Funds:**

General Fund	<u>Non-spendable:</u>		
	These amounts are prepaid expenses	\$	217,095
	<u>Restricted Funds:</u>		
	These funds are restricted for the Coroner under Act 122		42,183
Behavioral Health/ Developmental Services	<u>Non-spendable:</u>		
	These amounts are prepaid expenses		5,058
Children and Youth Services	<u>Non-spendable:</u>		
	These amounts are prepaid expenses		15,829
<b>Nonmajor Governmental Funds</b>			
Special Revenue Funds	<u>Non-spendable:</u>		
	These amounts are prepaid expenses		39,629
	<u>Restricted Funds:</u>		
	These funds are restricted within the departments of General Government		363,784
	These funds are restricted within the Judicial System		1,356,664
	These funds are restricted within Public Safety programs		508,802
	These funds are restricted within Public Works programs		3,137,441
Capital Projects Funds	<u>Restricted Funds:</u>		
	These funds are restricted within Public Works programs		<u>245,333</u>
	Total Special Revenue Funds	\$	<u>5,651,653</u>

## NOTE 11: 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's financial statements.

## NOTE 12: 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. Currently, there are no tax abatements entered into by other governments that reduce the County's tax revenues. The County has one real estate tax abatement program: Local Economic Revitalization Tax Assistance (LERTA).

COUNTY OF LAWRENCE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2019

NOTE 12: TAX ABATEMENTS (CONTINUED)

Local Economic Revitalization Tax Assistance (LERTA)

The LERTA program is a tool to encourage private investment and rehabilitation of deteriorated properties within Lawrence County. 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.). Authorization of a LERTA can be driven by either a developer for a specific project or a municipality seeking to redevelop a deteriorated area or facilitate a new economic development project. The Lawrence County LERTA Program Guidelines created by Lawrence County Commissioners (LCC) provide an understanding of the County's policy and requirements for using LERTA. Evaluation requirements considered for a LERTA include economic and fiscal impact of the new development, demonstration of the need for LERTA, value added to local economy, private investment leverage, type and location of development. The LERTA Project Review Form is evaluated by LCC to determine eligibility under requirements set forth by the Commonwealth and County. LCC facilitates a meeting for community engagement in the Project. Prior to the County ordinance authorizing the LERTA exemption, the local municipal government must affix the boundaries of the deteriorated area during a public hearing. The determination of deteriorated areas takes into account criteria set forth in the Urban Redevelopment Law of Pennsylvania of May 24, 1945 (35 P.S. 1701, et seq.). LERTA allows for an exemption of real estate property tax for the assessed valuation of new construction or improvements to certain industrial, commercial or other business property in deteriorated areas. An exemption is provided on the assessment attributable to a portion of the actual cost of new construction or improvements. Each agreement has a proposed development, termination date and maximum tax exemption and/or yearly maximum tax exemptions. The LERTA exemption schedule is 5 years at 100% declining each year by 20%. The Lawrence County Office of Property Assessment (OPA) assesses the property to determine the valuation attributable to the actual costs of the improvements to the deteriorated property in conjunction with the project. The exemption is based off of the increase in assessment after the property has been completed and reassessed by the OPA. If the assessment of the improvement has not increased by more than \$100,000 the application for abatement will be null and void. There is no provision or conditions for recapturing. During 2019, nine (9) properties received an exemption from County's real estate property tax. The total County tax abated during 2019 was \$31,298 related to various projects throughout the County.

NOTE 13: SUBSEQUENT EVENT

Subsequent to year end, a global pandemic due to the spread of the COVID-19 coronavirus caused the United States government to declare a national emergency. The pandemic has led to widespread voluntary and government-mandated closings of local stores and businesses, which has resulted in significant job losses. These job losses have the potential to have a significant impact on all aspects of the County operations. In addition, due to the temporary closure of all businesses that are not deemed life sustaining, State and Federal tax revenues are also significantly decreased. This decrease could result in less grant money that is relied upon by local municipalities to fund specific projects. In addition, the County's own source revenue or derived revenues could be affected negatively. Overall, decreased funding could result in the County having to curtail or eliminate some services.

**REQUIRED  
SUPPLEMENTAL  
INFORMATION**



County of Lawrence  
Schedule of Changes in the Net  
Pension Liability and Related Ratios

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Total pension liability</b>						
Service cost	\$ 2,089,847	\$ 2,159,545	\$ 2,306,848	\$ 2,437,330	\$ 2,151,930	\$ 2,179,897
Interest	4,179,415	4,384,861	4,325,556	4,794,118	5,049,107	5,265,536
Changes of benefit terms	-	-	-	71,769	342,450	-
Differences between expected and actual experience	(85,031)	(352,982)	(97,741)	715,684	(600,606)	198,927
Changes of assumptions	-	-	2,485,399	-	-	-
Benefit payments, including refunds of member contributions	(3,043,490)	(3,390,622)	(3,049,795)	(3,558,194)	(4,304,216)	(4,369,081)
Net change in total pension liability	3,140,741	2,800,802	5,970,267	4,460,707	2,638,665	3,275,279
Total pension liability - beginning	55,979,524	59,120,265	61,921,067	67,891,334	72,352,041	74,990,706
Total pension liability - ending (a)	<u>\$ 59,120,265</u>	<u>\$ 61,921,067</u>	<u>\$ 67,891,334</u>	<u>\$ 72,352,041</u>	<u>\$ 74,990,706</u>	<u>\$ 78,265,985</u>
<b>Plan fiduciary net position</b>						
Contributions - employer	\$ 1,026,903	\$ 1,072,536	\$ 10,699,205	\$ 817,771	\$ 946,207	\$ 483,454
Contributions - member	1,501,991	1,566,393	1,646,956	1,730,155	1,778,573	1,812,933
Net investment income	3,421,262	310,518	3,603,333	10,525,910	(2,576,952)	13,867,938
Benefit payments, including refunds of member contributions	(3,043,490)	(3,390,622)	(3,049,795)	(3,558,194)	(4,304,216)	(4,369,081)
Administrative expense	(118,077)	(145,898)	(145,139)	(177,837)	(139,915)	(128,945)
Other	3,154	2,551	93,447	(247)	223,759	152,499
Net change in plan fiduciary net position	2,791,743	(584,522)	12,848,007	9,337,558	(4,072,544)	11,818,798
Plan fiduciary net position - beginning	54,885,835	57,677,578	57,093,056	69,941,063	79,278,621	75,206,077
Plan fiduciary net position - ending (b)	<u>\$ 57,677,578</u>	<u>\$ 57,093,056</u>	<u>\$ 69,941,063</u>	<u>\$ 79,278,621</u>	<u>\$ 75,206,077</u>	<u>\$ 87,024,875</u>
County's net pension liability - ending (a) - (b)	\$ 1,442,687	\$ 4,828,011	\$ (2,049,729)	\$ (6,926,580)	\$ (215,371)	\$ (8,758,890)
Plan fiduciary net position as a percentage of the total pension liability	97.56%	92.20%	103.02%	109.57%	100.29%	111.19%
Covered payroll	\$ 14,556,225	\$ 15,166,225	\$ 15,472,166	\$ 16,503,662	\$ 16,791,227	\$ 16,962,667
County's net pension liability as a percentage of covered payroll	9.91%	31.83%	-13.25%	-41.97%	-1.28%	-51.64%

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Actuarially determined contribution	\$ 483,454	\$ 946,207	\$ 817,771	\$ 1,080,912	\$ 1,012,536	\$ 966,903	\$ 1,219,440	\$ 1,378,486	\$ 1,294,603	\$ 1,115,930	\$ 1,274,664
Contributions in relation to the actuarially determined contribution	483,454	946,207	817,771	10,699,205	1,072,536	1,026,903	1,279,440	1,438,486	1,354,603	1,250,000	300,000
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ (9,618,293)	\$ (60,000)	\$ (60,000)	\$ (60,000)	\$ (60,000)	\$ (60,000)	\$ (134,070)	\$ 974,664
Covered payroll	\$ 16,962,667	\$ 16,791,227	\$ 16,503,662	\$ 15,472,166	\$ 15,472,166	\$ 14,556,225	\$ 14,556,225	\$ 14,322,852	\$ 13,938,183	\$ 13,613,069	\$ 12,871,166
Contributions as a percentage of covered payroll	2.85%	5.64%	4.96%	69.15%	6.93%	7.05%	8.79%	10.04%	9.72%	9.18%	2.33%

**Notes to Schedule**

Valuation date January 1, 2019

Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level dollar
Remaining amortization period	23 years
Asset valuation method	Market value adjusted for unrecognized gains and losses from prior years
Inflation	3.0%
Salary increases	3.5% average, including inflation
Investment rate of return	7.0%, net of pension plan investment expense, including inflation
Retirement age	Age 60 or 55 with 20 years' service
Mortality	2013 RP Annuitant and Non-Annuitant Mortality Tables for males and females with no projected improvement

County of Lawrence  
Schedule of Investment Returns  
Last 10 Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Annual money-weighted rate of return, net of investment expense	6.75%	1.00%	7.00%	15.40%	-3.55%	20.01%

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

COUNTY OF LAWRENCE, PENNSYLVANIA  
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes, Real estate	\$ 24,297,633	\$ 24,297,633	\$ 23,753,884	\$ (543,749)
Intergovernmental grants	2,296,174	2,296,174	1,703,418	(592,756)
Charges for services	5,052,563	5,052,563	4,938,047	(114,516)
Interest income	95,770	95,770	125,874	30,104
Other revenue	260,000	260,000	239,797	(20,203)
Total Revenues	<u>32,002,140</u>	<u>32,002,140</u>	<u>30,761,020</u>	<u>(1,241,120)</u>
<b>Expenditures</b>				
Current operating:				
General government	\$ 7,265,457	\$ 7,265,457	7,141,984	123,473
Judicial	9,926,069	9,926,069	9,862,742	63,327
Public safety	9,943,261	9,943,261	9,027,024	916,237
Culture and recreation	277,400	277,400	254,001	23,399
Conservation and development	2,135,559	2,135,559	1,904,685	230,874
Miscellaneous	335,992	335,992	37,977	298,015
Debt service	25,000	25,000	58,418	(33,418)
Total Expenditures	<u>29,908,738</u>	<u>29,908,738</u>	<u>28,286,831</u>	<u>1,621,907</u>
Excess (deficiency) of revenues over expenditures	<u>2,093,402</u>	<u>2,093,402</u>	<u>2,474,189</u>	<u>380,787</u>
<b>Other financing sources (uses)</b>				
Transfers in	1,719,734	1,719,734	241,995	(1,477,739)
Transfers out	(5,256,328)	(5,256,328)	(4,150,258)	1,106,070
Total other financing sources (uses)	<u>(3,536,594)</u>	<u>(3,536,594)</u>	<u>(3,908,263)</u>	<u>(371,669)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ (1,443,192)</u>	<u>\$ (1,443,192)</u>	<u>\$ (1,434,074)</u>	<u>\$ 9,118</u>

COUNTY OF LAWRENCE, PENNSYLVANIA  
 BUDGETARY COMPARISON SCHEDULE - BEHAVIORAL HEALTH/DEVELOPMENTAL SERVICES  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental grants	\$ 6,243,397	\$ 6,243,397	\$ 6,043,692	\$ (199,705)
Interest income	18,000	18,000	16,992	(1,008)
Other revenue	851,698	851,698	910,038	58,340
<b>Total Revenues</b>	<b>7,113,095</b>	<b>7,113,095</b>	<b>6,970,722</b>	<b>(142,373)</b>
<b>Expenditures</b>				
Current operating:				
Human services	7,629,252	7,629,252	7,227,482	401,770
<b>Total Expenditures</b>	<b>7,629,252</b>	<b>7,629,252</b>	<b>7,227,482</b>	<b>401,770</b>
Excess (deficiency) of revenues over expenditures	(516,157)	(516,157)	(256,760)	259,397
<b>Other financing sources (uses)</b>				
Transfers in	421,668	421,668	293,811	(127,857)
Transfers out	(49,797)	(49,797)	(37,051)	12,746
<b>Total other financing     sources (uses)</b>	<b>371,871</b>	<b>371,871</b>	<b>256,760</b>	<b>(115,111)</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (144,286)	\$ (144,286)	\$ -	\$ 144,286

COUNTY OF LAWRENCE, PENNSYLVANIA  
 BUDGETARY COMPARISON SCHEDULE - CHILDREN & YOUTH SERVICES  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental grants	\$ 10,641,992	\$ 10,641,992	\$ 8,141,038	\$ (2,500,954)
Interest income	-	-	502	502
Other revenue	193,503	193,503	274,496	80,993
Total Revenues	<u>10,835,495</u>	<u>10,835,495</u>	<u>8,416,036</u>	<u>(2,419,459)</u>
<b>Expenditures</b>				
Current operating:				
Human services	<u>13,729,107</u>	<u>13,729,107</u>	<u>10,663,912</u>	<u>3,065,195</u>
Total Expenditures	<u>13,729,107</u>	<u>13,729,107</u>	<u>10,663,912</u>	<u>3,065,195</u>
Excess (deficiency) of revenues over expenditures	<u>(2,893,612)</u>	<u>(2,893,612)</u>	<u>(2,247,876)</u>	<u>645,736</u>
<b>Other financing sources (uses)</b>				
Transfers in	1,546,159	1,546,159	2,340,795	794,636
Transfers out	<u>(136,418)</u>	<u>(136,418)</u>	<u>(92,919)</u>	<u>43,499</u>
Total other financing sources (uses)	<u>1,409,741</u>	<u>1,409,741</u>	<u>2,247,876</u>	<u>838,135</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ (1,483,871)</u>	<u>\$ (1,483,871)</u>	<u>\$ -</u>	<u>\$ 1,483,871</u>

**OTHER  
SUPPLEMENTAL  
INFORMATION**

COUNTY OF LAWRENCE, PENNSYLVANIA  
COMBINING BALANCE SHEET  
DECEMBER 31, 2019

Assets	Debt Service Fund	Capital Projects	Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
Cash and Cash Equivalents	\$ -	\$ 304,628	\$ 4,766,048	\$ 5,070,676
Restricted cash	-	-	26,366	26,366
Receivables:				
Other Governmental Grants	-	-	528,564	528,564
Other	-	-	575,400	575,400
Due from Other Funds	-	-	7,723	7,723
Prepaid expenses	-	-	39,829	39,829
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 304,628</b>	<b>\$ 5,943,930</b>	<b>\$ 6,248,558</b>
<b>Liabilities</b>				
Accounts Payable	\$ -	\$ 51,572	\$ 173,372	\$ 224,944
Cash Overdraft	-	-	94,920	94,920
Accrued Liabilities	-	-	99,502	99,502
Due to other funds	-	7,723	6,879	14,602
Escrow Liability	-	-	26,366	26,366
Unearned Revenue	-	-	136,571	136,571
<b>Total Liabilities</b>	<b>-</b>	<b>59,295</b>	<b>537,610</b>	<b>596,905</b>
<b>Fund Balance</b>				
Fund Balance:				
Nonspendable	-	-	39,629	39,629
Restricted	-	245,333	5,366,691	5,612,024
<b>Total Fund Balance</b>	<b>-</b>	<b>245,333</b>	<b>5,406,320</b>	<b>5,651,653</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ -</b>	<b>\$ 304,628</b>	<b>\$ 5,943,930</b>	<b>\$ 6,248,558</b>



COUNTY OF LAWRENCE, PENNSYLVANIA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	Debt Service Fund	Capital Projects	Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Taxes	\$ 2,189,350	\$ -	\$ 447,136	\$ 2,636,486
Intergovernmental Revenue	-	426,785	3,333,374	3,760,159
Charges for Services	-	-	2,538,222	2,538,222
Interest Income	-	10,055	60,965	71,020
Other Revenue	-	-	4,020	4,020
Total Revenues	<u>2,189,350</u>	<u>436,840</u>	<u>6,383,717</u>	<u>9,009,907</u>
<b>Expenditures</b>				
Current Operating:				
General Government	1,500	10,772	146,164	158,436
Judicial	-	96,692	2,000,058	2,096,750
Public Safety	-	28,099	2,293,816	2,321,915
Public Works	-	-	1,054,735	1,054,735
Human Services	-	-	67,799	67,799
Culture and Recreation	-	-	447,136	447,136
Conservation and development	-	-	1,095,447	1,095,447
Debt Service				
Principal	1,630,000	-	-	1,630,000
Interest	1,207,655	-	-	1,207,655
Capital Outlay	-	1,271,140	-	1,271,140
Total Expenditures	<u>2,839,155</u>	<u>1,406,703</u>	<u>7,105,155</u>	<u>11,351,013</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(649,805)</u>	<u>(969,863)</u>	<u>(721,438)</u>	<u>(2,341,106)</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Long Term Debt	-	-	-	-
Transfers in	661,982	-	853,670	1,515,652
Transfers out	-	-	(112,025)	(112,025)
Total other financing sources (uses)	<u>661,982</u>	<u>-</u>	<u>741,645</u>	<u>1,403,627</u>
Net Change in Fund Balance	12,177	(969,863)	20,207	(937,479)
Fund Balance, Beginning of Year	<u>(12,177)</u>	<u>1,215,196</u>	<u>5,386,113</u>	<u>6,589,132</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 245,333</u>	<u>\$ 5,406,320</u>	<u>\$ 5,651,653</u>

COUNTY OF LAWRENCE, PENNSYLVANIA  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2019

Assets	Domestic Relations	Substance Abuse	Records Improvement	Automation	Electronic Monitoring	Telephone Revenue	JPO	Drug Task Force	Register of Wills Automation	Hazard Mitigation	Offender Supervision	Demolition	Liquid Fuels
Cash and Cash equivalents	\$ 653,142	\$ 4	\$ 317,051	\$ 13,592	\$ -	\$ 9,452	\$ 2,114	\$ 390	\$ 30,710	\$ 443	\$ 66,557	\$ 16,077	\$ 2,695,655
Restricted Cash	26,366	-	-	-	-	-	-	-	-	-	-	-	-
Receivables:													
Other Governmental Grants	304,970	1,847	1,662	1,208	-	2,267	-	-	230	-	-	-	36,517
Other	-	-	-	-	-	-	50	-	-	-	-	6,615	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid expenses	2,297	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 986,775</b>	<b>\$ 1,851</b>	<b>\$ 318,713</b>	<b>\$ 14,800</b>	<b>\$ -</b>	<b>\$ 11,719</b>	<b>\$ 2,164</b>	<b>\$ 390</b>	<b>\$ 30,940</b>	<b>\$ 443</b>	<b>\$ 66,557</b>	<b>\$ 22,692</b>	<b>\$ 2,732,172</b>
<b>Liabilities</b>													
Accounts Payable	\$ 3,298	\$ 1,851	\$ -	\$ -	\$ -	\$ 1,393	\$ 181	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,664
Cash Overdraft	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Liabilities	44,783	-	-	-	-	-	-	-	-	-	-	-	192
Due to other funds	6,879	-	-	-	-	-	-	-	-	-	-	-	-
Escrow Liability	26,366	-	-	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-	443	-	-	-
<b>Total Liabilities</b>	<b>81,326</b>	<b>1,851</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,393</b>	<b>181</b>	<b>-</b>	<b>-</b>	<b>443</b>	<b>-</b>	<b>-</b>	<b>21,856</b>
<b>Fund Balance</b>													
Fund Balance:													
Nonspendable	2,297	-	-	-	-	-	-	-	-	-	-	-	-
Restricted	903,152	-	318,713	14,800	-	10,326	1,983	390	30,940	-	66,557	22,692	2,710,316
<b>Total Fund Balance</b>	<b>905,449</b>	<b>-</b>	<b>318,713</b>	<b>14,800</b>	<b>-</b>	<b>10,326</b>	<b>1,983</b>	<b>390</b>	<b>30,940</b>	<b>-</b>	<b>66,557</b>	<b>22,692</b>	<b>2,710,316</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 986,775</b>	<b>\$ 1,851</b>	<b>\$ 318,713</b>	<b>\$ 14,800</b>	<b>\$ -</b>	<b>\$ 11,719</b>	<b>\$ 2,164</b>	<b>\$ 390</b>	<b>\$ 30,940</b>	<b>\$ 443</b>	<b>\$ 66,557</b>	<b>\$ 22,692</b>	<b>\$ 2,732,172</b>

COUNTY OF LAWRENCE, PENNSYLVANIA  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2019

Assets	Drug Strike Back	Library	Victim Witness	DEA - TFO	Food Program	Emergency Management Grants	Marcellus Legacy	Act 13	APO	PHARE Grant	CDBG	911	Health Choices	Total
Cash and Cash equivalents	\$ 40,419	\$ 11,393	\$ 42,452	\$ 16,068	\$ 1,855	\$ 40,595	\$ 24,148	\$ 402,977	\$ 374,788	\$ 6,166	\$ -	\$ -	\$ -	\$ 4,766,048
Restricted Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	26,366
Receivables:														
Other Governmental Grants	-	-	15,213	-	7,788	28,215	-	-	-	-	128,647	-	-	528,564
Other	-	-	521	-	-	-	-	-	7,887	-	-	560,327	-	575,400
Due from Other Funds	-	-	-	-	-	7,723	-	-	-	-	-	-	-	7,723
Prepaid expenses	-	-	-	200	-	-	-	-	0	-	-	37,332	-	39,829
<b>Total Assets</b>	<b>\$ 40,419</b>	<b>\$ 11,393</b>	<b>\$ 58,186</b>	<b>\$ 16,268</b>	<b>\$ 9,643</b>	<b>\$ 76,533</b>	<b>\$ 24,148</b>	<b>\$ 402,977</b>	<b>\$ 382,675</b>	<b>\$ 6,166</b>	<b>\$ 128,647</b>	<b>\$ 597,659</b>	<b>\$ -</b>	<b>\$ 5,943,930</b>
<b>Liabilities</b>														
Accounts Payable	\$ 40,280	\$ 11,393	\$ -	\$ -	\$ 7,788	\$ 3,697	\$ -	\$ -	\$ -	\$ -	\$ 33,727	\$ 48,100	\$ -	\$ 173,372
Cash Overdraft	-	-	-	-	-	-	-	-	-	-	94,920	-	-	94,920
Accrued Liabilities	-	-	2,522	-	-	393	-	-	-	-	-	51,612	-	99,502
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-	-	6,879
Escrow Liability	-	-	-	-	-	-	-	-	-	-	-	-	-	26,366
Unearned Revenue	-	-	55,664	-	1,855	72,443	-	-	-	6,166	-	-	-	136,571
<b>Total Liabilities</b>	<b>40,280</b>	<b>11,393</b>	<b>58,186</b>	<b>-</b>	<b>9,643</b>	<b>76,533</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,166</b>	<b>128,647</b>	<b>99,712</b>	<b>-</b>	<b>537,610</b>
<b>Fund Balance</b>														
Fund Balance:														
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	37,332	-	39,629
Restricted	139	-	-	16,268	-	-	24,148	402,977	382,675	-	-	460,615	-	5,366,691
<b>Total Fund Balance</b>	<b>139</b>	<b>-</b>	<b>-</b>	<b>16,268</b>	<b>-</b>	<b>-</b>	<b>24,148</b>	<b>402,977</b>	<b>382,675</b>	<b>-</b>	<b>-</b>	<b>497,947</b>	<b>-</b>	<b>5,406,320</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 40,419</b>	<b>\$ 11,393</b>	<b>\$ 58,186</b>	<b>\$ 16,268</b>	<b>\$ 9,643</b>	<b>\$ 76,533</b>	<b>\$ 24,148</b>	<b>\$ 402,977</b>	<b>\$ 382,675</b>	<b>\$ 6,166</b>	<b>\$ 128,647</b>	<b>\$ 597,659</b>	<b>\$ -</b>	<b>\$ 5,943,930</b>

COUNTY OF LAWRENCE, PENNSYLVANIA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	Domestic Relations	Substance Abuse	Records Improvement	Automation	Electronic Monitoring	Telephone Revenue	JPO	Drug Task Force	Register of Wills Automation	Hazard Mitigation	Offender Supervision	Liquid Fuels	Demolition
<b>Revenues</b>													
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	1,259,832	19,503	-	-	-	-	-	-	-	-	-	614,397	-
Charges for Services	52,238	-	78,916	20,264	-	17,347	1,712	7	-	-	102,092	-	77,010
Interest Income	7,405	46	1,451	275	-	270	41	6	453	-	714	35,011	594
Other Revenue	-	-	-	-	-	-	-	-	4,020	-	-	-	-
<b>Total Revenues</b>	<b>1,319,475</b>	<b>19,549</b>	<b>80,367</b>	<b>20,539</b>	<b>-</b>	<b>17,617</b>	<b>1,753</b>	<b>13</b>	<b>4,473</b>	<b>-</b>	<b>102,806</b>	<b>649,408</b>	<b>77,604</b>
<b>Expenditures</b>													
Current Operating:													
General Government	-	-	32,762	22,490	-	-	-	-	912	-	-	-	90,000
Judicial	1,770,841	-	-	-	-	-	1,588	-	-	-	86,802	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-	-	385,230	-
Human Services	-	19,549	-	-	-	33,595	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-
Conservation and development	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>1,770,841</b>	<b>19,549</b>	<b>32,762</b>	<b>22,490</b>	<b>-</b>	<b>33,595</b>	<b>1,588</b>	<b>-</b>	<b>912</b>	<b>-</b>	<b>86,802</b>	<b>385,230</b>	<b>90,000</b>
Excess (deficiency) of Revenues over Expenditures	(451,366)	-	47,605	(1,951)	-	(15,978)	165	13	3,561	-	16,004	264,178	(12,396)
<b>Other Financing Sources (uses)</b>													
Transfers in	549,147	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	(66,972)	-	-	-	(9)	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (uses)</b>	<b>482,175</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>30,809</b>	<b>-</b>	<b>47,605</b>	<b>(1,951)</b>	<b>(9)</b>	<b>(15,978)</b>	<b>165</b>	<b>13</b>	<b>3,561</b>	<b>-</b>	<b>16,004</b>	<b>264,178</b>	<b>(12,396)</b>
Fund Balance, Beginning of Year	874,640	-	271,108	16,751	9	26,304	1,818	377	27,379	-	50,553	2,446,138	35,088
<b>Fund Balance, End of Year</b>	<b>\$ 905,449</b>	<b>\$ -</b>	<b>\$ 318,713</b>	<b>\$ 14,800</b>	<b>\$ -</b>	<b>\$ 10,326</b>	<b>\$ 1,983</b>	<b>\$ 390</b>	<b>\$ 30,940</b>	<b>\$ -</b>	<b>\$ 66,557</b>	<b>\$ 2,710,316</b>	<b>\$ 22,692</b>

COUNTY OF LAWRENCE, PENNSYLVANIA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	Drug Strike Back	Library	Victim Services	DEA - TFO	Food Program	Emergency Management Grants	Marcellus Legacy	Act 13	APO	PHARE Grant	CDBG	911	Health Choices	Total
Revenues														
Taxes	\$ -	\$ 447,136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 447,136
Intergovernmental Revenue	-	-	55,071	-	14,655	23,458	94,761	156,292	-	175,000	920,405	-	-	3,333,374
Charges for Services	7,747	-	6,716	59,472	-	30,198	-	-	94,672	-	-	1,989,831	-	2,538,222
Interest Income	208	-	552	166	-	-	588	6,994	6,070	-	42	79	-	60,965
Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	4,020
Total Revenues	<u>7,955</u>	<u>447,136</u>	<u>62,339</u>	<u>59,638</u>	<u>14,655</u>	<u>53,656</u>	<u>95,349</u>	<u>163,286</u>	<u>100,742</u>	<u>175,000</u>	<u>920,447</u>	<u>1,989,910</u>	<u>-</u>	<u>6,383,717</u>
Expenditures														
Current Operating:														
General Government	-	-	-	-	-	-	-	-	-	-	-	-	-	146,164
Judicial	-	-	59,027	-	-	-	-	-	81,800	-	-	-	-	2,000,058
Public Safety	11,247	-	-	46,718	-	53,656	-	-	-	-	-	2,182,195	-	2,293,816
Public Works	-	-	-	-	-	-	125,780	543,725	-	-	-	-	-	1,054,735
Human Services	-	-	-	-	14,655	-	-	-	-	-	-	-	-	67,799
Culture and Recreation	-	447,136	-	-	-	-	-	-	-	-	-	-	-	447,136
Conservation and development	-	-	-	-	-	-	-	-	-	175,000	920,447	-	-	1,095,447
Total Expenditures	<u>11,247</u>	<u>447,136</u>	<u>59,027</u>	<u>46,718</u>	<u>14,655</u>	<u>53,656</u>	<u>125,780</u>	<u>543,725</u>	<u>81,800</u>	<u>175,000</u>	<u>920,447</u>	<u>2,182,195</u>	<u>-</u>	<u>7,105,155</u>
Excess (deficiency) of Revenues over Expenditures	<u>(3,292)</u>	<u>-</u>	<u>3,312</u>	<u>12,920</u>	<u>-</u>	<u>-</u>	<u>(30,431)</u>	<u>(380,439)</u>	<u>18,942</u>	<u>-</u>	<u>-</u>	<u>(192,285)</u>	<u>-</u>	<u>(721,438)</u>
Other Financing Sources (uses)														
Transfers in	-	-	-	-	-	-	-	-	-	-	-	304,523	-	853,670
Transfers out	-	-	(3,312)	-	-	-	-	-	-	-	-	(41,732)	-	(112,025)
Total other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>(3,312)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>262,791</u>	<u>-</u>	<u>741,645</u>
Net Change in Fund Balance	<u>(3,292)</u>	<u>-</u>	<u>-</u>	<u>12,920</u>	<u>-</u>	<u>-</u>	<u>(30,431)</u>	<u>(380,439)</u>	<u>18,942</u>	<u>-</u>	<u>-</u>	<u>70,506</u>	<u>-</u>	<u>20,207</u>
Fund Balance, Beginning of Year	<u>3,431</u>	<u>-</u>	<u>-</u>	<u>3,348</u>	<u>-</u>	<u>-</u>	<u>54,579</u>	<u>783,416</u>	<u>363,733</u>	<u>-</u>	<u>-</u>	<u>427,441</u>	<u>-</u>	<u>5,386,113</u>
Fund Balance, End of Year	<u>\$ 139</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,268</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,148</u>	<u>\$ 402,977</u>	<u>\$ 382,675</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 497,947</u>	<u>\$ -</u>	<u>\$ 5,406,320</u>