ATTESTATION ENGAGEMENT

Delaware County

Pennsylvania

23-000

Liquid Fuels Tax Fund,

Act 44 Tax Fund,

Act 89 Tax Fund and

County Fee for Local Use Fund

for the Period

January 1, 2019 to December 31, 2023

July 2026

Commonwealth of Pennsylvania
Department of the Auditor General
Timothy L. DeFoor • Auditor General

Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
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TIMOTHY L. DEFOOR
AUDITOR GENERAL

Independent Auditor's Report

The Honorable Michael Carroll
Secretary
Department of Transportation
Harrisburg, PA 17120

We examined the accompanying Forms MS-991 With Adjustments for the Liquid Fuels Tax Fund, the Reports of Act 44 and Act 89 Tax Funds With Adjustments, and the Reports of County Fee for Local Use Funds With Adjustments of Delaware County for the period January 1, 2019 to December 31, 2023 (Forms). The county's management is responsible for presenting the Forms in accordance with the described in the Background section of this report and the Department of Transportation's *Publication 9*. Our responsibility is to express an opinion on the Forms based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Forms are presented in accordance with the criteria described above, in all material respects. An examination involves performing procedures to obtain evidence about the Forms. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material misstatement of the Forms whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with ethical requirements relating to the engagement.

As described in the Auditor Description Of Select Transactions section of this report, the adjustments included on the Forms are made by the Department of the Auditor General.

Independent Auditor's Report (Continued)

As discussed in the Findings And Recommendations and Summary Of Prior Examinations' Recommendations sections of this report:

- The county transferred a total of $415,525.81 from its Liquid Fuels Tax Fund to its General Fund for payroll. These payroll transfers were made more than three months after the end of the year for which the payroll expenditures were incurred, which are retroactive expenditures (See Finding No. 1).

- The county expended a total of $78,256.00, which included $24,540.00 from the Liquid Fuels Tax Fund and $53,716.00 from the County Fee for Local Use Fund on various construction projects, without obtaining the approval of the Department of Transportation (See Finding No. 2).

- During 2019, the county expended $6,917.00 in excess of the approved amount for county aid grant projects Nos. 18-23408-001 and 18-23408-002 (See Finding No. 3).

- The county entered into a National Bridge Inspection Standards (NBIS) program reimbursement agreement with the Department of Transportation and was due $4,857.94 per this agreement. However, the county failed to apply for and receive the reimbursement (See Finding No. 4).

- In our 2014-2016 report, we recommended that the Department of Transportation review our examination finding to determine if the county should reimburse $382,221.94 to its Act 89 Tax Fund for depositing its Act 89 allocations into its General Fund. As of the date of our closeout meeting of November 12, 2025, $16,735.15 of this amount remains due to the Act 89 Tax Fund (See Summary of 2014-2016 Examination Recommendations).

- Additionally, in our 2014-2016 report, we recommended that the Department of Transportation review our examination finding to determine if the county should reimburse $163,216.35 to its Liquid Fuels Tax Fund because the county encumbered more than its fund balance. We noted that the county reimbursed this amount to its Liquid Fuels Tax Fund on November 12, 2024, which was subsequent to our examination period.

In our opinion, except for the matters discussed in the bullet points above, the Forms present, in all material respects, the information required by the Pennsylvania Department of Transportation for the Liquid Fuels Tax Fund, the Act 44 Tax Fund, the Act 89 Tax Fund, and the County Fee for Local Use Fund of Delaware County for the period January 1, 2019 to December 31, 2023, in accordance with the criteria described in the Background section of this report and the Department of Transportation's *Publication 9*.

<u>Independent Auditor's Report (Continued)</u>

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws, regulations, contracts, or grant agreements that have a material effect on the Forms; and any other instances that warrant the attention of those charged with governance. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on whether the Forms are presented in accordance with the criteria described above and not for the purpose of expressing an opinion on internal control over the Forms or on compliance and other matters; accordingly, we express no such opinions. Our examination disclosed the following findings that are required to be reported under *Government Auditing Standards*:

- Retroactive Payroll Expenditures.

- Liquid Fuels And County Fee For Local Use Money Improperly Expended On Act 89 Projects.

- Liquid Fuels Money Over Expended On County Aid Grant Projects.

- Failure To Receive NBIS Reimbursement Per Agreement.

We also noted a matter that, while not required to be included in this report by *Government Auditing Standards*, has been included in the finding below:

- Late Receipt Of Liquid Fuels And County Fee For Local Use Fund Allocations.

The purpose of this report is to provide information related to the county's administration of its Liquid Fuels Tax Fund, Act 44 Tax Fund, Act 89 Tax Fund, and County Fee for Local Use Fund to assist the Pennsylvania Department of Transportation in fulfilling its regulatory authority as described in the laws and regulations identified in the Background section of this report and the Department of Transportation's *Publication 9*. This report is not suitable for any other purpose.

We appreciate the courtesy extended by Delaware County to us during the course of our examination. If you have any questions, please feel free to contact the Bureau of County Audits at 717-787-1363.

Timothy L. DeFoor

Timothy L. DeFoor
Auditor General
June 22, 2026

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DELAWARE COUNTY
LIQUID FUELS, ACT 44, ACT 89 TAX FUNDS
AND COUNTY FEE FOR LOCAL USE FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2023

Background

The Vehicle Code makes provisions and provides funding for the County Liquid Fuels, Act 44, Act 89, and County Fee for Local Use Programs. The Pennsylvania Department of Transportation has regulatory administration and oversight of the funds supporting these county programs. Counties are required to comply with those provisions and to report annually.

The Vehicle Code imposes a state tax on liquid fuels and fuels used or sold and delivered by distributors within the Commonwealth (75 Pa. C.S. § 9004(a)). One-half cent of the tax collected on each gallon of liquid fuels is deposited in the Commonwealth's Liquid Fuels Tax Fund. *The Vehicle Code* further provides for the disposition and use of this tax, including the allocations to counties in June and December of each year to fund construction, reconstruction, maintenance and repair of county roads, streets and bridges. The allocation to the respective counties is made in the ratio that the average amount returned to each county during the three preceding years bears to the average amount returned to all counties during the three preceding years (75 Pa C.S. § 9010).

The Vehicle Code, as amended by Act 44 of 2007 (July 18, 2007, P.L.169) and Act 89 of 2013 (November 25, 2013, P.L. 169), provides the Pennsylvania Department of Transportation with oversight authority of the Act 44 funds distributed to the counties from the Commonwealth's Motor License Fund (75 Pa. C.S. § 8915.6(b)(2) and as of July 1, 2014 § 9301(b)). The annual distribution to counties is determined based upon the ratio of square footage of deck area of a county's county-owned bridges to the total square footage of deck area of county-owned bridges throughout the Commonwealth. The reporting of the square footage of deck area of a county's county-owned bridges is required as part of the National Bridge Inspection Standards Program.

The Vehicle Code, as amended by Act 89 of 2013 (November 25, 2013, P.L. 974, No.89) provides for semi-annual allocations to all counties that own public bridges (75 Pa. C.S. § 9502(a)(2)(iv)). These allocations are made on the first business day of June and December each year. The Commonwealth allocates the funds available through Act 89 to counties based upon the ratio of square footage of deck area of a county's county-owned bridges to the total square footage of deck area of county-owned bridges throughout the Commonwealth. The reporting of the square footage of deck area of a county's county-owned bridges is required as part of the National Bridge Inspection Standards Program.

The Vehicle Code, as amended by Act 89 of 2013 (November 25, 2013, P.L. 974, No.89), permits counties to impose a $5 fee for local use on nonexempt vehicles registered to an address located in the county (75 Pa. C.S. § 1935 (b)). This fee is collected by the Department of Transportation and is distributed to counties that impose the fee on the first business day of June and December each year.

Background (Continued)

Criteria

A. *The Vehicle Code* prescribes criteria for liquid fuels program funds (75 Pa C.S. § 9010). The Pennsylvania Department of Transportation's *Publication 9* provides more specific policies and procedures to counties for the administration and reporting of the liquid fuels program funds. In the event of any discrepancies between the two, the legislation governs.

   (1) Funds received by the counties must be deposited in a special fund designated as the County Liquid Fuels Tax Fund and no other money may be deposited and commingled. Money should be invested to earn interest until expended.

   - For purposes of payments under (2), below, the county may borrow and place in the special fund money not in excess of the liquid fuels tax funds to be received during the current calendar year.

   (2) Payments from the special fund may be used for:

   - Construction, reconstruction, maintenance and repair of roads, highways, bridges and curb ramps from a road or highway to provide for access by individuals with disabilities consistent with Federal and State law.

   - Costs of property damages resulting from road and/or bridge construction, reconstruction, or maintenance; and compensation of viewers for services in eminent domain proceedings involving roads, highways, and bridges.

   - Ferryboat operations, where applicable.

   - Interest and principal payments on road or bridge loans and bonds or sinking fund charges for such bonds becoming due within that current calendar year.

   - Acquisition, maintenance, repair, electrification, and operation of traffic signs and traffic signal control systems at intersections and/or railroad crossings.

   - Erection of street name signs, traffic directing signs, and traffic control systems.

Background (Continued)

- Administrative costs, including benefits, overhead, and other administrative charges for those county employees directly engaged in eligible projects, not to exceed 10 percent of the yearly allocation to the county.

- Indirect engineering and transportation planning costs, not to exceed 10 percent of the yearly allocation to the county.

- Other items as permitted by Department of Transportation Publications.

(3) Counties may not make expenditures from the special fund for new construction on roads, bridges, curb ramps, or publicly owned ferryboat operations without the approval of the plans for construction by the Pennsylvania Department of Transportation. Additionally, counties may not allocate money from the special fund to political subdivisions within the county until the application and the contracts or plans for the proposed expenditures have been made on a form prescribed by the Pennsylvania Department of Transportation.

(4) Counties may encumber current funds for future road and bridge construction, reconstruction, and maintenance projects including viable municipal projects. Counties must redistribute any unencumbered balance in the special fund to political subdivisions if the unencumbered balance is more than the county's receipts during the preceding twelve month period.

(5) Counties must submit a report to the Pennsylvania Department of Transportation by January 31 for the period ending December 31 on prescribed Form MS-991, The Report of County Liquid Fuels Tax Fund, showing the receipts and expenditures of the money received by the county from the Commonwealth. Upon failure to file the report or instances of any non-compliant payments, allocations, or expenditures, the Pennsylvania Department of Transportation may withhold further funding until the delinquent report is filed, the money is allocated, or the expenditures for the prior 12 months are approved.

B. *The Vehicle Code*, as amended by Act 44 of 2007 (July 18, 2007, P.L. 169) and Act 89 of 2013 (November 25, 2013, P.L. 169), prescribes the Pennsylvania Department of Transportation with oversight authority of the Act 44 funds distributed to the counties from the Commonwealth's Motor License Fund. The County's Act 44 Tax Fund is used to account for the distribution made to the county from the Department of Transportation and the payments made for construction and maintenance of county-owned bridges.

Background (Continued)

(1) Funds received by the counties must be deposited in a special fund designated as the County Act 44 Fund and no other money may be deposited and commingled. (Note: Act 44 and Act 89 Funds may be deposited in a single account. However, the county must account for these funds independently for auditing). Money should be invested to earn interest until expended.

- For purposes of payments under (2), below, the county may borrow and place in the special fund money not in excess of the Act 44 Tax Fund money to be received during the current calendar year.

(2) Payments from the special fund may be used for:

- Construction, reconstruction, maintenance, and repair of public bridges for which the county is legally responsible.

- Interest and principal payments on bridge loans and bonds or sinking fund charges for such bonds becoming due within that current calendar year.

- County Engineer's salary and benefit costs for bridge work (that portion of the total calculated to be relevant to bridge work only).

- Engineering fees related to bridge work (fees in excess of 10% of the total contract price must be documented and justified to the satisfaction of the District Municipal Services Office).

- Liability insurance for bridge equipment and vehicles when the named beneficiary is the entity’s Act 44 Fund.

- Inspection costs associated with bridges.

- Purchase of right-of-way for bridge construction, reconstruction, or maintenance.

Background (Continued)

(3) For bridge maintenance/preservation activities, the county must confer with a District Municipal Services Representative to determine if Department of Transportation approval is required. All rehabilitations, replacements or any other work that affects the carrying capacity of the structure or the waterway areas requires the approval of the Department of Transportation.

(4) In order to receive Act 44 funds as scheduled, each county must submit an annual report showing the receipts and expenditures for the preceding 12 months. The use of the funds must be in compliance with the Act. Failure to do so may result in the county's not receiving allocations until such deficiencies are resolved.

C. *The Vehicle Code*, as amended by Act 89 of 2013 (November 25, 2013, P.L. 169), prescribes the Pennsylvania Department of Transportation with oversight authority of the Act 89 funds distributed to the counties from the Department of Transportation. The County's Act 89 Tax Fund is used to account for the distribution made to the county from the Department of Transportation and the payments made for construction and maintenance of county-owned bridges.

(1) Funds received by the counties must be deposited in a special fund designated as the County Act 89 Fund and no other money may be deposited and commingled. (Note: Act 89 and Act 44 Funds may be deposited in a single account. However, the county must account for these funds independently for auditing). Money should be invested to earn interest until expended.

- For purposes of payments under (2), below, the county may borrow and place in the special fund money not in excess of the Act 89 Tax Fund money to be received during the current calendar year.

(2) Payments from the special fund may be used for:

- Construction, reconstruction, maintenance, and repair of public bridges for which the county is legally responsible.

- Interest and principal payments on bridge loans and bonds or sinking fund charges for such bonds becoming due within that current calendar year.

Background (Continued)

- County Engineer's salary and benefit costs for bridge work (that portion of the total calculated to be relevant to bridge work only).

- Engineering fees related to bridge work (fees in excess of 10% of the total contract price must be documented and justified to the satisfaction of the District Municipal Services Office).

- Liability insurance for bridge equipment and vehicles when the named beneficiary is the entity’s Act 89 Fund.

- Inspection costs associated with bridges.

- Purchase of right-of-way for bridge construction, reconstruction, or maintenance.

(3) For bridge maintenance/preservation activities, the county must confer with a District Municipal Services Representative to determine if Department of Transportation approval is required. All rehabilitations, replacements or any other work that affects the carrying capacity of the structure or the waterway areas requires the approval of the Department of Transportation.

(4) In order to receive Act 89 funds as scheduled, each county must submit an annual report showing the receipts and expenditures for the preceding 12 months. The use of the funds must be in compliance with the Act. Failure to do so may result in the county’s not receiving allocations until such deficiencies are resolved.

D. *The Vehicle Code*, as amended by Act 89 of 2013 (November 25, 2013, P.L. 169), prescribes the Pennsylvania Department of Transportation with oversight authority of the County Fee for Local Use funds distributed to the counties from the Department of Transportation. The County Fee for Local Use Fund is used to account for the distribution made to the county from the Department of Transportation and the payments made for construction and maintenance of county-owned bridges.

(1) Funds received by the counties must be deposited in a special fund. No other money may be deposited and commingled in this fund. Money should be invested to earn interest until expended.

Background (Continued)

(2) Payments from the special fund may be used for:

- Construction, reconstruction, maintenance, and repair of public roads/streets, or bridges for which the county is legally responsible including a roadway open to the use of the public for vehicular traffic on the grounds of a college or university, public or private school, or public or historical park.

- Curb ramps to provide for access by individuals with disabilities in accordance with the Americans with Disabilities Act (ADA) and Department of Transportation Standards.

- Costs of property damages resulting from road and/or bridge construction, reconstruction or maintenance and compensation of viewers for services in eminent domain proceedings involving roads, highways, and bridges.

- Ferry boat operations, where applicable.

- Acquisition, maintenance, repair, electrification, and operation of traffic signs and traffic signal control systems at intersections and or railroad crossings.

- Erection of street name signs, traffic directing signs, and traffic control systems.

- Administrative costs, including benefits, overhead, and other administrative charges for those county employees directly engaged in eligible projects, not to exceed 10 percent of the yearly allocation to the county.

- Indirect engineering and transportation planning costs, not to exceed 10 percent of the yearly allocation to the county.

- Transportation related safety studies or safety projects on public highways.

- The construction of sounds walls if included in a highway project as a mitigation measure for environmental purposes and all warrants are met.

- Other expenditures determined, on a case-by-case basis, to be consistent with the requirements and restrictions of Article 8, Section 11 of the Pennsylvania Constitution.

Background (Continued)

(3) Counties may not make expenditures from the special fund for new construction on roads, bridges, curb ramps, or publicly owned ferryboat operations without the approval of the plans for construction by the Pennsylvania Department of Transportation.

(4) Each county that has adopted a fee for local use ordinance must submit a set of annual reports showing the receipts and expenditures of all fee for local use funds received from the Commonwealth on forms supplied by the Center for Program Development and Management.

Basis Of Presentation

In accordance with reporting requirements prescribed by the Pennsylvania Department of Transportation, the Forms do not constitute complete financial presentations of the county's assets, liabilities, expenses, and fund balance but include the receipts, expenditures, and fund balances of the County Liquid Fuels Tax Fund, the County Act 44 Tax Fund, the County Act 89 Tax Fund, and the County Fee for Local Use Fund, respectively.

The Pennsylvania Department of Transportation prescribes that the county report the following on the Form MS-991, *Report of County Liquid Fuels Tax Fund*:

A. The balance in the County Liquid Fuels Tax Fund at the beginning of the report calendar year.

B. Receipts which must be itemized and include the County's Liquid Fuels Tax Fund allocations, interest, reimbursable agreements, and miscellaneous items such as loans, sale of salvageable material, and damage claims to road or bridge property.

C. Accounts receivable (to be realized within 60 days of the year end).

D. Total Liquid Fuels Tax funds available for expenditure and encumbrances.

E. Expenditures for county-owned roads, highways, and bridges.

F. Accounts payable (accrued wages, accrued payroll taxes, and accounts payable vendors to be realized within 60 days of the year end).

Background (Continued)

G. The balance in the fund at the close of the report calendar year.

H. Encumbered and unpaid county aid as of the close of the report calendar year.

I. Encumbered and unencumbered balances on hand at the close of the report calendar year.

The Pennsylvania Department of Transportation prescribes that the county report the following on the Reports Of Act 44 Tax Fund and Act 89 Tax Fund:

A. The balance in the County Act 44 and Act 89 Tax Fund at the beginning of the report calendar year.

B. Receipts which must be itemized and include the County's Act 44 and Act 89 allocations, interest, reimbursable agreements, and miscellaneous items such as loans, sale of salvageable material, and damage claims to road or bridge property.

C. Total Act 44 and Act 89 funds available for expenditure.

D. Expenditures for county-owned bridges.

E. The balance in the fund at the close of the report calendar year.

The Pennsylvania Department of Transportation prescribes that the county report the following on the Reports of County Fee for Local Use Funds:

A. The balance in the County Fee for Local Use Fund at the beginning of the report calendar year.

B. Receipts which must be itemized and include the County's Fee for Local Use Fund allocations, interest, reimbursable agreements, and miscellaneous items such as loans, sale of salvageable material, and damage claims to road or bridge property.

C. Total County Fee for Local Use funds available for expenditure.

D. Expenditures.

E. The balance in the fund at the close of the report calendar year.

Background (Continued)

Basis Of Accounting

The accompanying Forms are prepared in accordance with reporting requirements prescribed by the Pennsylvania Department of Transportation. Under this method, revenues are recognized when received and expenditures are recorded when paid.

DELAWARE COUNTY
LIQUID FUELS TAX FUND
2019 FORM MS-991 WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Actual balance in county Liquid Fuels Tax Fund on January 1, 2019	$ 989,764.99	$ -	$ 989,764.99
Receipts:			
Liquid Fuels Tax Funds received from Commonwealth	984,619.61	-	984,619.61
Interest	6,520.96	-	6,520.96
Reimbursable agreements	-	40,556.80	40,556.80
Miscellaneous	42,406.25	(25,574.22)	16,832.03
Total receipts	1,033,546.82	14,982.58	1,048,529.40
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	2,023,311.81	14,982.58	2,038,294.39
Expenditures:			
Administrative	28,154.67	-	28,154.67
Minor equipment purchases	-	-	-
County aid payments	508,549.00	50,423.00	558,972.00
Major equipment expenditures	-	-	-
Street cleaning and gutters	-	-	-
Winter maintenance services	39,330.00	-	39,330.00
Traffic control devices	-	-	-
Street lighting	1,536.25	-	1,536.25
Storm sewers and drains	-	-	-
Repairs of tools and machinery	-	-	-
Maintenance and repairs - roads and bridges	373,973.38	(24,540.00)	349,433.38
Highway construction and rebuilding projects	-	24,540.00	24,540.00
Miscellaneous	50,923.00	(35,440.42)	15,482.58
Total expenditures	1,002,466.30	14,982.58	1,017,448.88
Remaining funds available as of December 31, 2019	$ 1,020,845.51	$ -	$ 1,020,845.51

2019 Form MS-991 With Adjustments (Continued)

	Reported	Adjustments	Adjusted Amount
Approved future year receipts and expenditures			
Accounts receivable	$ -	$ -	$ -
Accounts payable	-	-	-
Unpaid encumbrances	-	-	-
Unpaid county aid grants	904,230.00	24,706.00	928,936.00
Total approved future year receipts and expenditures	904,230.00	24,706.00	928,936.00
Year end balance available for future years as of December 31, 2019	$ 116,615.51	$ (24,706.00)	$ 91,909.51

DELAWARE COUNTY
LIQUID FUELS TAX FUND
2020 FORM MS-991 WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Actual balance in county Liquid Fuels Tax Fund on January 1, 2020	$ 1,020,845.51	$ -	$ 1,020,845.51
Receipts:			
Liquid Fuels Tax Funds received from Commonwealth	855,353.87	-	855,353.87
Interest	1,138.61	-	1,138.61
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	856,492.48	-	856,492.48
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	1,877,337.99	-	1,877,337.99
Expenditures:			
Administrative	56,603.91	-	56,603.91
Minor equipment purchases	-	-	-
County aid payments	548,677.00	338,582.00	887,259.00
Major equipment expenditures	-	-	-
Street cleaning and gutters	-	-	-
Winter maintenance services	5,740.00	-	5,740.00
Traffic control devices	-	-	-
Street lighting	1,576.09	-	1,576.09
Storm sewers and drains	-	-	-
Repairs of tools and machinery	-	-	-
Maintenance and repairs - roads and bridges	339,929.38	-	339,929.38
Highway construction and rebuilding projects	63,966.24	-	63,966.24
Miscellaneous	338,582.00	(338,582.00)	-
Total expenditures	1,355,074.62	-	1,355,074.62
Remaining funds available as of December 31, 2020	$ 522,263.37	$ -	$ 522,263.37

DELAWARE COUNTY
LIQUID FUELS TAX FUND
2020 FORM MS-991 WITH ADJUSTMENTS

2020 Form MS-991 With Adjustments (Continued)

	Reported	Adjustments	Adjusted Amount
Approved future year receipts and expenditures			
Accounts receivable	$ -	$ -	$ -
Accounts payable	-	-	-
Unpaid encumbrances	-	-	-
Unpaid county aid grants	522,177.00	(13,096.00)	509,081.00
Total approved future year receipts and expenditures	522,177.00	(13,096.00)	509,081.00
Year end balance available for future years as of December 31, 2020	$ 86.37	$ 13,096.00	$ 13,182.37

DELAWARE COUNTY
LIQUID FUELS TAX FUND
2021 FORM MS-991 WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Actual balance in county Liquid Fuels Tax Fund on January 1, 2021	$ 522,263.37	$ -	$ 522,263.37
Receipts:			
Liquid Fuels Tax Funds received from Commonwealth	858,055.73	-	858,055.73
Interest	58.31	-	58.31
Reimbursable agreements	-	-	-
Miscellaneous	-	167,591.90	167,591.90
Total receipts	858,114.04	167,591.90	1,025,705.94
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	1,380,377.41	167,591.90	1,547,969.31
Expenditures:			
Administrative	35,616.90	-	35,616.90
Minor equipment purchases	-	-	-
County aid payments	440,809.00	-	440,809.00
Major equipment expenditures	-	-	-
Street cleaning and gutters	-	-	-
Winter maintenance services	10,410.00	-	10,410.00
Traffic control devices	-	-	-
Street lighting	1,512.70	-	1,512.70
Storm sewers and drains	-	-	-
Repairs of tools and machinery	-	-	-
Maintenance and repairs - roads and bridges	78,134.07	163,296.90	241,430.97
Highway construction and rebuilding projects	12,701.93	-	12,701.93
Miscellaneous	-	1,230.94	1,230.94
Total expenditures	579,184.60	164,527.84	743,712.44
Remaining funds available as of December 31, 2021	$ 801,192.81	$ 3,064.06	$ 804,256.87

2021 Form MS-991 With Adjustments (Continued)

	Reported	Adjustments	Adjusted Amount
Approved future year receipts and expenditures			
Accounts receivable	$ -	$ -	$ -
Accounts payable	-	-	-
Unpaid encumbrances	-	-	-
Unpaid county aid grants	708,279.00	-	708,279.00
Total approved future year receipts and expenditures	708,279.00	-	708,279.00
Year end balance available for future years as of December 31, 2021	$ 92,913.81	$ 3,064.06	$ 95,977.87

DELAWARE COUNTY
LIQUID FUELS TAX FUND
2022 FORM MS-991 WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Actual balance in county Liquid Fuels Tax Fund on January 1, 2022	$ 801,192.81	$ 3,064.06	$ 804,256.87
Receipts:			
Liquid Fuels Tax Funds received from Commonwealth	878,897.26	-	878,897.26
Interest	304.18	-	304.18
Reimbursable agreements	-	-	-
Miscellaneous	2,461.88	9,669.21	12,131.09
Total receipts	881,663.32	9,669.21	891,332.53
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	1,682,856.13	12,733.27	1,695,589.40
Expenditures:			
Administrative	16,119.39	-	16,119.39
Minor equipment purchases	-	-	-
County aid payments	698,837.00	-	698,837.00
Major equipment expenditures	-	-	-
Street cleaning and gutters	-	-	-
Winter maintenance services	-	-	-
Traffic control devices	-	-	-
Street lighting	1,810.31	-	1,810.31
Storm sewers and drains	-	-	-
Repairs of tools and machinery	-	-	-
Maintenance and repairs - roads and bridges	37,802.54	12,753.43	50,555.97
Highway construction and rebuilding projects	-	-	-
Miscellaneous	12,753.43	(20.16)	12,733.27
Total expenditures	767,322.67	12,733.27	780,055.94
Remaining funds available as of December 31, 2022	$ 915,533.46	$ -	$ 915,533.46

2022 Form MS-991 With Adjustments (Continued)

	Reported	Adjustments	Adjusted Amount
Approved future year receipts and expenditures			
Accounts receivable	$ -	$ -	$ -
Accounts payable	-	-	-
Unpaid encumbrances	-	-	-
Unpaid county aid grants	523,799.00	-	523,799.00
Total approved future year receipts and expenditures	523,799.00	-	523,799.00
Year end balance available for future years as of December 31, 2022	$ 391,734.46	$ -	$ 391,734.46

DELAWARE COUNTY
LIQUID FUELS TAX FUND
2023 FORM MS-991 WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Actual balance in county Liquid Fuels Tax Fund on January 1, 2023	$ 915,533.46	$ -	$ 915,533.46
Receipts:			
Liquid Fuels Tax Funds received from Commonwealth	905,474.30	-	905,474.30
Interest	2,102.94	-	2,102.94
Reimbursable agreements	-	-	-
Miscellaneous	119,737.50	-	119,737.50
Total receipts	1,027,314.74	-	1,027,314.74
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	1,942,848.20	-	1,942,848.20
Expenditures:			
Administrative	42,002.63	-	42,002.63
Minor equipment purchases	-	-	-
County aid payments	435,415.00	-	435,415.00
Major equipment expenditures	-	-	-
Street cleaning and gutters	-	-	-
Winter maintenance services	-	-	-
Traffic control devices	-	-	-
Street lighting	1,928.31	-	1,928.31
Storm sewers and drains	-	-	-
Repairs of tools and machinery	-	-	-
Maintenance and repairs - roads and bridges	10,500.66	-	10,500.66
Highway construction and rebuilding projects	-	-	-
Miscellaneous	1,230.94	-	1,230.94
Total expenditures	491,077.54	-	491,077.54
Remaining funds available as of December 31, 2023	$ 1,451,770.66	$ -	$ 1,451,770.66

2023 Form MS-991 With Adjustments (Continued)

	Reported	Adjustments	Adjusted Amount
Approved future year receipts and expenditures			
Accounts receivable	$ -	$ -	$ -
Accounts payable	-	-	-
Unpaid encumbrances	-	-	-
Unpaid county aid grants	765,558.00	(18,968.00)	746,590.00
Total approved future year receipts and expenditures	765,558.00	(18,968.00)	746,590.00
Year end balance available for future years as of December 31, 2023	$ 686,212.66	$ 18,968.00	$ 705,180.66

DELAWARE COUNTY
2019 REPORT OF ACT 44 TAX FUND
WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Balance, January 1, 2019	$ 359,459.53	$ -	$ 359,459.53
Receipts:			
Act 44 Funds	92,137.12	(92,137.12)	-
Interest	5,873.52	-	5,873.52
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	98,010.64	(92,137.12)	5,873.52
Total funds available	457,470.17	(92,137.12)	365,333.05
Expenditures:			
Administrative	-	-	-
Minor Equipment Purchases	-	-	-
Major Equipment Purchases	-	-	-
Street Cleaning and Gutters	-	-	-
Traffic Control Devices	-	-	-
Street Lighting	-	-	-
Storm Sewers and Drains	-	-	-
Repairs of Tools and Machinery	-	-	-
Maintenance and Repairs- Roads and Bridges	6,295.00	-	6,295.00
Highway Construction and Rebuilding Projects	-	-	-
Miscellaneous	-	74,531.91	74,531.91
Total expenditures	6,295.00	74,531.91	80,826.91
Balance, December 31, 2019	$ 451,175.17	$ (166,669.03)	$ 284,506.14

DELAWARE COUNTY
2020 REPORT OF ACT 44 TAX FUND
WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Balance, January 1, 2020	$ 451,175.17	$ (166,669.03)	$ 284,506.14
Receipts:			
Act 44 Funds	84,983.40	92,137.12	177,120.52
Interest	2,021.99	-	2,021.99
Reimbursable agreements	-	-	-
Miscellaneous	-	150,974.48	150,974.48
Total receipts	87,005.39	243,111.60	330,116.99
Total funds available	538,180.56	76,442.57	614,623.13
Expenditures:			
Administrative	-	-	-
Minor Equipment Purchases	-	-	-
Major Equipment Purchases	-	-	-
Street Cleaning and Gutters	-	-	-
Traffic Control Devices	-	-	-
Street Lighting	-	-	-
Storm Sewers and Drains	-	-	-
Repairs of Tools and Machinery	-	-	-
Maintenance and Repairs- Roads and Bridges	26,113.00	(295.00)	25,818.00
Highway Construction and Rebuilding Projects	-	295.00	295.00
Miscellaneous	-	76,442.57	76,442.57
Total expenditures	26,113.00	76,442.57	102,555.57
Balance, December 31, 2020	$ 512,067.56	$ -	$ 512,067.56

DELAWARE COUNTY
2021 REPORT OF ACT 44 TAX FUND
WITH ADJUSTMENTS

	Reported		Adjustments		Adjusted Amount	
Balance, January 1, 2021	$	512,067.56	$	-	$	512,067.56
Receipts:						
Act 44 Funds		85,097.65		-		85,097.65
Interest		627.19		-		627.19
Reimbursable agreements		-		-		-
Miscellaneous		-		113,916.86		113,916.86
Total receipts		85,724.84		113,916.86		199,641.70
Total funds available		597,792.40		113,916.86		711,709.26
Expenditures:						
Administrative		-		-		-
Minor Equipment Purchases		-		-		-
Major Equipment Purchases		-		-		-
Street Cleaning and Gutters		-		-		-
Traffic Control Devices		-		-		-
Street Lighting		-		-		-
Storm Sewers and Drains		-		-		-
Repairs of Tools and Machinery		-		-		-
Maintenance and Repairs- Roads and Bridges		5,953.00		-		5,953.00
Highway Construction and Rebuilding Projects		-		-		-
Miscellaneous		-		113,916.86		113,916.86
Total expenditures		5,953.00		113,916.86		119,869.86
Balance, December 31, 2021	$	591,839.40	$	-	$	591,839.40

DELAWARE COUNTY
2022 REPORT OF ACT 44 TAX FUND
WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Balance, January 1, 2022	$ 591,839.40	$ -	$ 591,839.40
Receipts:			
Act 44 Funds	82,523.33	-	82,523.33
Interest	3,747.30	-	3,747.30
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	86,270.63	-	86,270.63
Total funds available	678,110.03	-	678,110.03
Expenditures:			
Administrative	-	-	-
Minor Equipment Purchases	-	-	-
Major Equipment Purchases	-	-	-
Street Cleaning and Gutters	-	-	-
Traffic Control Devices	1,500.00	-	1,500.00
Street Lighting	-	-	-
Storm Sewers and Drains	-	-	-
Repairs of Tools and Machinery	-	-	-
Maintenance and Repairs-Roads and Bridges	65,263.50	4,600.00	69,863.50
Highway Construction and Rebuilding Projects	-	-	-
Miscellaneous	4,600.00	(4,600.00)	-
Total expenditures	71,363.50	-	71,363.50
Balance, December 31, 2022	$ 606,746.53	$ -	$ 606,746.53

DELAWARE COUNTY
2023 REPORT OF ACT 44 TAX FUND
WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Balance, January 1, 2023	$ 606,746.53	$ -	$ 606,746.53
Receipts:			
Act 44 Funds	83,545.76	-	83,545.76
Interest	18,003.12	-	18,003.12
Reimbursable agreements	-	-	-
Miscellaneous	-	1,150.00	1,150.00
Total receipts	101,548.88	1,150.00	102,698.88
Total funds available	708,295.41	1,150.00	709,445.41
Expenditures:			
Administrative	-	-	-
Minor Equipment Purchases	-	-	-
Major Equipment Purchases	-	-	-
Street Cleaning and Gutters	-	-	-
Traffic Control Devices	800.00	-	800.00
Street Lighting	1,150.00	-	1,150.00
Storm Sewers and Drains	-	-	-
Repairs of Tools and Machinery	-	-	-
Maintenance and Repairs- Roads and Bridges	69,210.00	-	69,210.00
Highway Construction and Rebuilding Projects	-	-	-
Miscellaneous	-	1,150.00	1,150.00
Total expenditures	71,160.00	1,150.00	72,310.00
Balance, December 31, 2023	$ 637,135.41	$ -	$ 637,135.41

DELAWARE COUNTY
2019 REPORT OF ACT 89 TAX FUND
WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Balance, January 1, 2019	$ 553,735.48	$ -	$ 553,735.48
Receipts:			
Act 89 Funds	161,782.54	-	161,782.54
Interest	6,582.36	-	6,582.36
Reimbursable agreements	-	-	-
Miscellaneous	-	19,210.00	19,210.00
Total receipts	168,364.90	19,210.00	187,574.90
Total funds available	722,100.38	19,210.00	741,310.38
Expenditures:			
Administrative	-	-	-
Minor Equipment Purchases	-	-	-
Major Equipment Purchases	-	-	-
Street Cleaning and Gutters	-	-	-
Traffic Control Devices	-	-	-
Street Lighting	-	-	-
Storm Sewers and Drains	-	-	-
Repairs of Tools and Machinery	-	-	-
Maintenance and Repairs- Roads and Bridges	376,791.02	(350,763.39)	26,027.63
Highway Construction and Rebuilding Projects	-	350,763.39	350,763.39
Miscellaneous	-	16,220.00	16,220.00
Total expenditures	376,791.02	16,220.00	393,011.02
Balance, December 31, 2019	$ 345,309.36	$ 2,990.00	$ 348,299.36

DELAWARE COUNTY
2020 REPORT OF ACT 89 TAX FUND
WITH ADJUSTMENTS

		Reported		Adjustments		Adjusted Amount
Balance, January 1, 2020	$	348,299.36	$	-	$	348,299.36
Receipts:						
Act 89 Funds		150,869.81		-		150,869.81
Interest		1,524.98		-		1,524.98
Reimbursable agreements		-		-		-
Miscellaneous		-		-		-
Total receipts		152,394.79		-		152,394.79
Total funds available		500,694.15		-		500,694.15
Expenditures:						
Administrative		-		-		-
Minor Equipment Purchases		-		-		-
Major Equipment Purchases		-		-		-
Street Cleaning and Gutters		-		-		-
Traffic Control Devices		-		-		-
Street Lighting		-		-		-
Storm Sewers and Drains		-		-		-
Repairs of Tools and Machinery		-		-		-
Maintenance and Repairs- Roads and Bridges		214,769.92		(126,773.71)		87,996.21
Highway Construction and Rebuilding Projects		-		126,773.71		126,773.71
Miscellaneous		-		-		-
Total expenditures		214,769.92		-		214,769.92
Balance, December 31, 2020	$	285,924.23	$	-	$	285,924.23

DELAWARE COUNTY
2021 REPORT OF ACT 89 TAX FUND
WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Balance, January 1, 2021	$ 282,934.23	$ 2,990.00	$ 285,924.23
Receipts:			
Act 89 Funds	165,155.25	-	165,155.25
Interest	117.07	-	117.07
Reimbursable agreements	-	-	-
Miscellaneous	-	55,417.35	55,417.35
Total receipts	165,272.32	55,417.35	220,689.67
Total funds available	448,206.55	58,407.35	506,613.90
Expenditures:			
Administrative	-	-	-
Minor Equipment Purchases	-	-	-
Major Equipment Purchases	-	-	-
Street Cleaning and Gutters	-	-	-
Traffic Control Devices	-	-	-
Street Lighting	-	-	-
Storm Sewers and Drains	-	-	-
Repairs of Tools and Machinery	-	-	-
Maintenance and Repairs- Roads and Bridges	87,616.70	(54,465.16)	33,151.54
Highway Construction and Rebuilding Projects	279,206.66	64,799.50	344,006.16
Miscellaneous	12,084.34	45,083.01	57,167.35
Total expenditures	378,907.70	55,417.35	434,325.05
Balance, December 31, 2021	$ 69,298.85	$ 2,990.00	$ 72,288.85

DELAWARE COUNTY
2022 REPORT OF ACT 89 TAX FUND
WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Balance, January 1, 2022	$ 69,298.85	$ 2,990.00	$ 72,288.85
Receipts:			
Act 89 Funds	155,782.22	-	155,782.22
Interest	917.00	-	917.00
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	156,699.22	-	156,699.22
Total funds available	225,998.07	2,990.00	228,988.07
Expenditures:			
Administrative	-	-	-
Minor Equipment Purchases	-	-	-
Major Equipment Purchases	-	-	-
Street Cleaning and Gutters	-	-	-
Traffic Control Devices	-	-	-
Street Lighting	-	-	-
Storm Sewers and Drains	-	-	-
Repairs of Tools and Machinery	-	-	-
Maintenance and Repairs-Roads and Bridges	40,725.00	2,990.00	43,715.00
Highway Construction and Rebuilding Projects	-	2,468.36	2,468.36
Miscellaneous	2,468.36	(2,468.36)	-
Total expenditures	43,193.36	2,990.00	46,183.36
Balance, December 31, 2022	$ 182,804.71	$ -	$ 182,804.71

DELAWARE COUNTY
2023 REPORT OF ACT 89 TAX FUND
WITH ADJUSTMENTS

	Reported		Adjustments		Adjusted Amount
Balance, January 1, 2023	$ 182,804.71	$	-	$	182,804.71
Receipts:					
Act 89 Funds	159,225.78		-		159,225.78
Interest	2,831.74		-		2,831.74
Reimbursable agreements	-		-		-
Miscellaneous	-		-		-
Total receipts	162,057.52		-		162,057.52
Total funds available	344,862.23		-		344,862.23
Expenditures:					
Administrative	-		-		-
Minor Equipment Purchases	-		-		-
Major Equipment Purchases	-		-		-
Street Cleaning and Gutters	-		-		-
Traffic Control Devices	-		-		-
Street Lighting	-		-		-
Storm Sewers and Drains	-		-		-
Repairs of Tools and Machinery	-		-		-
Maintenance and Repairs-Roads and Bridges	400.00		-		400.00
Highway Construction and Rebuilding Projects	253,843.40		-		253,843.40
Miscellaneous	-		-		-
Total expenditures	254,243.40		-		254,243.40
Balance, December 31, 2023	$ 90,618.83	$	-	$	90,618.83

DELAWARE COUNTY
2020 REPORT OF COUNTY FEE FOR LOCAL USE FUNDS
WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Balance, January 1, 2020	$ -	$ -	$ -
Receipts:			
Local Use Funds	830,330.00	-	830,330.00
Interest	4.55	-	4.55
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	830,334.55	-	830,334.55
Total funds available	830,334.55	-	830,334.55
Expenditures:			
County-Owned road maintenance	-	-	-
County-Owned road construction	-	-	-
County-Owned bridge maintenance	-	-	-
County-Owned bridge construction	-	-	-
Administrative expenditures	-	-	-
Miscellaneous	-	-	-
Grants to political subdivisions	-	-	-
Total expenditures	-	-	-
Balance, December 31, 2020	$ 830,334.55	$ -	$ 830,334.55

DELAWARE COUNTY
2021 REPORT OF COUNTY FEE FOR LOCAL USE FUNDS
WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Balance, January 1, 2021	$ 830,334.55	$ -	$ 830,334.55
Receipts:			
Local Use Funds	2,260,275.00	-	2,260,275.00
Interest	1,258.95	-	1,258.95
Reimbursable agreements	-	-	-
Miscellaneous	-	1,230.94	1,230.94
Total receipts	2,261,533.95	1,230.94	2,262,764.89
Total funds available	3,091,868.50	1,230.94	3,093,099.44
Expenditures:			
County-Owned road maintenance	-	-	-
County-Owned road construction	-	-	-
County-Owned bridge maintenance	326,205.43	28,909.50	355,114.93
County-Owned bridge construction	171,452.93	(117,736.93)	53,716.00
Administrative expenditures	74,469.47	(74,469.47)	-
Miscellaneous	-	167,591.90	167,591.90
Grants to political subdivisions	-	-	-
Total expenditures	572,127.83	4,295.00	576,422.83
Balance, December 31, 2021	$ 2,519,740.67	$ (3,064.06)	$ 2,516,676.61

DELAWARE COUNTY
2022 REPORT OF COUNTY FEE FOR LOCAL USE FUNDS
WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Balance, January 1, 2022	$ 2,519,740.67	$ (3,064.06)	$ 2,516,676.61
Receipts:			
Local Use Funds	2,150,865.00	-	2,150,865.00
Interest	22,955.59	-	22,955.59
Reimbursable agreements	-	-	-
Miscellaneous	-	4,295.00	4,295.00
Total receipts	2,173,820.59	4,295.00	2,178,115.59
Total funds available	4,693,561.26	1,230.94	4,694,792.20
Expenditures:			
County-Owned road maintenance	-	-	-
County-Owned road construction	-	-	-
County-Owned bridge maintenance	322,008.60	(44,795.33)	277,213.27
County-Owned bridge construction	72,053.38	132,946.62	205,000.00
Administrative expenditures	59,243.59	(59,243.59)	-
Miscellaneous	31,369.58	(27,676.76)	3,692.82
Grants to political subdivisions	-	-	-
Total expenditures	484,675.15	1,230.94	485,906.09
Balance, December 31, 2022	$ 4,208,886.11	$ -	$ 4,208,886.11

DELAWARE COUNTY
2023 REPORT OF COUNTY FEE FOR LOCAL USE FUNDS
WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Balance, January 1, 2023	$ 4,208,886.11	$ -	$ 4,208,886.11
Receipts:			
Local Use Funds	2,184,900.00	(15,000.00)	2,169,900.00
Interest	148,814.26	-	148,814.26
Reimbursable agreements	-	-	-
Miscellaneous	1,230.94	328,294.28	329,525.22
Total receipts	2,334,945.20	313,294.28	2,648,239.48
Total funds available	6,543,831.31	313,294.28	6,857,125.59
Expenditures:			
County-Owned road maintenance	-	-	-
County-Owned road construction	-	-	-
County-Owned bridge maintenance	74,858.52	260,245.29	335,103.81
County-Owned bridge construction	155,254.91	(155,254.91)	-
Administrative expenditures	88,504.52	(88,504.52)	-
Miscellaneous	16,485.86	296,808.42	313,294.28
Grants to political subdivisions	-	-	-
Total expenditures	335,103.81	313,294.28	648,398.09
Balance, December 31, 2023	$ 6,208,727.50	$ -	$ 6,208,727.50

The following information relates to certain types of transactions for which the Pennsylvania Department of Transportation requested that we provide additional detail.

Adjustments

2019 Form MS-991

An adjustment of $40,556.80 was made to "Reimbursable agreements" because these receipts were misclassified as miscellaneous.

An adjustment of $(25,574.22) was made to "Miscellaneous" because receipts for reimbursable agreements totaling $40,556.80 were misclassified as miscellaneous, a deposit in error of $8,110.00 was not reported, and a correction of a transfer in error of $6,872.58 was not reported.

An adjustment of $50,423.00 was made to "County aid payments" because these expenditures were misclassified as miscellaneous.

Adjustments were made to "Maintenance and repairs - roads and bridges" and "Highway construction and rebuilding projects" because expenditures of $24,540.00 were misclassified.

An adjustment of $(35,440.42) was made to "Miscellaneous" because expenditures of $50,423.00 for county aid payments were misclassified as miscellaneous, a correction of a deposit in error of $8,110.00 was not reported, and a transfer in error of $6,872.58 was not reported.

An adjustment of $24,706.00 was made to "Unpaid county aid grants" because the balance for encumbrance No. 18-23427-0001 was not reported.

Adjustments (Continued)

2020 Form MS-991

Adjustments were made to “County aid payments” and “Miscellaneous” because expenditures of $338,582.00 were misclassified.

An adjustment of $(13,096.00) was made to “Unpaid county aid grants” because the balances of the following county aid grants were reported incorrectly:

Encumbrance No.	Actual Amount	Reported Amount	Adjustment
19-23401-001	$-	$ 5,468.00	$ (5,468.00)
19-23417-001	-	7,628.00	(7,628.00)
Totals	$-	$13,096.00	$(13,096.00)

2021 Form MS-991

An adjustment of $167,591.90 was made to “Miscellaneous” receipts because a transfer in error from the General Fund in the amount of $4,295.00 was not reported and a reimbursement of purchased materials from the County Fee for Local Use Fund in the amount of $163,296.90 was not reported.

An adjustment of $163,296.90 was made to “Maintenance and repairs - roads and bridges” because these expenditures that were reimbursed by the County Fee for Local Use Fund were not reported.

An adjustment of $1,230.94 was made to “Miscellaneous” expenditures because a transfer in error to the County Fee for Local Use Fund was not reported.

Adjustments (Continued)

2022 Form MS-991

An adjustment of $3,064.06 was made to "Balance, January 1, 2022" to reflect the adjustment made to the fund balance in 2021.

An adjustment of $9,669.21 was made to "Miscellaneous" receipts because a correction of a transfer in error to the County Fee for Local Use Fund of $1,230.94 was not reported and a correction of a transfer in error to the General Fund of $8,438.27 was not reported.

An adjustment of $12,753.43 was made to "Maintenance and repairs - roads and bridges" because these expenditures were misclassified as miscellaneous.

An adjustment of $(20.16) was made to "Miscellaneous" because expenditures of $12,753.43 for maintenance and repairs - roads and bridges were misclassified as miscellaneous, a transfer in error to the General Fund of $8,438.27 was not reported, and a correction of a transfer in error from the County Fee for Local Use Fund of $4,295.00 was not reported.

2023 Form MS-991

An adjustment of $(18,968.00) was made to "Unpaid county aid grants" because the balance for encumbrance No. 21-23105-001 was overstated.

2019 Act 44 Tax Fund

An adjustment of $(92,137.12) was made to "Act 44 Funds" because the 2019 Act 44 allocation was not deposited into the Act 44 Tax Fund until 2020, but was incorrectly reported as a receipt in 2019.

An adjustment of $74,531.91 was made to "Miscellaneous" expenditures because a correction of a deposit in error was not reported.

2020 Act 44 Tax Fund

An adjustment of $(166,669.03) was made to "Balance, January 1, 2020" to reflect the adjustment made to the fund balance in 2019.

An adjustment of $92,137.12 was made to "Act 44 Funds" because the 2019 Act 44 allocation, which was deposited into the Act 44 Tax Fund 2020, was incorrectly reported as a receipt in 2019.

Adjustments (Continued)

2020 Act 44 Tax Fund (Continued)

An adjustment of $150,974.48 was made to “Miscellaneous” receipts because Act 89 Tax Fund allocations, which were deposited into the Act 44 Tax Fund in error, were not reported.

Adjustments were made to “Maintenance and repairs - roads and bridges” and “Highway construction and rebuilding projects” because expenditures of $295.00 were misclassified.

An adjustment of $76,442.57 was made to “Miscellaneous” expenditures because the correction of a deposit in error was not reported.

2021 Act 44 Tax Fund

An adjustment of $113,916.86 was made to “Miscellaneous” receipts because an Act 89 Tax Fund allocation of $79,174.86, which was deposited into the Act 44 Tax Fund in error, was not reported and correction of transfers in error totaling $34,742.00 were not reported.

An adjustment of $113,916.86 was made to “Miscellaneous” expenditures because the correction of a deposit in error of $79,174.86 and transfers in error totaling $34,742.00 were not reported.

2022 Act 44 Tax Fund

Adjustments were made to “Maintenance and repairs - roads and bridges” and “Miscellaneous” because expenditures of $4,600.00 were misclassified.

2023 Act 44 Tax Fund

An adjustment of $1,150.00 was made to “Miscellaneous” receipts because the correction of a transfer in error was not reported.

An adjustment of $1,150.00 was made to “Miscellaneous” expenditures because a transfer in error was not reported.

Adjustments (Continued)

2019 Act 89 Tax Fund

An adjustment of $19,210.00 was made to “Miscellaneous” receipts because a grant from the General Fund of $2,990.00 and a correction of transfers in error of $16,220.00 were not reported.

Adjustments were made to “Maintenance and repairs - roads and bridges” and “Highway construction and rebuilding projects” because expenditures of $350,753.39 were misclassified.

An adjustment was made to “Miscellaneous” expenditures because transfers in error totaling $16,220.00 were not reported.

2020 Act 89 Tax Fund

Adjustments were made to “Maintenance and repairs - roads and bridges” and “Highway construction and rebuilding projects” because expenditures of $126,773.71 were misclassified.

2021 Act 89 Tax Fund

An adjustment of $2,990.00 was made to “Balance, January 1, 2021” because an incorrect fund balance was reported.

An adjustment was made to “Miscellaneous” receipts because the correction of transfers in error totaling $55,417.35 were not reported.

An adjustment of $(54,465.16) was made to “Maintenance and repairs - roads and bridges” because these expenditures were misclassified.

An adjustment of $64,799.50 was made to “Highway construction and rebuilding projects” because $10,334.34 of these expenditures were misclassified as miscellaneous and $54,465.16 of these expenditures were misclassified as maintenance and repairs of roads and bridges.

An adjustment of $45,083.01 was made to “Miscellaneous” because $10,334.34 of highway construction and rebuilding projects expenditures were misclassified as miscellaneous and transfers in error from the General Fund totaling $55,417.35 were not reported.

Adjustments (Continued)

2022 Act 89 Tax Fund

An adjustment of $2,990.00 was made to "Balance, January 1, 2022" to reflect the adjustment made to the fund balance in 2021.

An adjustment of $2,990.00 was made to "Maintenance and repairs - roads and bridges" because these expenditures were understated.

Adjustments were made to "Highway construction and rebuilding projects" and "Miscellaneous" because expenditures of $2,468.36 were misclassified.

2021 County Fee for Local Use Funds

An adjustment of $1,230.94 was made to "Miscellaneous" because a transfer in error was not reported.

An adjustment of $28,909.50 was made to "County-owned bridge maintenance" because these expenditures were misclassified.

An adjustment of $(117,736.93) was made to "County-owned bridge construction" because these expenditures were misclassified.

An adjustment of $(74,469.47) was made to "Administrative expenditures" because these expenditures were misclassified.

An adjustment of $167,591.90 was made to "Miscellaneous" because $163,296.90 of these expenditures were misclassified and a transfer in error of $4,295.00 was not reported.

2022 County Fee for Local Use Funds

An adjustment of $(3,064.06) was made to "Balance, January 1, 2022" to reflect the adjustment made to the fund balance in 2021.

An adjustment of $4,295.00 was made to "Miscellaneous" receipts because the correction of a transfer in error was not reported.

An adjustment of $(44,795.33) was made to "County-owned bridge maintenance" because these expenditures were misclassified.

Adjustments (Continued)

2022 County Fee for Local Use Funds (Continued)

An adjustment of $132,946.62 was made to “County-owned bridge construction” because these expenditures were misclassified.

An adjustment of $(59,243.59) was made to “Administrative expenditures” because these expenditures were misclassified.

An adjustment of $(27,676.76) was made to “Miscellaneous” because $28,907.70 of the reported miscellaneous expenditures were misclassified and a transfer in error of $1,230.94 was not reported.

2023 County Fee for Local Use Funds

An adjustment of $(15,000.00) was made to “Local Use Funds” because the County Fee for Local Use Fund allocations were overstated.

An adjustment of $328,294.28 was made to “Miscellaneous” receipts because a deposit in error of $270,295.62 from the Commonwealth of Pennsylvania and a deposit in error of $57,998.66 from the General Fund were not reported.

An adjustment of $260,245.29 was made to “County-owned bridge maintenance” because these expenditures were misclassified.

An adjustment of $(155,254.91) was made to “County-owned bridge construction” because these expenditures were misclassified.

An adjustment of $(88,504.52) was made to “Administrative expenditures” because these expenditures were misclassified.

An adjustment of $296,808.42 was made to “Miscellaneous” because $16,485.86 of the reported miscellaneous expenditures were misclassified and corrections of transfers in error totaling $313,294.28 were not reported.

DELAWARE COUNTY
LIQUID FUELS, ACT 44, ACT 89 TAX FUNDS
AND COUNTY FEE FOR LOCAL USE FUND
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2023

Reimbursable Agreements

During our examination, we noted that the county entered into various reimbursable agreements with the Department of Transportation for bridge expenditures. During our current examination period, the county received $40,556.80 during 2019 as a result of these agreements and deposited this money into its Liquid Fuels Tax Fund.

Miscellaneous Receipts

The following miscellaneous receipts were deposited into the Liquid Fuels Tax Fund during the examination period:

Source	Description	2019	2021	2022	2023
Act 89 Fund	Transfer in error	$ 8,110.00	$ -	$ -	$ -
Vendor	Reimbursement for materials	1,849.45	-	-	-
General Fund	Correction of transfers in error	6,872.58	-	8,438.27	-
Local Use Fund	Reimbursement for materials	-	163,296.90	1,230.94	-
Local Use Fund	Transfer in error	-	-	1,230.94	-
General Fund	Transfer in error	-	4,295.00	-	-
Local Use Fund	Correction of transfer in error	-	-	1,230.94	-
General Fund	Reimbursement (Summary Of 2017-2018 Examination Recommendations)	-	-	-	119,737.50
Totals		$16,832.03	$167,591.90	$12,131.09	$119,737.50

DELAWARE COUNTY
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Miscellaneous Receipts (Continued)

The following miscellaneous receipts were deposited into the Act 44 Fund during the examination period:

Source	Description	2020	2021	2023
Commonwealth of Pennsylvania	Act 89 Fund allocations	$150,974.48	$ 79,174.86	$ -
General Fund	Correction of transfer in error	-	34,742.00	1,150.00
Totals		$150,974.48	$113,916.86	$1,150.00

The following miscellaneous receipts were deposited into the Act 89 Fund during the examination period:

Source	Description	2019	2021
General Fund	Grant from General Fund	$ 2,990.00	$ -
Liquid Fuels Tax Fund	Correction of transfers in error	16,220.00	-
General Fund	Correction of transfer in error	-	55,417.35
Totals		$19,210.00	$55,417.35

The following miscellaneous receipts were deposited into the County Fee For Local Use Fund during the examination period:

Source	Description	2021	2022	2023
Liquid Fuels Tax Fund	Transfer in error	$1,230.94	$ -	$ -
Liquid Fuels Tax Fund	Correction of transfer in error	-	4,295.00	-
Commonwealth of Pennsylvania	Deposit in error	-	-	270,295.62
General Fund	Correct of transfer in error	-	-	1,230.94
General Fund	Deposit in error	-	-	57,998.66
Totals		$1,230.94	$4,295.00	$329,525.22

DELAWARE COUNTY
LIQUID FUELS, ACT 44, ACT 89 TAX FUNDS
AND COUNTY FEE FOR LOCAL USE FUND
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Miscellaneous Expenditures

The following miscellaneous expenditures were paid from the Liquid Fuels Tax Fund during the examination period:

Payee	Description	2019	2021	2022	2023
Local Resident	Eminent domain	$ 500.00	$ -	$ -	$ -
General Fund	Transfers in error	6,872.58	-	8,438.27	-
Act 89 Fund	Correction of transfer in error	8,110.00	-	-	-
Local Use Fund	Transfer in error	-	1,230.94	-	-
Local Use Fund	Correction of transfer in error	-	-	4,295.00	-
General Fund	Correction of transfer in error	-	-	-	1,230.94
Totals		$15,482.58	$1,230.94	$12,733.27	$1,230.94

The following miscellaneous expenditures were paid from the Act 44 Tax Fund during the examination period:

Payee	Description	2019	2020	2021	2023
Act 89 Fund	Correction of deposit in error	$74,531.91	$76,442.57	$ 79,174.86	$ -
General Fund	Transfer in error	-	-	34,742.00	1,150.00
Totals		$74,531.91	$76,442.57	$113,916.86	$1,150.00

Miscellaneous Expenditures (Continued)

The following miscellaneous expenditures were paid from the Act 89 Tax Fund during the examination period:

Payee	Description	2019	2021
General Fund	Transfer in error	$ 8,110.00	$55,417.35
Liquid Fuels Tax Fund	Transfer in error	8,110.00	-
Commonwealth of Pennsylvania	Refund for overpayment	-	1,750.00
Totals		$16,220.00	$57,167.35

The following miscellaneous expenditures were paid from the County Fee for Local Use Fund during the examination period:

Payee	Description	2021	2022	2023
Liquid Fuels Tax Fund	Reimbursement for materials	$163,296.90	$1,230.94	$ -
Liquid Fuels Tax Fund	Transfer in error	-	1,230.94	-
General Fund	Transfer in error	4,295.00	-	-
Liquid Fuels Tax Fund	Correction of transfer in error	-	1,230.94	-
General Fund	Correction of deposits in error	-	-	313,294.28
Totals		$167,591.90	$3,692.82	$313,294.28

Encumbrances

As of December 31, 2023, $746,590.00 was encumbered for grants to political subdivisions.

Transfers In Error

On January 18, 2019, and January 31, 2019, the county transferred $5,120.00 and $2,990.00, respectively, from its Act 89 Tax Fund to its General Fund in error. The transfers should have been made from the Liquid Fuels Tax Fund to the General Fund. On January 31, 2019, the county made an additional error when they transferred the $8,110.00 from its Act 89 Tax Fund to its Liquid Fuels Tax Fund. On November 27, 2019, the county transferred $16,220.00 from its Liquid Fuels Tax Fund to its Act 89 Tax Fund to correct the transfers in error.

On May 7, 2019, and November 26, 2019, the county transferred $196.78 and $6,675.80, respectively, from its Liquid Fuels Tax Fund to its General Fund in error. On November 26, 2019, the county transferred these amounts from its General Fund to its Liquid Fuels Tax Fund to correct the transfers in error.

On December 1, 2021, the county transferred $1,230.94 from its Liquid Fuels Tax Fund to its County Fee for Local Use Fund in error. On January 31, 2022, the county transferred this amount from its County Fee for Local Use Fund to its Liquid Fuels Tax Fund to correct the transfer in error.

On March 10, 2022, the county transferred $1,230.94 from its County Fee for Local Use Fund to its Liquid Fuels Tax Fund in error. On February 24, 2023, the county transferred $1,230.94 from its General Fund to its County Fee for Local Use Fund in error. On May 16, 2023, the county transferred $1,230.94 from its Liquid Fuels Tax Fund to its General Fund to correct the transfers in error.

On April 1, 2021, and September 27, 2021, the county transferred $11,250.00 and $23,492.00, respectively, from its Act 44 Tax Fund to its General Fund in error. On November 16, 2021, and December 8, 2021, the county transferred $11,250.00 and $23,492.00, respectively, from its General Fund to its Act 44 Tax Fund to correct the transfers in error.

On July 21, 2021, and August 20, 2021, the county transferred $31,925.35 and $23,492.00, respectively, from its Act 89 Tax Fund to its General Fund in error. On September 27, 2021, the county transferred $55,417.35 from its General Fund to its Act 89 Tax Fund to correct the transfers in error.

Transfers In Error (Continued)

On November 23, 2021, the county transferred $4,295.00 from its General Fund to its Liquid Fuels Tax Fund in error. On December 1, 2021, the county transferred $4,295.00 from its County Fee for Local Use Fund to its General Fund in error. On January 31, 2022, the county transferred $4,295.00 from its Liquid Fuels Tax Fund to its County Fee for Local Use Fund to correct the transfers in error.

On November 10, 2022, the county transferred $8,438.27 from its Liquid Fuels Tax Fund to its General Fund in error. On the same day, the county transferred this amount from its General Fund to its Liquid Fuels Tax Fund to correct the transfer in error.

On November 9, 2023, the county transferred $1,150.00 from its Act 44 Tax Fund to its General Fund in error. On November 14, 2023, the county transferred this amount from its General Fund to its Act 44 Tax Fund to correct the transfer in error.

Deposits In Error

During the examination period, a total of $230,149.34 of Act 89 Tax Fund allocations were electronically deposited into the county's Act 44 Tax Fund in error. The county transferred these amounts from their Act 44 Tax Fund to its Act 89 Tax Fund to correct the deposits in error. The deposits in error were as follows:

Date Deposited to Act 44 Fund	Amount	Date Transferred to Act 89 Fund
01/03/2020	$ 74,531.91	12/31/2019
12/30/2020	76,442.57	12/30/2020
12/03/2021	79,174.86	12/03/2021
	$230,149.34	

On December 31, 2019, the county transferred $74,531.91 from its Act 44 Tax Fund to its Act 89 Tax Fund upon notification that the Act 89 allocation would be electronically deposited into the county's Act 44 Tax Fund. On January 3, 2020, the Commonwealth of Pennsylvania deposited the December 2019 Act 89 Tax Fund allocation of $74,531.91 into the county's Act 44 Tax Fund.

Deposits In Error (Continued)

During 2023, a total of $328,294.28 was deposited into the county's County Fee for Local Use Fund in error. These amounts were transferred from its County Fee for Local Use Fund to its General Fund during 2023 to correct the errors. The deposits in error were as follows:

Date Deposited	Amount	Date Transferred to General Fund
01/31/2023	$ 23,203.25	03/21/2023
02/02/2023	32,751.85	03/21/2023
02/07/2023	81,229.16	03/21/2023
02/24/2023	35,279.04	03/21/2023
03/08/2023	53,950.68	03/21/2023
04/10/2023	28,881.64	06/14/2023
06/22/2023	15,000.00	Unpaid
07/13/2023	36,789.47	07/21/2023
09/26/2023	21,209.19	10/27/2023
	$328,294.28	

As of the date of the onsite closeout memorandum of this examination, November 12, 2025, $15,000.00 remained in the county's County Fee for Local Use Fund.

Finding No. 1 - Retroactive Payroll Expenditures

We tested five payroll transfers from the Liquid Fuels Tax Fund to the General Fund from 2020 to 2023, totaling $415,525.81, and found that all payroll transfers from the county Liquid Fuels Tax Fund were made more than three months after the end of the year for which the payroll expenditures were incurred, which are retroactive expenditures. The transfers are as follows:

Date Transferred	Amount	Year Of Payroll
05/22/2020	$ 69,076.73	2018
06/05/2020	110,411.00	2019
06/03/2021	126,452.40	2020
12/05/2022	57,082.39	2021
04/30/2023	52,503.29	2022
	$415,525.81	

The Department of Transportation's *Publication 9* contains the policies and procedures for the administration of the Liquid Fuels Tax Fund. *Publication 9*, Chapter One, Section 1.6.6.3, states, in relevant part:

> Unacceptable Expenditures
>
> 10. Retroactive expenditures.

These expenditures were paid from the General Fund and not reimbursed from the Liquid Fuels Tax Fund in a reasonable period of time. Therefore, the county did not comply with the Department of Transportation's *Publication 9*.

We were unable to determine why this condition occurred.

The failure to follow the Department of Transportation's *Publication 9* could result in the county having to reimburse $415,525.81 to its Liquid Fuels Tax Fund.

Finding No. 1 - Retroactive Payroll Expenditures (Continued)

Recommendations

We recommend that the county reimburse $415,525.81 to its Liquid Fuels Tax Fund upon official notification by the Department of Transportation.

We further recommend that the county comply with the Department of Transportation's *Publication 9* as noted above.

Management's Response

The Director of Public Works stated:

> Delaware County was initially surprised by this finding, as it has been longstanding practice to allocate internal staff salaries for allowable Liquid Fuels expenditures in the subsequent year's annual report. This approach was also reflected in the 2018 annual report, which was reviewed during a prior audit without issue or an audit finding.
>
> Upon further discussion with the auditor during the current audit, county staff gained a clearer understanding of the concern - specifically, that while the expenditures themselves are allowable, they must be reported in the same fiscal year in which the work was performed.
>
> To ensure there is no finding in the future, the Capital Finance Manager for the Public Works Department consulted with our PennDOT Financial Consultant, to confirm the interpretation of the requirement. Following this consultation, the county has revised procedures accordingly to ensure that all internal labor costs are reported in the correct fiscal year. The allowable expenses will be reported on the annual MS-991 throughout the calendar year in which they are paid, with the understanding December may not report until January of the subsequent year. The county is advised the subsequent year January reporting is permitted per the guidance allowing expenses incurred up to 90 days before December 31st to be reported timely in the following year.
>
> In light of the county's proactive response, the established historical precedent, and the eligibility of all related expenditures under Liquid Fuels guidelines, we respectfully request that this finding be formally resolved without a reimbursement requirement.

Finding No. 1 - Retroactive Payroll Expenditures (Continued)

Auditor's Conclusion

The Department of Transportation will determine if the county will be required to reimburse $415,525.81 to its Liquid Fuels Tax Fund. During our next audit, we will determine if the county complied with our recommendations.

Finding No. 2 - Liquid Fuels And County Fee For Local Use Money Improperly Expended On Act 89 Projects

We tested expenditures totaling $859,149.15 from the Liquid Fuels Tax Fund in 2019 and $538,776.70 from the County Fee for Local Use Fund in 2021. Our testing identified five construction projects totaling $78,256.00 that were approved for payment from the Act 89 Fund by the Department of Transportation. However, the Liquid Fuels Tax Fund expended $24,540.00 and the County Fee for Local Use Fund expended $53,716.00 for these projects without approval. These projects were as follows:

Project No.	Amount Paid	Date Paid	Fund Paid
19-23000-002	$24,540.00	11/01/2019	Liquid Fuels Tax Fund
21-23000-001	11,250.00	04/01/2021	County Fee for Local Use
21-23000-002	6,256.00	06/25/2021	County Fee for Local Use
21-23000-003	13,488.00	06/25/2021	County Fee for Local Use
21-23000-005	22,722.00	11/17/2021	County Fee for Local Use
Total	$78,256.00		

The Department of Transportation's *Publication 9* outlines the policies and procedures for the administration of the Liquid Fuels Tax Fund. *Publication 9,* Chapter One, Section 1.6.6.3, and Chapter Five, Section 5.8.2, state that non-permissible expenditures from the Liquid Fuels Tax Fund and County Fee for Local Use Fund, respectively, include construction projects without prior approval from the Department of Transportation.

We were unable to determine the cause of this condition.

The failure to comply with the Department of Transportation's Regulations could result in the county having to reimburse $24,540.00 to its Liquid Fuels Tax Fund and $53,716.00 to its County Fee for Local Use Fund.

Finding No. 2 - Liquid Fuels And County Fee For Local Use Money Improperly Expended On Act 89 Projects (Continued)

Recommendations

We recommend that the county reimburse $24,540.00 to its Liquid Fuels Tax Fund and $53,716.00 to its County Fee for Local Use Fund upon official notification by the Department of Transportation.

We further recommend that no Liquid Fuels Tax funds be expended for construction projects without the prior approval of the Department of Transportation.

Management's Response

The county officials offered no formal response at this time.

Auditor's Conclusion

During our next audit, we will determine if the county complied with our recommendations.

Finding No. 3 - Liquid Fuels Money Over Expended On County Aid Grant Projects

We tested expenditures totaling $3,021,292.00 related to county aid grant projects paid by the Liquid Fuels Tax Fund during the examination period and found that during 2019 the county expended a total of $13,973.00 of Liquid Fuels Tax Fund money for county aid grants paid to a municipality for construction project Nos. 18-23408-001 and 18-23408-002. However, the amount of Liquid Fuels Tax Fund money approved by the Department of Transportation to be expended from the Liquid Fuels Tax Fund for these county aid grants was $5,940.00 and $1,116.00, respectively. The difference of $6,917.00 should have been paid directly from the General Fund.

The Department of Transportation's *Publication 9* outlines the policies and procedures for the administration of the Liquid Fuels Tax Fund. *Publication 9,* Chapter One, Section 1.9.2, states:

> The county should not release the approved county aid funds to the municipality until it receives an approved MS-999, Project Completion Form, from either the municipality or District Municipal Services Office.

The Department of Transportation's Regulations do not permit a municipality to expend Liquid Fuels Tax Fund money in excess of the amount approved on Municipal Services Completion Report Form MS-999.

We could not determine the cause of this condition.

The failure to comply with the Department of Transportation's Regulations could result in the county having to reimburse $6,917.00 to its Liquid Fuels Tax Fund.

Recommendations

We recommend that the county reimburse $6,917.00 to its Liquid Fuels Tax Fund upon official notification by the Department of Transportation.

We further recommend that the county expend only the approved amount of Liquid Fuels Tax Fund money on county aid grants.

Management's Response

The county officials offered no formal response at this time.

Auditor's Conclusion

During our next audit, we will determine if the county complied with our recommendations.

Finding No. 4 - Failure To Receive NBIS Reimbursement Per Agreement

Our examination disclosed that the county entered into an agreement with the Department of Transportation to receive reimbursements for bridge inspections under the National Bridge Inspection Standards (NBIS) program. The agreement provided for 80% of the county's expenditures for bridge inspections to be reimbursed upon the Pennsylvania Department of Transportation's receipt of invoice and payment documentation. As of December 31, 2019, the county was due a total of $4,857.94 per this agreement. As of the audit's onsite closeout meeting held November 12, 2025, the Liquid Fuels Tax Fund was still not reimbursed.

Good internal control procedures ensure that documentation is filed in a timely manner as required by contractual agreements, so reimbursements are received in a timely manner.

Because the county failed to either file the documentation with the Pennsylvania Department of Transportation or failed to transfer the reimbursement from the General Fund, the Liquid Fuels Tax Fund did not have the funds available for other road or bridge maintenance and repairs.

Recommendations

We recommend that the county file all necessary documentation with the Department of Transportation to obtain the $4,857.94 in reimbursement or seek a reimbursement from the General Fund and deposit the funds into the Liquid Fuels Tax Fund.

We further recommend that, in the future, the county file all necessary documentation as per agreements with the Department of Transportation in a timely manner.

Management's Response

The county officials offered no formal response at this time.

Auditor's Conclusion

During our next audit, we will determine if the county complied with our recommendations.

Finding No. 5 - Late Receipt Of Liquid Fuels And County Fee For Local Use Fund Allocations

Our examination disclosed that the June 2023 Liquid Fuels Tax Fund allocation of $440,309.70, which should have been distributed from the Department of Transportation to the county during the first week of June of that year, was not received until December 4, 2023, because the county failed to comply with the Department of Transportation's *Publication 9*, Chapter One, Section 1.4, which states:

> To qualify for the annual liquid fuels tax allocation, a municipality shall:
>
> - Submit an annual report showing the receipts, expenditures, and encumbrances for the preceding 12 months (see MS-991 Report of County Liquid Fuels Tax Fund in Section 1.8, Reporting Requirements).
> - Make deposits and payments or expenditures in accordance with the Act (See Section 1.6, Appropriate Use of Funds). Failure to do so may result in the county not receiving allocations until such deficiencies are resolved.
> - Ensure resolution of all Contractor Responsibility Program (CRP) holds and blocks imposed by the Department of Revenue and the Department of Labor and Industry.
> - Ensure resolution of all reimbursements required as a result of audits performed by the Auditor General or monitoring reviews performed by the Department's Financial Consultants.

Additionally, our examination disclosed that the 2021 County Fee for Local Use Fund semi-annual allocation of $1,056,200.00, which should have been distributed from the Department of Transportation to the county during the first week of June of that year, was not received until September 15, 2021, because the municipality failed to comply with the Department of Transportation's *Publication 9*, Chapter Five, Section 5.10.1, which states:

> The MS-90 form is completed throughout the year and is due before January 31st for the preceding calendar year.

We further noted that the county received its December 2023 Liquid Fuels Tax Fund allocation timely. Additionally, the county received its December 2021 and both 2022 and 2023 semi-annual County Fee for Local Use Fund allocations timely.

Finding No. 5 - Late Receipt Of Liquid Fuels And County Fee For Local Use Fund Allocations (Continued)

Because the municipality failed to comply with the requirements above, the county did not have use of the June 2023 Liquid Fuels Tax Fund allocation for six months and the June 2021 County Fee for Local Use Fund allocation for more than three months. Furthermore, had the allocations been received timely, money may have been available for investment purposes, potentially earning interest income which could have been used for road maintenance and repairs.

Recommendation

We recommend that the county continue to comply with the Department of Transportation's *Publication 9* to ensure that the Liquid Fuels Tax Fund allocations are received on time.

Management's Response

The county officials offered no formal response at this time.

Auditor's Conclusion

During our next audit, we will determine if the county complied with our recommendation.

Summary 2014-2016 Examination Recommendations

In our 2014-2016 report, we recommended that the Department of Transportation review our examination finding to determine if the county should reimburse $382,221.94 to its Act 89 Tax Fund for depositing its Act 89 allocations for December 2014 of $67,834.75, June 2015 of $66,985.62, December 2015 of $83,052.20, June 2016 of $82,282.96, and December 2016 of $82,066.41 into its General Fund.

During our 2017-2018 examination, we reviewed a letter dated October 16, 2017, from the Department of Transportation directing the county to reimburse $382,221.94 to its Act 89 Tax Fund. We noted that the county reimbursed $365,486.79 to its Act 89 Tax Fund on December 19, 2017, which was $16,735.15 less than the amount requested. As of the date of our closeout meeting of November 12, 2025, $16,735.15 is due to the Act 89 Tax Fund.

Additionally, in our 2017-2028 report, we recommended that the Department of Transportation review our examination finding to determine if the county should reimburse $163,216.35 to its Liquid Fuels Tax Fund because the county encumbered more than its fund balance.

During our 2017-2018 examination, we reviewed a letter dated August 31, 2017, from the Department of Transportation directing the county to reimburse $163,216.35 to its Liquid Fuels Tax Fund. We noted that the county reimbursed this amount to its Liquid Fuels Tax Fund on November 12, 2024, which was subsequent to our examination period.

Summary Of 2017-2018 Examination Recommendations

In our 2017-2018 report, we recommended that the Department of Transportation review our examination findings to determine if the county should reimburse $119,737.50 to its Liquid Fuels Tax Fund. This amount consists of $88,457.50 for noncompliance with advertising and bidding requirements, and $31,280.00 for a failure to maintain documentation for price quotations.

During our current examination, we reviewed a letter dated July 14, 2021, from the Department of Transportation directing the county to reimburse $119,737.50 to its Liquid Fuels Tax Fund. We noted that the county reimbursed its Liquid Fuels Tax Fund on November 21, 2023.

In our prior report, we also recommended that the county comply with the *Delaware County Administrative Code* by advertising for bids for all purchases over $25,000.00 and for obtaining price quotations for all purchases between $10,000.00 and $25,000.00.

During our current examination, we noted that the county complied with our recommendations.

DELAWARE COUNTY
LIQUID FUELS, ACT 44, ACT 89 TAX FUNDS
AND COUNTY FEE FOR LOCAL USE FUND
SUMMARY OF ONSITE CLOSEOUT MEETING
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2023

An onsite closeout meeting was held November 12, 2025. Those participating were:

DELAWARE COUNTY

Ms. Debra Track, Capital Finance Manager

DEPARTMENT OF THE AUDITOR GENERAL

Mr. Evan Betzenberger, Auditor

DELAWARE COUNTY
LIQUID FUELS, ACT 44, ACT 89 TAX FUNDS
AND COUNTY FEE FOR LOCAL USE FUND
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2023

This report was initially distributed to:

The Honorable Michael Carroll
Secretary
Department of Transportation

The Honorable Monica Taylor
Chairperson of the County Council

Joanne Phillips, Esq.
Controller

Ms. Debra Track
Capital Finance Manager

This report is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: news@PaAuditor.gov.