

ATTESTATION ENGAGEMENT

Greene County
Pennsylvania
30-000

Liquid Fuels Tax Fund, Act 44 Tax Fund,
Act 89 Tax Fund, and
County Fee For Local Use Fund
for the Period
January 1, 2021 to December 31, 2023

September 2025



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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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 Greene County for the period January 1, 2021 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 section of this report:

- Our examination disclosed that the county's General Fund paid \$15,941.76 for Bridge No. 31 engineering invoices and was then reimbursed by both the Liquid Fuels Tax Fund and the Act 89 Tax Fund for the payments.
- On August 2, 2023, the county transferred \$50,549.08 from its Act 89 Tax Fund to its General Fund for expenditures incurred from December 9, 2021, to December 14, 2022, which are nonpermissible retroactive expenditures. Included in this transfer was the \$15,941.76 for Bridge No. 31 engineering invoices described in the above bulleted item.

In our opinion, except for the bulleted matters discussed 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 Greene County for the period January 1, 2021 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*.

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 or regulations that have a material effect on the Forms; and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the Forms. 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 reporting on the Forms or on compliance and other matters; accordingly, we express no such opinions.

Our consideration of internal control was for the limited purpose of expressing an opinion on whether the Forms are presented in accordance with the criteria described above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

Independent Auditor's Report (Continued)

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Forms will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency below to be a material weakness:

- Duplicate Reimbursement Of Invoices.

As part of obtaining reasonable assurance about whether the Forms are free from material misstatement, we performed tests of Greene County's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of amounts on the Forms. However, providing an opinion on compliance with those provisions was not an objective of our engagement, and accordingly, we do not express such an opinion. The results of our tests disclosed the following instance of noncompliance that is required to be reported under *Government Auditing Standards*:

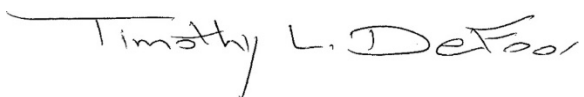
- Retroactive Expenditures.

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 Allocation.

The purpose of this report is to determine whether the county's Liquid Fuels Tax Fund, Act 44 Tax Fund, Act 89 Tax Fund, and County Fee For Local Use Fund money is spent in accordance with 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 Greene 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
Auditor General
July 31, 2025

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GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2021 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.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

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.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

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.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Background (Continued)

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.

(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.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Background (Continued)

- 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 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.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Background (Continued)

- 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 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.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Background (Continued)

- (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.
- (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 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 sound walls if included in a highway project as a mitigation measure for environmental purposes and all warrants are met.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Background (Continued)

- 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.
- (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.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Background (Continued)

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

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Background (Continued)

D. Expenditures.

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

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.

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

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Actual balance in county Liquid Fuels Tax Fund on January 1, 2021	\$ 292,457.81	\$ -	\$ 292,457.81
<u>Receipts:</u>			
Liquid Fuels Tax Funds received from Commonwealth	98,869.75	-	98,869.75
Interest	214.06	-	214.06
Reimbursable agreements	483,905.91	(26,173.96)	457,731.95
Miscellaneous	240.00	26,173.96	26,413.96
	<u>583,229.72</u>	<u>-</u>	<u>583,229.72</u>
Total receipts			
	<u>583,229.72</u>	<u>-</u>	<u>583,229.72</u>
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	<u>875,687.53</u>	<u>-</u>	<u>875,687.53</u>
<u>Expenditures:</u>			
Administrative	9,886.98	-	9,886.98
Minor equipment purchases	1,740.56	-	1,740.56
County aid payments	-	-	-
Major equipment expenditures	11,576.63	-	11,576.63
Street cleaning and gutters	-	-	-
Winter maintenance services	-	-	-
Traffic control devices	682.63	-	682.63
Street lighting	-	-	-
Storm sewers and drains	-	-	-
Repairs of tools and machinery	12,319.03	-	12,319.03
Maintenance and repairs - roads and bridges	182,929.80	(10,224.76)	172,705.04
Highway construction and rebuilding projects	551,910.25	(15,949.20)	535,961.05
Miscellaneous	-	26,173.96	26,173.96
	<u>771,045.88</u>	<u>-</u>	<u>771,045.88</u>
Total expenditures			
	<u>771,045.88</u>	<u>-</u>	<u>771,045.88</u>
Remaining funds available as of December 31, 2021	<u>\$ 104,641.65</u>	<u>\$ -</u>	<u>\$ 104,641.65</u>

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

2021 Form MS-991 With Adjustments (Continued)

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
<u>Approved future year receipts and expenditures</u>			
Accounts receivable	\$ -	\$ -	\$ -
Accounts payable	34,495.49	(29,652.78)	4,842.71
Unpaid encumbrances	-	-	-
Unpaid county aid grants	-	-	-
	<u> </u>	<u> </u>	<u> </u>
 Total approved future year receipts and expenditures	 <u>34,495.49</u>	 <u>(29,652.78)</u>	 <u>4,842.71</u>
 Year end balance available for future years as of December 31, 2021	 <u>\$ 70,146.16</u>	 <u>\$ 29,652.78</u>	 <u>\$ 99,798.94</u>

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

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Actual balance in county Liquid Fuels Tax Fund on January 1, 2022	\$ 104,641.65	\$ -	\$ 104,641.65
<u>Receipts:</u>			
Liquid Fuels Tax Funds received from Commonwealth	99,676.83	-	99,676.83
Interest	187.56	-	187.56
Reimbursable agreements	347,370.63	-	347,370.63
Miscellaneous	<u>14,240.00</u>	<u>8,961.06</u>	<u>23,201.06</u>
Total receipts	<u>461,475.02</u>	<u>8,961.06</u>	<u>470,436.08</u>
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	<u>566,116.67</u>	<u>8,961.06</u>	<u>575,077.73</u>
<u>Expenditures:</u>			
Administrative	-	-	-
Minor equipment purchases	1,076.57	-	1,076.57
County aid payments	-	-	-
Major equipment expenditures	46,931.02	-	46,931.02
Street cleaning and gutters	-	-	-
Winter maintenance services	-	-	-
Traffic control devices	720.69	-	720.69
Street lighting	-	-	-
Storm sewers and drains	-	-	-
Repairs of tools and machinery	51,871.85	-	51,871.85
Maintenance and repairs - roads and bridges	74,641.18	88,189.93	162,831.11
Highway construction and rebuilding projects	343,911.51	(84,325.23)	259,586.28
Miscellaneous	<u>4,015.38</u>	<u>5,096.36</u>	<u>9,111.74</u>
Total expenditures	<u>523,168.20</u>	<u>8,961.06</u>	<u>532,129.26</u>
Remaining funds available as of December 31, 2022	<u><u>\$ 42,948.47</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 42,948.47</u></u>

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

2022 Form MS-991 With Adjustments (Continued)

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
<u>Approved future year receipts and expenditures</u>			
Accounts receivable	\$ 50,398.72	\$ -	\$ 50,398.72
Accounts payable	-	-	-
Unpaid encumbrances	-	-	-
Unpaid county aid grants	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total approved future year receipts and expenditures	<u>(50,398.72)</u>	<u>-</u>	<u>(50,398.72)</u>
Year end balance available for future years as of December 31, 2022	<u>\$ 93,347.19</u>	<u>\$ -</u>	<u>\$ 93,347.19</u>

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

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Actual balance in county Liquid Fuels Tax Fund on January 1, 2023	\$ 42,948.47	\$ -	\$ 42,948.47
<u>Receipts:</u>			
Liquid Fuels Tax Funds received from Commonwealth	104,333.58	-	104,333.58
Interest	1,231.02	-	1,231.02
Reimbursable agreements	776,310.30	(403,927.74)	372,382.56
Miscellaneous	<u>4,691.60</u>	<u>403,927.74</u>	<u>408,619.34</u>
Total receipts	<u>886,566.50</u>	<u>-</u>	<u>886,566.50</u>
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	<u>929,514.97</u>	<u>-</u>	<u>929,514.97</u>
<u>Expenditures:</u>			
Administrative	9,967.68	-	9,967.68
Minor equipment purchases	4,337.95	-	4,337.95
County aid payments	-	-	-
Major equipment expenditures	25,406.01	-	25,406.01
Street cleaning and gutters	-	-	-
Winter maintenance services	-	-	-
Traffic control devices	-	-	-
Street lighting	-	-	-
Storm sewers and drains	-	-	-
Repairs of tools and machinery	4,663.25	-	4,663.25
Maintenance and repairs - roads and bridges	362,626.96	-	362,626.96
Highway construction and rebuilding projects	89,909.25	-	89,909.25
Miscellaneous	<u>14,000.00</u>	<u>-</u>	<u>14,000.00</u>
Total expenditures	<u>510,911.10</u>	<u>-</u>	<u>510,911.10</u>
Remaining funds available as of December 31, 2023	<u>\$ 418,603.87</u>	<u>\$ -</u>	<u>\$ 418,603.87</u>

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

2023 Form MS-991 With Adjustments (Continued)

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
<u>Approved future year receipts and expenditures</u>			
Accounts receivable	\$ 110,153.95	\$ -	\$ 110,153.95
Accounts payable	33,166.95	16,757.16	49,924.11
Unpaid encumbrances	-	-	-
Unpaid county aid grants	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total approved future year receipts and expenditures	<u>(76,987.00)</u>	<u>16,757.16</u>	<u>(60,229.84)</u>
Year end balance available for future years as of December 31, 2023	<u>\$ 495,590.87</u>	<u>\$ (16,757.16)</u>	<u>\$ 478,833.71</u>

GREENE COUNTY
2021 REPORT OF ACT 44 TAX FUND
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2021	\$ 327,161.51	\$ -	\$ 327,161.51
<u>Receipts:</u>			
Act 44 Funds	60,695.42	-	60,695.42
Interest	327.26	-	327.26
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
	<u>61,022.68</u>	<u>-</u>	<u>61,022.68</u>
Total receipts	<u>61,022.68</u>	<u>-</u>	<u>61,022.68</u>
Total funds available	<u>388,184.19</u>	<u>-</u>	<u>388,184.19</u>
<u>Expenditures:</u>			
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	-	-	-
Highway Construction and			
Rebuilding Projects	-	-	-
Miscellaneous	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2021	<u><u>\$ 388,184.19</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 388,184.19</u></u>

GREENE COUNTY
2022 REPORT OF ACT 44 TAX FUND
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2022	\$ 388,184.19	\$ -	\$ 388,184.19
<u>Receipts:</u>			
Act 44 Funds	61,040.58	-	61,040.58
Interest	389.49	-	389.49
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
	<u>61,430.07</u>	<u>-</u>	<u>61,430.07</u>
Total receipts			
	<u>449,614.26</u>	<u>-</u>	<u>449,614.26</u>
Total funds available			
<u>Expenditures:</u>			
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	-	-	-
Highway Construction and			
Rebuilding Projects	-	-	-
Miscellaneous	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures			
	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2022	<u>\$ 449,614.26</u>	<u>\$ -</u>	<u>\$ 449,614.26</u>

GREENE COUNTY
2023 REPORT OF ACT 44 TAX FUND
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2023	\$ 449,614.26	\$ -	\$ 449,614.26
<u>Receipts:</u>			
Act 44 Funds	61,057.20	-	61,057.20
Interest	452.95	-	452.95
Reimbursable agreements	-	-	-
Miscellaneous	-	57,173.96	57,173.96
	<u>61,510.15</u>	<u>57,173.96</u>	<u>118,684.11</u>
Total receipts			
	<u>61,510.15</u>	<u>57,173.96</u>	<u>118,684.11</u>
Total funds available	<u>511,124.41</u>	<u>57,173.96</u>	<u>568,298.37</u>
<u>Expenditures:</u>			
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	-	-	-
Highway Construction and			
Rebuilding Projects	-	-	-
Miscellaneous	-	57,173.96	57,173.96
	<u>-</u>	<u>57,173.96</u>	<u>57,173.96</u>
Total expenditures	<u>-</u>	<u>57,173.96</u>	<u>57,173.96</u>
Balance, December 31, 2023	<u>\$ 511,124.41</u>	<u>\$ -</u>	<u>\$ 511,124.41</u>

GREENE COUNTY
2021 REPORT OF ACT 89 TAX FUND
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2021	\$ 652,163.44	\$ -	\$ 652,163.44
<u>Receipts:</u>			
Act 89 Funds	117,723.34	-	117,723.34
Interest	684.44	-	684.44
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
	<u>118,407.78</u>	<u>-</u>	<u>118,407.78</u>
Total receipts	<u>118,407.78</u>	<u>-</u>	<u>118,407.78</u>
Total funds available	<u>770,571.22</u>	<u>-</u>	<u>770,571.22</u>
<u>Expenditures:</u>			
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	-	-	-
Highway Construction and			
Rebuilding Projects	-	-	-
Miscellaneous	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2021	<u><u>\$ 770,571.22</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 770,571.22</u></u>

GREENE COUNTY
2022 REPORT OF ACT 89 TAX FUND
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2022	\$ 770,571.22	\$ -	\$ 770,571.22
<u>Receipts:</u>			
Act 89 Funds	114,910.18	-	114,910.18
Interest	801.70	-	801.70
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
	<u>115,711.88</u>	<u>-</u>	<u>115,711.88</u>
Total receipts	<u>115,711.88</u>	<u>-</u>	<u>115,711.88</u>
Total funds available	<u>886,283.10</u>	<u>-</u>	<u>886,283.10</u>
<u>Expenditures:</u>			
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	-	-	-
Highway Construction and			
Rebuilding Projects	-	-	-
Miscellaneous	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2022	<u><u>\$ 886,283.10</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 886,283.10</u></u>

GREENE COUNTY
2023 REPORT OF ACT 89 TAX FUND
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2023	\$ 886,283.10	\$ -	\$ 886,283.10
<u>Receipts:</u>			
Act 89 Funds	115,807.26	-	115,807.26
Interest	870.40	-	870.40
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
	<u>116,677.66</u>	<u>-</u>	<u>116,677.66</u>
Total receipts	<u>116,677.66</u>	<u>-</u>	<u>116,677.66</u>
Total funds available	<u>1,002,960.76</u>	<u>-</u>	<u>1,002,960.76</u>
<u>Expenditures:</u>			
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	-	-	-
Highway Construction and			
Rebuilding Projects	126,134.65	(15,941.76)	110,192.89
Miscellaneous	-	15,941.76	15,941.76
	<u>126,134.65</u>	<u>-</u>	<u>126,134.65</u>
Total expenditures	<u>126,134.65</u>	<u>-</u>	<u>126,134.65</u>
Balance, December 31, 2023	<u><u>\$ 876,826.11</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 876,826.11</u></u>

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

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2021	\$ 777,716.73	\$ -	\$ 777,716.73
<u>Receipts:</u>			
Local Use Funds	88,475.00	-	88,475.00
Interest	1,043.63	-	1,043.63
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
	<u>89,518.63</u>	<u>-</u>	<u>89,518.63</u>
Total receipts	<u>89,518.63</u>	<u>-</u>	<u>89,518.63</u>
Total funds available	<u>867,235.36</u>	<u>-</u>	<u>867,235.36</u>
<u>Expenditures:</u>			
County-Owned road maintenance	-	-	-
County-Owned road construction	-	-	-
County-Owned bridge maintenance	-	-	-
County-Owned bridge construction	-	-	-
Administrative expenditures	-	-	-
Miscellaneous	26,600.00	-	26,600.00
Grants to political subdivisions	-	-	-
	<u>26,600.00</u>	<u>-</u>	<u>26,600.00</u>
Total expenditures	<u>26,600.00</u>	<u>-</u>	<u>26,600.00</u>
Balance, December 31, 2021	<u><u>\$ 840,635.36</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 840,635.36</u></u>

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

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2022	\$ 840,635.36	\$ -	\$ 840,635.36
<u>Receipts:</u>			
Local Use Funds	284,430.00	-	284,430.00
Interest	7,931.51	-	7,931.51
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>292,361.51</u>	<u>-</u>	<u>292,361.51</u>
Total funds available	<u>1,132,996.87</u>	<u>-</u>	<u>1,132,996.87</u>
<u>Expenditures:</u>			
County-Owned road maintenance	-	-	-
County-Owned road construction	-	-	-
County-Owned bridge maintenance	-	-	-
County-Owned bridge construction	-	-	-
Administrative expenditures	-	-	-
Miscellaneous	155,371.99	-	155,371.99
Grants to political subdivisions	-	-	-
Total expenditures	<u>155,371.99</u>	<u>-</u>	<u>155,371.99</u>
Balance, December 31, 2022	<u><u>\$ 977,624.88</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 977,624.88</u></u>

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

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2023	\$ 977,624.88	\$ -	\$ 977,624.88
<u>Receipts:</u>			
Local Use Funds	182,660.00	-	182,660.00
Interest	26,606.70	-	26,606.70
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>209,266.70</u>	<u>-</u>	<u>209,266.70</u>
Total funds available	<u>1,186,891.58</u>	<u>-</u>	<u>1,186,891.58</u>
<u>Expenditures:</u>			
County-Owned road maintenance	-	-	-
County-Owned road construction	-	-	-
County-Owned bridge maintenance	-	-	-
County-Owned bridge construction	-	-	-
Administrative expenditures	-	-	-
Miscellaneous	155,371.99	-	155,371.99
Grants to political subdivisions	-	-	-
Total expenditures	<u>155,371.99</u>	<u>-</u>	<u>155,371.99</u>
Balance, December 31, 2023	<u><u>\$ 1,031,519.59</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,031,519.59</u></u>

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

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

Adjustments

2021 Form MS-991

Adjustments were made to “Reimbursable agreements” and “Miscellaneous” receipts because receipts of \$26,173.96 were misclassified.

Adjustments were made to “Maintenance and repairs - roads and bridges,” “Highway construction and rebuilding projects,” and “Miscellaneous” because expenditures of \$26,173.96 were misclassified.

An adjustment of \$(29,652.78) was made to “Accounts Payable” because payables were overstated.

2022 Form MS-991

An adjustment of \$8,961.06 was made to “Miscellaneous” receipts because these receipts were understated.

An adjustment of \$88,189.93 was made to “Maintenance and repairs - roads and bridges” because \$84,325.23 of these expenditures were misclassified as highway construction and rebuilding projects and \$4,015.38 of these expenditures were misclassified as miscellaneous. Additionally, \$150.68 of miscellaneous expenditures were misclassified as maintenance and repairs - roads and bridges.

An adjustment of \$(84,325.23) was made to “Highway construction and rebuilding projects” because expenditures for maintenance and repairs - roads and bridges were misclassified.

An adjustment of \$5,096.36 was made to “Miscellaneous” because expenditures of \$4,015.38 for maintenance and repairs - roads and bridges were misclassified as miscellaneous and \$150.68 of miscellaneous expenditures were misclassified as maintenance and repairs - roads and bridges. Additionally, a payment in error of \$8,961.06 was not reported.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Adjustments (Continued)

2023 Form MS-991

Adjustments were made to “Reimbursable agreements” and “Miscellaneous” because receipts of \$403,927.74 were misclassified.

An adjustment of \$16,757.16 was made to “Accounts payable” because payables were understated.

2023 Report of Act 44 Tax Fund

An adjustment of \$57,173.96 was made to “Miscellaneous” receipts because the 2023 Act 89 allocation was deposited into the Act 44 Tax Fund in error.

An adjustment of \$57,173.96 was made to “Miscellaneous” expenditures because the transfer of the Act 89 allocation to the correct fund was not reported.

2023 Report of Act 89 Tax Fund

Adjustments were made to “Highway construction and rebuilding projects” and “Miscellaneous” expenditures because expenditures of \$15,941.76 were misclassified.

Reimbursable Agreements

During our examination, we noted that the county entered into reimbursable agreements with the Department of Transportation for the reconstruction and inspection of county bridges. During our current examination period, the county received \$457,731.95 for 2021, \$347,370.63 for 2022, and \$372,382.56 for 2023 as a result of these agreements and deposited this money into its Liquid Fuels Tax Fund. As of December 31, 2023, \$3,549.30 was due to the Liquid Fuels Tax Fund.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Miscellaneous Receipts

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

<u>Source</u>	<u>Description</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Commonwealth of Pennsylvania	Turnback allocation	\$ 240.00	\$ 240.00	\$ 240.00
Vendor	Refund for duplicate payments	26,173.96	-	-
General Fund	Temporary loan	-	14,000.00	-
Vendor	Reimbursement for damages	-	-	4,451.60
General Fund	Reimbursement of bridge invoices	-	-	403,927.74
General Fund	Refund for preliminary design	-	8,961.06	-
Totals		<u>\$26,413.96</u>	<u>\$23,201.06</u>	<u>\$408,619.34</u>

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Miscellaneous Expenditures

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

<u>Payee</u>	<u>Description</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Vendor	Duplicate payments	\$26,173.96	\$ -	\$ -
General Fund	Payroll reimbursement	-	150.68	-
General Fund	Preliminary design	-	8,961.06	-
General Fund	Repayment of temporary loan	-	-	14,000.00
		<u>\$26,173.96</u>	<u>\$9,111.74</u>	<u>\$14,000.00</u>

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

<u>Payee</u>	<u>Description</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Commonwealth of Pennsylvania	Infrastructure loan payments	<u>\$26,600.00</u>	<u>\$155,371.99</u>	<u>\$155,371.99</u>

Deposit In Error

On December 12, 2023, the county deposited its 2023 Act 89 Tax Fund allocation of \$57,173.96 into its Act 44 Tax Fund in error. On the same date, the county transferred this amount from its Act 44 Tax Fund to its Act 89 Tax Fund to correct the deposit in error.

Temporary Loan

On September 23, 2022, the county loaned \$14,000.00 from its General Fund to its Liquid Fuels Tax Fund. On January 31, 2023, the county transferred \$14,000.00 from its Liquid Fuels Tax Fund to its General Fund to repay the temporary loan.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Infrastructure Bank Loan Agreement

On November 29, 2018, the county borrowed \$1,120,000.00 from the Commonwealth of Pennsylvania for bridge projects Nos. 18-30000-001 and 18-30000-002. The term of the loan was for ten years at an interest rate of 2.375 percent. Interest only payments are due on January 1, 2020 and January 1, 2021, and principal and interest payments of \$155,371.99 are due annually beginning January 1, 2022. The prior year interest payment of \$26,526.11 was paid from the County Fee For Local Use Fund.

During the current examination period, the municipality paid principal of \$260,602.31 and interest of \$76,741.67 from the County Fee For Local Use Fund. These amounts are reflected in miscellaneous expenditures on the 2021, 2022, and 2023 Report of County Fee For Local Use Funds. The outstanding balance of the loan as of December 31, 2023, was \$859,397.69, plus interest.

Lease Agreement

On April 1, 2017, the county entered into an open-end lease agreement with Enterprise Fleet Management, supplemental to and part of Master Equity Lease Agreement, dated February 9, 2016, to lease a 2017 Chevrolet Silverado 2500HD for \$32,556.90. The agreement was for a term of 60 months. The total monthly payment is \$579.73. This includes \$406.96 in fixed costs for depreciation reserve at 1.25 percent, \$114.83 monthly lease charge, and \$57.94 for full maintenance service. Prior years' payments from the Liquid Fuels Tax Fund were fixed charges of \$14,650.56, monthly lease charges of \$4,133.88, and full maintenance service of \$2,293.84. Additionally, the county paid fixed charges of \$3,663.66, monthly lease charges of \$1,033.47, and full maintenance service of \$521.46 from the General Fund.

During the current examination period, the county paid fixed charges of \$14,242.68, monthly lease charges of \$2,950.49, and full maintenance service of \$2,253.60 from the Liquid Fuels Tax Fund. These amounts are reflected in major equipment purchases on the 2021, 2022, and 2023 Form MS-991. The balance of this lease agreement lease agreement was paid in full on December 14, 2023.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Lease Agreement

On February 27, 2020, the county entered into an open-end lease agreement with Enterprise Fleet Management, supplemental to and part of Master Equity Lease Agreement, dated February 9, 2016, to lease a 2020 Ford F-150 for \$19,365.76. The agreement was for a term of 60 months. The total monthly payment is \$398.32. This includes \$261.44 in fixed costs for depreciation reserve at 1.35 percent, \$82.13 monthly lease charges, and \$54.75 for full maintenance service. Prior year payments from the Liquid Fuels Tax Fund were fixed charges of \$1,933.50, monthly lease charges of \$654.63, and full maintenance service of \$534.40. Additionally, the county paid fixed charges of \$403.80, monthly lease charges of \$82.13, and full maintenance service of \$54.75 from the General Fund.

During the current examination period, the county paid fixed charges of \$8,848.08, monthly lease charges of \$2,869.92, and full maintenance service of \$2,059.00 from the Liquid Fuels Tax Fund. These amounts are reflected in major equipment purchases on the 2021, 2022, and 2023 Forms MS-991. As of December 31, 2023, the balance of this lease agreement was \$8,180.38.

Lease Agreement

On March 3, 2020, the county entered into an open-end lease agreement with Enterprise Fleet Management, supplemental to and part of Master Equity Lease Agreement, dated February 9, 2016, to lease a 2020 Ford F-250 for \$17,866.52. The agreement was for a term of 60 months. The total monthly payment is \$381.44. This includes \$241.20 in fixed costs for depreciation reserve at 1.35 percent, \$78.58 monthly lease charges, and \$61.66 for full maintenance service. Prior year payments from the Liquid Fuels Tax Fund were fixed charges of \$2,155.14, monthly lease charge of \$705.06, and full maintenance service of \$585.33.

During the current examination period, the county paid fixed charges of \$8,119.44, monthly lease charges of \$2,751.12, and full maintenance service of \$2,317.76 from the Liquid Fuels Tax Fund. These amounts are reflected in major equipment purchases on the 2021, 2022, and 2023 Form MS-991. As of December 31, 2023, the balance of this lease agreement was \$7,591.94.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Lease Agreement

On February 3, 2022, the county entered into an open-end lease agreement with Enterprise Fleet Management, supplemental to and part of Master Equity Lease Agreement, dated February 9, 2016, to lease a 2021 Ford F-550 for \$79,892.30. The agreement was for a term of 60 months. The total monthly payment is \$1,531.10. This includes \$1,198.38 in fixed costs for depreciation reserve at 1.50 percent, monthly lease charges of \$275.07, and full maintenance service \$57.65.

During the current examination period, the county paid fixed charges of \$27,457.49, monthly lease charges of \$6,326.61, and full maintenance service of \$1,773.17 from the Liquid Fuels Tax Fund. These amounts are reflected in major equipment purchases on the 2021, 2022, and 2023 Form MS-991. As of December 31, 2023, the balance of this lease agreement was \$52,434.81.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Finding No. 1 - Duplicate Reimbursement Of Invoices

Our examination disclosed that the county's General Fund paid the following Bridge No. 31 engineering invoices and was then reimbursed by both the Liquid Fuels Tax Fund and the Act 89 Tax Fund for the payments. These payments and reimbursements were as follows:

<u>Invoice Number</u>	<u>General Fund Check Number</u>	<u>General Fund Date Paid</u>	<u>Liquid Fuels Date Repaid</u>	<u>Act 89 Date Repaid</u>	<u>Invoice Amount</u>
Est. 6	87755	05/25/2022	09/22/2022	08/02/2023	\$ 6,813.84
Est. 7	88184	06/17/2022	09/22/2022	08/02/2023	1,574.50
Est. 8	88633	07/26/2022	09/22/2022	08/02/2023	6,591.80
Est. 11	90322	11/18/2022	01/31/2023	08/02/2023	961.62
Total					<u>\$15,941.76</u>

These same invoices were part of the retroactive expenditures in Finding No. 2.

Although this money should be reimbursed to either the Liquid Fuels Tax Fund or the Act 89 Tax Fund, the primary concern is the inadequate internal controls which enabled the duplicate reimbursement of \$15,941.76 to remain undetected.

A sufficient system of internal controls includes procedures to avoid duplicate reimbursements. The failure to implement such procedures increases the risk of vendor fraud, misappropriation of funds, and duplicate reimbursements of vendor invoices occurring and remaining undetected.

This condition occurred due to an oversight.

Recommendations

We recommend that the county reimburse \$15,941.76 to either its Liquid Fuels Tax Fund or its Act 89 Tax Fund upon official notification by the Department of Transportation.

We further recommend that the municipality establish and implement internal controls to ensure reimbursements are reviewed timely to avoid duplicate payments.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Finding No. 1 - Duplicate Reimbursement Of Invoices (Continued)

Management's Response

The Deputy Controller stated:

After reviewing, I agree.

Auditor's Conclusion

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

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Finding No. 2 - Retroactive Expenditures

The county transferred a total of \$92,765.69 from its Act 89 Tax Fund to its General Fund on August 2, 2023, of which \$50,549.08 was for expenditures incurred from December 9, 2021 to December 14, 2022, which are retroactive expenditures.

The retroactive transfer included the duplicate reimbursements of \$15,941.76 discussed in Finding No. 1.

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.

Because these expenditures were incurred from December 9, 2021 to December 14, 2022, and were not reimbursed with Act 89 Tax Fund money until August 2, 2023, the expenditures incurred were not reimbursed in a reasonable period of time. Therefore, the county did not comply with the Department of Transportation's *Publication 9*.

The failure to follow the Department of Transportation's *Publication 9* could result in the county having to reimburse \$50,549.08 to its Act 89 Tax Fund.

We were unable to determine the cause of this condition.

Recommendations

If the Department of Transportation does not require reimbursement for Finding No. 1, we recommend that the county reimburse \$50,549.08 to its Act 89 Tax Fund upon official notification by the Department of Transportation. If the Department of Transportation requires reimbursement for Finding No. 1, we recommend the county reimburse the remaining \$34,607.32 to its Act 89 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.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
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FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Finding No. 2 - Retroactive Transfer (Continued)

Management's Response

The Deputy Controller stated:

On April 27, 2023, the county's PennDOT representative notified the chief clerk that she was getting mixed guidance from the Central Office as to if the PIB Loan was an acceptable expenditure. If we need to transfer funds from another account to match the grant we could make a future adjustment on the county books. On July 24, 2023, the PennDOT representative emailed that we could not use the PIB Loan for a match. The county needed to use the County Liquid Fuels, Act 44, or Act 89 for the match.

Auditor's Conclusion

The Department of Transportation will determine if money needs to be reimbursed to the municipality's Liquid Fuels Tax Fund. During our next examination, we will determine if the county complied with our recommendations.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Finding No. 3 - Late Receipt Of Allocation

Our examination disclosed that the 2021 County Fee For Local Use Fund semi-annual allocation of \$88,475.00, 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 20, 2021, because the county failed to comply with the Department of Transportation's *Publication 9*, Chapter Five, Sections 5.10.1, which states:

The MS-991 and MS-922 forms are prepared throughout the year and are due before January 31st for the preceding calendar year.

Because the county failed to file documents and information timely as noted above, the county did not have use of the June 2021 semi-annual allocation for more than three months. Furthermore, had the allocation 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.

We further noted that the county received its December 2021 and the semi-annual County Fee For Local Use Fund allocations for the years 2022 and 2023 on time.

We were unable to determine why this condition occurred.

Recommendation

We recommend that the county continue to comply with the Department of Transportation's *Publication 9* to ensure that the allocations are received during the first week in June as outlined above.

Management's Response

The Deputy Controller stated:

I disagree. The check was cut on September 15, 2021, and deposited on September 20, 2021. Mandatory work from home during Covid, one person in office.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
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FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

Finding No. 3 - Late Receipt Of Allocation (Continued)

Auditor's Conclusion

We agree that the check was deposited in a timely manner once received by the county. However, the semi-annual allocation should have been received in June not September of 2021. During our next examination, we will determine if the county complied with our recommendation.

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
SUMMARY OF ONSITE CLOSEOUT MEETING
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

An onsite closeout meeting was held October 4, 2024. Those participating were:

GREENE COUNTY

The Honorable Ami Cree, Controller

Mrs. Carol L. Gooden, Deputy Controller

Mr. Jeffrey A. Marshall, Chief Clerk

Mr. Richard Davis, Assistant Deputy Controller

Mr. Jason Bowser, Director of Buildings and Grounds

DEPARTMENT OF THE AUDITOR GENERAL

Brian Delaney, CFE, Audit Supervisor

GREENE COUNTY
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,
AND COUNTY FEE FOR LOCAL USE FUND
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2021 TO DECEMBER 31, 2023

This report was initially distributed to:

The Honorable Michael Carroll
Secretary
Department of Transportation

Greene County
93 East High Street
Waynesburg, PA 15370

The Honorable Jared Edgreen
Chairman of the Board of Commissioners

The Honorable Ami Cree
Assistant Deputy Controller

The Honorable Jeannie Grimes
Treasurer

Mr. Jeffrey A. Marshall
Chief Clerk

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.