

ATTESTATION ENGAGEMENT

Beaver County Pennsylvania

04-000

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, 2022

May 2024



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 Beaver County for the period January 1, 2021 to December 31, 2022 (Forms). The county's management is responsible for presenting the Forms in accordance with the criteria 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. An examination involves performing procedures 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 Finding No. 1, the county expended \$8,847.28 from the Act 44 Tax Fund for street lighting invoices, which are nonpermissible expenditures. On January 30, 2023, which was subsequent to our examination period, the county transferred \$10,751.27 from the County Fee For Local Use Tax Fund to the Act 44 Tax Fund, which exceeded the required amount by \$1,803.99.

In our opinion, except for the matter discussed in the preceding paragraph, 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 Beaver County for the period January 1, 2021 to December 31, 2022, 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; 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.

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 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over reporting on the Forms was for the limited purpose of expressing an opinion on whether the Forms are presented in accordance with the criteria described above and would not necessarily identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our engagement we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Independent Auditor's Report (Continued)

As part of obtaining reasonable assurance about whether the Forms are free from material misstatement, we performed tests of Beaver 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*:

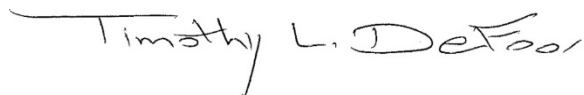
- Nonpermissible Expenditure.

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:

- County Fee For Local Use Tax Fund Money Improperly Transferred To The Liquid Fuels Tax Fund.

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 Beaver 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
May 7, 2024

CONTENTS

	<u>Page</u>
Background.....	1
Financial Section:	
2021 Form MS-991 With Adjustments	11
2022 Form MS-991 With Adjustments	13
2021 Report Of Act 44 Tax Fund With Adjustments.....	15
2022 Report Of Act 44 Tax Fund With Adjustments.....	16
2021 Report Of Act 89 Tax Fund With Adjustments.....	17
2022 Report Of Act 89 Tax Fund With Adjustments.....	18
2021 Report Of County Fee For Local Use Funds With Adjustments.....	19
2022 Report Of County Fee For Local Use Funds With Adjustments.....	20
Auditor Description Of Select Transactions.....	21
Findings And Recommendations:	
Finding No. 1 - Nonpermissible Act 44 Expenditure.....	27
Finding No. 2 - County Fee For Local Use Tax Fund Money Improperly Transferred To The Liquid Fuels Tax Fund	29
Summary Of Onsite Closeout Meeting.....	30
Report Distribution	31

BEAVER 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, 2022

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.

BEAVER 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, 2022

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.
- Property damages and compensation of viewers for services in eminent domain proceedings involving roads, highways, and bridges.
- Construction, reconstruction, operation and maintenance of publicly owned ferryboat operations.
- Interest and principal payments on road, bridge, or publicly owned ferryboat operation bonds or sinking fund charges.
- Acquisition, maintenance, repair and operation of traffic signs and signals.
- Erection and maintenance of stop and go signal lights, blinkers and other like traffic control devices.

BEAVER 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, 2022

Background (Continued)

- Indirect costs, including benefit costs, 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.
 - Individual vehicle liability insurance for equipment purchased under the fund, not to exceed 10 percent of the yearly allocation to the county.
- (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. And, 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.

BEAVER 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, 2022

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.

BEAVER 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, 2022

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.

BEAVER 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, 2022

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.

BEAVER 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, 2022

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 from to provide for access by individuals with disabilities in accordance with the Americans with Disabilities Act (ADA) and Department of Transportation Standards.
- Property damages and compensation of viewers for services in eminent domain proceedings involving roads, highways, and bridges.
- Ferry boat operations, where applicable.
- Acquisition, maintenance, repair and operation of traffic signs and signals.
- Erection and maintenance of stop and go signal lights, blinkers and other like traffic control devices.
- Indirect costs, including benefit costs, 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.
- 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.

BEAVER 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, 2022

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 MS-991 With Adjustments, the Reports of Act 44 and Act 89 Tax Funds With Adjustments, and the Report of County Fee For Local Use Funds With Adjustments 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).

BEAVER 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, 2022

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.

BEAVER 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, 2022

Background (Continued)

Basis Of Accounting

The accompanying Forms MS-991 With Adjustments, Report of Act 44 Tax Fund With Adjustments, Report of Act 89 Tax Fund With Adjustments, and Report of County Fee For Local Use Funds With Adjustments 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.

BEAVER 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	\$ 207,327.04	\$ -	\$ 207,327.04
<u>Receipts:</u>			
Liquid Fuels Tax Funds received from Commonwealth	336,268.55	-	336,268.55
Interest	16.46	-	16.46
Reimbursable agreements	166,381.48	-	166,381.48
Miscellaneous	658,988.69	-	658,988.69
Total receipts	<u>1,161,655.18</u>	<u>-</u>	<u>1,161,655.18</u>
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	<u>1,368,982.22</u>	<u>-</u>	<u>1,368,982.22</u>
<u>Expenditures:</u>			
Administrative	12,655.85	-	12,655.85
Minor equipment purchases	88,932.72	(68,382.24)	20,550.48
County aid payments	-	-	-
Major equipment expenditures	41,670.00	(41,670.00)	-
Street cleaning and gutters	-	-	-
Winter maintenance services	102,802.64	(9,623.26)	93,179.38
Traffic control devices	2,519.92	(1,695.54)	824.38
Street lighting	158,311.83	(41,308.55)	117,003.28
Storm sewers and drains	-	-	-
Repairs of tools and machinery	380.52	-	380.52
Maintenance and repairs - roads and bridges	240,665.37	4,190.72	244,856.09
Highway construction and rebuilding projects	503,576.23	(400,000.00)	103,576.23
Miscellaneous	39,884.42	558,488.87	598,373.29
Total expenditures	<u>1,191,399.50</u>	<u>-</u>	<u>1,191,399.50</u>
Remaining funds available as of December 31, 2021	<u>\$ 177,582.72</u>	<u>\$ -</u>	<u>\$ 177,582.72</u>

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

2021 Form MS-991 With Adjustments (Continued)

	Reported	Adjustments	Adjusted Amount
<u>Approved future year receipts and expenditures</u>			
Accounts receivable	\$ -	\$ -	\$ -
Accounts payable	-	-	-
Unpaid encumbrances	-	-	-
Unpaid county aid grants	-	-	-
	-	-	-
Total approved future year receipts and expenditures	-	-	-
Year end balance available for future years as of December 31, 2021	\$ 177,582.72	\$ -	\$ 177,582.72

BEAVER 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	\$ 177,582.72	\$ -	\$ 177,582.72
<u>Receipts:</u>			
Liquid Fuels Tax Funds received from Commonwealth	357,978.24	-	357,978.24
Interest	219.06	-	219.06
Reimbursable agreements	63,927.62	-	63,927.62
Miscellaneous	<u>1,115,909.51</u>	<u>-</u>	<u>1,115,909.51</u>
Total receipts	<u>1,538,034.43</u>	<u>-</u>	<u>1,538,034.43</u>
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	<u>1,715,617.15</u>	<u>-</u>	<u>1,715,617.15</u>
<u>Expenditures:</u>			
Administrative	9,749.60	22,270.59	32,020.19
Minor equipment purchases	10,911.24	-	10,911.24
County aid payments	-	-	-
Major equipment expenditures	-	-	-
Street cleaning and gutters	-	-	-
Winter maintenance services	5,737.73	-	5,737.73
Traffic control devices	-	-	-
Street lighting	103,119.91	-	103,119.91
Storm sewers and drains	-	-	-
Repairs of tools and machinery	-	-	-
Maintenance and repairs - roads and bridges	228,625.34	14,484.63	243,109.97
Highway construction and rebuilding projects	-	-	-
Miscellaneous	<u>1,156,326.46</u>	<u>(36,755.22)</u>	<u>1,119,571.24</u>
Total expenditures	<u>1,514,470.28</u>	<u>-</u>	<u>1,514,470.28</u>
Remaining funds available as of December 31, 2022	<u>\$ 201,146.87</u>	<u>\$ -</u>	<u>\$ 201,146.87</u>

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

2022 Form MS-991 With Adjustments (Continued)

	Reported	Adjustments	Adjusted Amount
<u>Approved future year receipts and expenditures</u>			
Accounts receivable	\$ -	\$ -	\$ -
Accounts payable	-	-	-
Unpaid encumbrances	-	-	-
Unpaid county aid grants	-	-	-
Total approved future year receipts and expenditures	-	-	-
Year end balance available for future years as of December 31, 2022	\$ 201,146.87	\$ -	\$ 201,146.87

BEAVER COUNTY
2021 REPORT OF ACT 44 TAX FUND
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2021	\$ 994,883.37	\$ -	\$ 994,883.37
<u>Receipts:</u>			
Act 44 Funds	136,536.38	-	136,536.38
Interest	98.70	-	98.70
Reimbursable agreements	-	-	-
Miscellaneous	34,761.20	-	34,761.20
Total receipts	<u>171,396.28</u>	<u>-</u>	<u>171,396.28</u>
Total funds available	<u>1,166,279.65</u>	<u>-</u>	<u>1,166,279.65</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	34,360.00	-	34,360.00
Highway Construction and Rebuilding Projects	-	-	-
Miscellaneous	34,761.20	-	34,761.20
Total expenditures	<u>69,121.20</u>	<u>-</u>	<u>69,121.20</u>
Balance, December 31, 2021	<u>\$ 1,097,158.45</u>	<u>\$ -</u>	<u>\$ 1,097,158.45</u>

BEAVER COUNTY
2022 REPORT OF ACT 44 TAX FUND
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2022	\$ 1,097,158.45	\$ -	\$ 1,097,158.45
<u>Receipts:</u>			
Act 44 Funds	135,274.09	-	135,274.09
Interest	10,450.48	-	10,450.48
Reimbursable agreements	-	-	-
Miscellaneous	20.00	-	20.00
Total receipts	<u>145,744.57</u>	<u>-</u>	<u>145,744.57</u>
Total funds available	<u>1,242,903.02</u>	<u>-</u>	<u>1,242,903.02</u>
<u>Expenditures:</u>			
Administrative	-	-	-
Minor Equipment Purchases	-	-	-
Major Equipment Purchases	-	-	-
Street Cleaning and Gutters	-	-	-
Traffic Control Devices	-	-	-
Street Lighting	-	10,751.27	10,751.27
Storm Sewers and Drains	-	-	-
Repairs of Tools and Machinery	-	-	-
Maintenance and Repairs-			
Roads and Bridges	102,300.00	-	102,300.00
Highway Construction and			
Rebuilding Projects	-	-	-
Miscellaneous	<u>10,791.27</u>	<u>(10,751.27)</u>	<u>40.00</u>
Total expenditures	<u>113,091.27</u>	<u>-</u>	<u>113,091.27</u>
Balance, December 31, 2022	<u>\$ 1,129,811.75</u>	<u>\$ -</u>	<u>\$ 1,129,811.75</u>

BEAVER COUNTY
2021 REPORT OF ACT 89 TAX FUND
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2021	\$ 1,436,993.34	\$ -	\$ 1,436,993.34
<u>Receipts:</u>			
Act 89 Funds	264,986.16	-	264,986.16
Interest	1,432.79	-	1,432.79
Reimbursable agreements	-	-	-
Miscellaneous	20.00	-	20.00
Total receipts	<u>266,438.95</u>	<u>-</u>	<u>266,438.95</u>
Total funds available	<u>1,703,432.29</u>	<u>-</u>	<u>1,703,432.29</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	400,000.00	-	400,000.00
Miscellaneous	20.00	-	20.00
Total expenditures	<u>400,020.00</u>	<u>-</u>	<u>400,020.00</u>
Balance, December 31, 2021	<u>\$ 1,303,412.29</u>	<u>\$ -</u>	<u>\$ 1,303,412.29</u>

BEAVER COUNTY
2022 REPORT OF ACT 89 TAX FUND
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2022	\$ 1,303,412.29	\$ -	\$ 1,303,412.29
<u>Receipts:</u>			
Act 89 Funds	255,361.69	-	255,361.69
Interest	21,595.61	-	21,595.61
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>276,957.30</u>	<u>-</u>	<u>276,957.30</u>
Total funds available	<u>1,580,369.59</u>	<u>-</u>	<u>1,580,369.59</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	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2022	<u><u>\$ 1,580,369.59</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,580,369.59</u></u>

BEAVER 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	\$ 1,040,996.94	\$ -	\$ 1,040,996.94
<u>Receipts:</u>			
Local Use Funds	844,330.00	-	844,330.00
Interest	120.15	-	120.15
Reimbursable agreements	-	4,961.10	4,961.10
Miscellaneous	22,135.42	(4,961.10)	17,174.32
Total receipts	<u>866,585.57</u>	<u>-</u>	<u>866,585.57</u>
Total funds available	<u>1,907,582.51</u>	<u>-</u>	<u>1,907,582.51</u>
<u>Expenditures:</u>			
County-Owned road maintenance	45,543.36	128,461.50	174,004.86
County-Owned road construction	-	932.50	932.50
County-Owned bridge maintenance	7,083.99	-	7,083.99
County-Owned bridge construction	-	-	-
Administrative expenditures	-	-	-
Miscellaneous	129,394.00	(129,394.00)	-
Grants to political subdivisions	-	-	-
Total expenditures	<u>182,021.35</u>	<u>-</u>	<u>182,021.35</u>
Balance, December 31, 2021	<u><u>\$ 1,725,561.16</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,725,561.16</u></u>

BEAVER 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	\$ 1,725,561.16	\$ -	\$ 1,725,561.16
<u>Receipts:</u>			
Local Use Funds	818,675.00	-	818,675.00
Interest	12,816.46	-	12,816.46
Reimbursable agreements	-	3,971.42	3,971.42
Miscellaneous	13,244.56	(3,971.42)	9,273.14
Total receipts	<u>844,736.02</u>	<u>-</u>	<u>844,736.02</u>
Total funds available	<u>2,570,297.18</u>	<u>-</u>	<u>2,570,297.18</u>
<u>Expenditures:</u>			
County-Owned road maintenance	42,347.52	247,024.90	289,372.42
County-Owned road construction	704,472.41	-	704,472.41
County-Owned bridge maintenance	3,731.52	-	3,731.52
County-Owned bridge construction	-	-	-
Administrative expenditures	-	-	-
Miscellaneous	252,009.92	(247,024.90)	4,985.02
Grants to political subdivisions	-	-	-
Total expenditures	<u>1,002,561.37</u>	<u>-</u>	<u>1,002,561.37</u>
Balance, December 31, 2022	<u><u>\$ 1,567,735.81</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,567,735.81</u></u>

BEAVER 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, 2022

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 “Minor equipment purchases,” “Major equipment purchases,” “Winter maintenance services,” “Traffic control devices,” “Street lighting,” “Maintenance and repair of roads and bridges,” “Highway construction and rebuilding projects” and “Miscellaneous” because expenditures of \$562,679.59 were misclassified.

2022 Form MS-991

Adjustments were made to “Administrative,” “Maintenance and repair of roads and bridges” and “Miscellaneous” because expenditures of \$36,755.22 were misclassified.

2022 Report of Act 44 Tax Funds

Adjustments were made to “Street lighting” and “Miscellaneous” because expenditures of \$10,751.27 were misclassified.

2021 Report of County Fee For Local Use Funds

Adjustments were made to “Reimbursable agreements” and “Miscellaneous” because receipts of \$4,961.10 were misclassified.

Adjustments were made to “County-Owned Road maintenance,” “County-Owned road construction” and “Miscellaneous” because expenditures of \$129,394.00 were misclassified.

2022 Report of County Fee For Local Use Funds

Adjustments were made to “Reimbursable agreements” and “Miscellaneous” because receipts of \$3,971.42 were misclassified.

Adjustments were made to “County-Owned road maintenance” and “Miscellaneous” because expenditures of \$247,024.90 were misclassified.

BEAVER 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, 2022

Reimbursable Agreements

During our examination, we noted that the county entered into reimbursable agreements with the Department of Transportation for the reconstruction of bridges and street lighting. During our current examination period, the county received \$166,381.48 in 2021 and \$63,927.62 in 2022 as a result of these agreements that was deposited into the Liquid Fuels Tax Fund. Additionally, the county received \$4,961.10 in 2021 and \$3,971.42 in 2022 as a result of these agreements that was deposited into its County Fee For Local Use Fund.

Miscellaneous Receipts

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

Source	Description	2021	2022
Act 44 Tax Fund	Transfers in error	\$ 34,761.20	\$ -
Act 44 Tax Fund	Reimbursement of bridge invoices	34,360.00	102,300.00
Act 44 Tax Fund	Reimbursement of street lighting invoices	-	10,751.27
Act 89 Tax Fund	Reimbursement of bridge invoices	400,000.00	-
County Fee For Local Use Fund	Reimbursement of road and bridge invoices	163,210.89	-
County Fee For Local Use Fund	Reimbursement for payroll	5,426.14	997,576.35
County Fee For Local Use Fund	Reimbursement for damages	401.20	-
Vendor	Annual gas line fee	750.00	750.00
Vendor	Invoice credit	54.26	-
County Fee For Local Use Fund	Reimbursement of street lighting invoices	-	4,525.02
Financial Institution	Refund of duplicate payment	20,025.00	-
Local Business	Refund of overpayment	-	6.87
	Totals	<u>\$658,988.69</u>	<u>\$1,115,909.51</u>

BEAVER 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, 2022

Miscellaneous Receipts (Continued)

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

Source	Description	2021	2022
Liquid Fuel Tax Fund	Correction of transfers in error	\$34,761.20	\$ -
Financial Institution	Refund for bank service charge	-	20.00
Totals		<u>\$34,761.20</u>	<u>\$20.00</u>

On April 21, 2021, the county deposited \$20.00 into its Act 89 Tax Fund which was received from a financial institution for the refund of a bank service charge.

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

Source	Description	2021	2022
Liquid Fuel Tax Fund	Partially reimbursement for street lighting invoices	\$17,174.32	\$8,833.14
Financial Institution	Refund for bank service charges	-	20.00
Pennsylvania Fish and Boat Commission	Deposits in error	-	420.00
Totals		<u>\$17,174.32</u>	<u>\$9,273.14</u>

BEAVER 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, 2022

Miscellaneous Expenditures

The following miscellaneous expenditures were paid from the Liquid Fuels Tax Fund during the examination period. Some of these expenditures were reimbursed by other funds, which is why the expenditures are miscellaneous Liquid Fuels Tax Fund expenditures. The expenditures and reimbursements were as follows:

Payee	Description	Reimbursed By	2021	2022
Vendor Act 44 Tax Fund	Street/Bridge lighting Correction of transfers in error	Act 44 Tax Fund N/A	\$ - 34,761.20	\$ 10,751.27 -
Vendor	Bridge maintenance	Act 44 Tax Fund	-	102,300.00
Vendor	Street/Bridge lighting	Local Use Fund	-	8,833.14
Vendors	Bulk salt	Local Use Fund	9,623.26	24,818.63
Vendors	Major equipment purchases	Local Use Fund	102,658.43	240,186.54
Vendors	Minor equipment purchases	Local Use Fund	7,393.81	6,838.36
Vendors	Expressway lighting	Local Use Fund	41,308.58	21,260.41
Vendor	Bridge maintenance	Act 89 Tax Fund	400,000.00	-
Vendor	Road Signs	Local Use Fund	1,695.54	-
Vendor	Bid advertisement	Local Use Fund	932.50	-
Vendor	Paving project	Local Use Fund	-	704,472.41
Pennsylvania Dept. of Treasury	Unclaimed property	N/A	-	110.48
Totals			<u>\$598,373.29</u>	<u>\$1,119,571.24</u>

BEAVER 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, 2022

Miscellaneous Expenditures (Continued)

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

Payee	Description	2021	2022
Liquid Fuel Tax Fund	Transfers in error	\$34,761.20	\$ -
Financial Institution	Bank service charges	-	40.00
Totals		<u>\$34,761.20</u>	<u>\$40.00</u>

On February 11, 2021, the county expended \$20.00 from the Act 89 Tax Fund for bank service charges.

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

Payee	Description	2022
Liquid Fuel Tax Fund	Transfer in error (Finding No. 2)	\$4,525.02
Financial Institution	Bank service charges	40.00
General Fund	Refund for deposit in error	<u>420.00</u>
Totals		<u>\$4,985.02</u>

Duplicate Payment

During our prior examination, we noted that the county issued check No. 3529 for \$20,025.00 on October 7, 2020, from the Liquid Fuels Tax Fund to a vendor. On October 28, 2020, the municipality's financial institution debited another \$20,025.00 from the Liquid Fuels Tax Fund in error.

The county's financial institution reimbursed \$20,025.00 to the county's Liquid Fuels Tax Fund on February 1, 2021.

BEAVER 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, 2022

Transfers In Error

On June 15, 2021, the county transferred \$9,731.20 from its Act 44 Tax Fund to its Liquid Fuels Tax Fund in error. On July 7, 2021, the county transferred this amount from its Liquid Fuels Tax Fund to its Act 44 Tax Fund to correct the transfer in error.

Additionally, on October 14, 2021, the county transferred \$25,030.00 from its Act 44 Tax Fund to its Liquid Fuels Tax Fund in error. On December 13, 2021, the county transferred this amount from its Liquid Fuels Tax Fund to its Act 44 Tax Fund to correct the transfer in error.

Deposits In Error

On both July 29, 2022, and December 16, 2022, the municipality deposited \$210.00 into its County Fee For Local Use Fund that was received from the Pennsylvania Fish and Boat Commission in error. On December 15, 2022 and December 16, 2022, the municipality transferred these amounts from its County Fee For Local Use Fund to its General Fund to correct the deposits in error.

BEAVER 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, 2022

Finding No. 1 - Nonpermissible Act 44 Expenditure

Our examination disclosed that the county transferred \$10,751.27 on April 28, 2022, from the Act 44 Tax Fund to the Liquid Fuels Tax Fund. This amount consisted of \$1,803.99 for bridge lighting invoices, which are permissible expenditures, and \$8,947.28 for street lighting invoices, which are nonpermissible expenditures.

The Department of Transportation's *Publication 9* contains the policies and procedures for the administration of the Act 44 Tax Fund. *Publication 9*, Chapter Four Section 4.2, states:

The allocations must be deposited into a separate fund (not the County Liquid Fuels Fund), from which payments may be made for the maintenance and construction of county-owned bridges.

Furthermore, The Department of Transportation's, *Publication 9*, Chapter Four, Section 4.6.6.3, states:

Unacceptable Expenditures:

1. County-or municipal-owned roadways.

The Department of Transportation has been statutorily authorized to promulgate regulations concerning the administration of Act 44 Tax Fund money and has determined that certain items, including street lighting invoices, are outside the scope of permissible expenditures.

This condition occurred due to the Treasurer's office incorrectly transferring the money from the Act 44 Tax Fund instead of the County Fee For Local Use Fund for reimbursement of invoices.

On January 30, 2023, which was subsequent to our examination period, the county transferred \$10,751.27 from the County Fee For Local Use Tax Fund to the Act 44 Tax Fund, which exceeded the required amount by \$1,803.99.

Recommendation

We recommend that the county comply with the Department of Transportation's Regulations regarding permissible expenditures.

BEAVER 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, 2022

Finding No. 1 - Nonpermissible Act 44 Expenditure (Continued)

Management's Response

The Director of Liquid Fuels stated:

We are well aware of the findings of this audit period of January 2021 - December 2022. The submission of the transmittal was sent, but incorrectly followed through by not paying from the correct account.

Auditor's Conclusion

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

BEAVER 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, 2022

Finding No. 2 - County Fee For Local Use Fund Money Improperly Transferred To The Liquid Fuels Tax Fund

Our examination disclosed that the county transferred \$4,525.02 on July 28, 2022, from its County Fee For Local Use Fund to the Liquid Fuels Tax Fund. The county's intention was to transfer the money from its Liquid Fuels Tax Fund to its County Fee For Local Use Fund. To correct the original error and complete the intended transfer, the county reimbursed \$9,050.04 from its Liquid Fuels Tax Fund to its County Fee For Local Use Fund on January 30, 2023, which was subsequent to our examination period.

The Department of Transportation's *Publication 9* contains the policies and procedures for the administration of the County Fee For Local Use Fund. *Publication 9*, Chapter Five, Section 6.1, states:

Use of the funds is constitutionally limited to highway and bridge purposes, i.e. the construction reconstruction, maintenance and repair of and safety on public highways and bridges and costs and expenses incident thereto.

The risk that County Fee For Local Use money may be used for unauthorized purposes increases when the County Fee For Local Use money is commingled with other funds.

We were unable to determine why the money was transferred incorrectly.

Recommendation

We recommend that, in the future, the county discontinue the practice of transferring county fee for local use money to other funds or accounts.

Management's Response

The Director of Liquid Fuels stated:

The Treasurer's office made a recording error by transferring County Liquid Fuels to County Fee For Local Use Funds. It should have been the other way around. The reversal was made but it was too late. The reimbursement was made to the County Fee For Local Use Fund, however, it was beyond the 90 day time period.

Auditor's Conclusion

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

BEAVER 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, 2022

An onsite closeout meeting was held October 10, 2023. Those participating were:

BEAVER COUNTY

Ms. Tammy S. Frank, Director of Liquid Fuels

Mr. Cebran Netherland, First Deputy, Treasurer's Office

Ms. Diane Hyziak, Finance and Audit Technician, Controller's Office

DEPARTMENT OF THE AUDITOR GENERAL

Mr. Brian Delaney, Audit Supervisor

Mr. Joe Farah, Auditor

BEAVER 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, 2022

This report was initially distributed to:

The Honorable Michael Carroll
Secretary
Department of Transportation

Beaver County
469 Constitution Boulevard
New Brighton, PA 15066

The Honorable Daniel C. Camp, III
Chairman of the Board of Commissioners

The Honorable Maria Longo
Controller

The Honorable Sandie Egley
Treasurer

Ms. Tammy S. Frank
Director of Liquid Fuels

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.