

COUNTY OF INDIANA, PENNSYLVANIA

INDIANA, PENNSYLVANIA

**FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023**

COUNTY OF INDIANA, PENNSYLVANIA
YEAR ENDED DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

County Commissioners
County of Indiana
Indiana, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Indiana, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise County of Indiana's basic financial statements as listed in the table of contents.

We did not audit the financial statements of Indiana County Municipal Services Authority and Highridge Water Authority which represent 100 percent of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units listed above, is based solely on the report of the other auditors.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Indiana, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (*Government Auditing Standards*), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County of Indiana and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. Highridge Water Authority was not audited in accordance with Government Auditing Standards.

Responsibilities of Management for the Financial Statements

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



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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about County of Indiana's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of net pension liability contributions related to pension plans and investment returns (as listed in the table of contents as required supplementary information) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for



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consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise County of Indiana's basic financial statements. The other supplemental information in the financial section (as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplemental information in the financial section is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information in the financial section is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 4, 2024, on our consideration of the County of Indiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Indiana's internal control over financial reporting and compliance.

Zelenkofske Axelrod LLC

ZELENKOFSCHE AXELROD LLC

September 4, 2024
Pittsburgh, Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2023

The COUNTY OF INDIANA, hereafter referred to as the "COUNTY", is pleased to present its financial statements developed in compliance with Statement of Governmental Accounting Standard No. 34, entitled "Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments (hereafter "GASB 34"), and related standards. GASB 34 enhances information provided to the users of its financial statements. This section of the financial reporting package presents our discussion and analysis of the COUNTY's financial performance during the year that ended on December 31, 2023. Please read this Management Discussion and Analysis in conjunction with the COUNTY's financial statements that follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

This report consists of the following four parts:

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

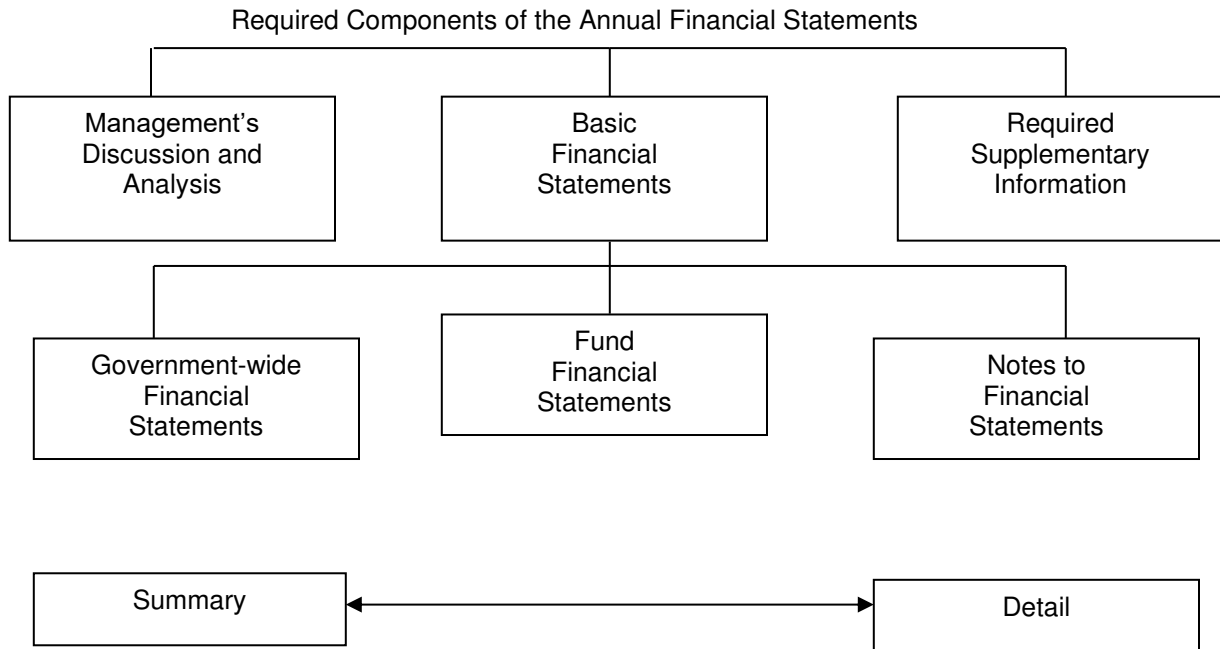
Management's discussion and analysis is a guide to reading the financial statements and provides related information to help the reader to better understand the COUNTY's government. The basic financial statements include notes that provide additional information essential to a full understanding of the financial data provided in the government-wide and fund financial statements. Required supplementary information is provided on the COUNTY's budget to actual figures for the general fund, schedule of changes in the net pension liability and related ratios, schedule of employer contributions- last 10 years and schedule of investment returns.

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

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

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



**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

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

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

	Government-wide Statements	Fund Financial Statements		
		<u>Governmental</u>	<u>Proprietary</u>	<u>Fiduciary</u>
Scope	Entire entity (except fiduciary funds)	The day-to-day operating activities of the County, such as public safety and courts	The activities of the County, such as the Communities at Indian Haven	Instances in which the County administers resources on behalf of others
Required Financial Statements	-Statement of net position	-Balance sheet	-Statement of net position	-Statement of fiduciary net position
	-Statement of activities	-Statement of revenues, expenditures and changes in fund balances	-Statement of revenues, expenses and changes in net position -Statement of cash flows	
Accounting basis and measurement focus	Accrual	Modified Accrual	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset and liability information	All assets and liabilities, short-term and long-term	Current assets and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, short-term and long-term	All assets and liabilities, short-term and long-term
Type of inflow and outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenue for which cash is received during the year or soon thereafter; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

MANAGEMENT DISCUSSION AND ANALYSIS DECEMBER 31, 2023

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

Government-wide financial statements

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

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

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

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

The primary government and its component units are included in the government-wide financial statements. The component units reflect the activities of the legally separate government entities over which the COUNTY can exercise influence and/or be obligated to provide financial support. The COUNTY has two discretely presented component units that it reports in the financial statements – Indiana County Municipal Services Authority and Highridge Water Authority. The County also reports one blended component unit, the Communities at Indian Haven. Complete and detailed financial statements for these component units can be obtained from their administrative offices (see Note 1, Notes to the financial statements).

There are two categories of activities for the primary government:

- *Governmental activities* include the COUNTY's basic services such as general government, judicial, public safety, public works, human services, culture and recreation, and conservation and development.
- *Business-type activities* such as the Communities at Indian Haven charge a fee to customers to help cover the costs of services.

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

MANAGEMENT DISCUSSION AND ANALYSIS DECEMBER 31, 2023

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

- Capitalize current outlays for capital assets
- Report long-term debt as a liability
- Depreciate capital assets and allocate the depreciation to the proper program/activities
- Allocate net position balances as follows:
 - Net investment in capital assets
 - Restricted net position are those with constraints placed on the use by external sources (creditors, grantors, contributors, or laws or regulations of governments) or imposed by law through constitutional provisions or enabling legislation
 - Unrestricted net position is net position that does not meet any of the above restrictions

Fund Financial Statements

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

The COUNTY has three kinds of funds:

- *Governmental funds* include most of the COUNTY's basic services and focus on: (1) the flow in and out of cash and other financial assets that can readily be converted into cash, and: (2) the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting.

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

The COUNTY adopts an annual budget for the general fund, as required by state law. The County also adopts a budget for the capital projects and liquid fuels funds. A budgetary comparison of the COUNTY's general fund is presented as required supplementary information.

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

**MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Position

The COUNTY's total assets were \$133,164,541 at December 31, 2023. Of this amount, \$73,057,023 were capital assets.

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

Condensed Statement of Net Position – 2023/2022

	2023 Governmental Activities	2022 Governmental Activities	2023 Business- type Activities	2022 Business- type Activities	2023 Total	2022 Total
Capital Assets	\$ 71,897,373	\$ 72,319,851	\$1,159,650	\$ 969,317	\$ 73,057,023	\$ 73,289,168
Other Assets	<u>55,427,253</u>	<u>59,320,755</u>	<u>4,281,726</u>	<u>3,989,800</u>	<u>59,708,979</u>	<u>63,310,555</u>
Total Assets	<u>\$ 127,324,626</u>	<u>\$ 131,640,606</u>	<u>\$5,441,376</u>	<u>\$4,959,117</u>	<u>\$132,766,002</u>	<u>\$136,599,723</u>
Deferred Outflows	<u>\$ 6,299,101</u>	<u>\$ 5,627,758</u>	<u>\$1,735,467</u>	<u>\$1,550,505</u>	<u>\$ 8,034,568</u>	<u>\$ 7,178,263</u>
Current Liabilities	\$ 18,700,933	\$ 17,923,197	\$ 753,215	\$1,943,362	\$ 19,454,148	\$ 19,866,559
Long-term Liabilities	<u>44,571,867</u>	<u>49,438,101</u>	<u>-</u>	<u>-</u>	<u>44,571,867</u>	<u>49,438,101</u>
Total Liabilities	<u>\$ 63,272,800</u>	<u>\$ 67,361,298</u>	<u>\$ 753,215</u>	<u>\$1,943,362</u>	<u>\$ 64,026,015</u>	<u>\$ 69,304,660</u>
Deferred Inflows	<u>\$ 4,583,690</u>	<u>\$ 666,358</u>	<u>\$1,262,853</u>	<u>\$ 183,589</u>	<u>\$ 5,846,543</u>	<u>\$ 849,947</u>
Net Position:						
Net Investment In Capital Assets	\$ 20,062,369	\$ 19,648,632	\$1,159,650	\$ 969,317	\$ 21,222,019	\$ 20,617,949
Restricted Net Position	14,117,097	14,466,192	575	566	14,117,672	14,466,758
Unrestricted Net Position	<u>31,587,771</u>	<u>35,125,884</u>	<u>4,000,550</u>	<u>3,412,788</u>	<u>35,588,321</u>	<u>38,538,672</u>
Total Net Position	<u>\$ 65,767,237</u>	<u>\$ 69,240,708</u>	<u>\$5,160,775</u>	<u>\$4,382,671</u>	<u>\$ 70,928,012</u>	<u>\$ 73,623,379</u>

MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2023

Change in Net Position

The following statement of activities represents the change in net position for the years ended December 31, 2023 and 2022. It shows revenues by source and expenses by function for governmental activities, business-type activities and the government as a whole.

Condensed Statement of Activities

	2023 Governmental Activities	2022 Governmental Activities	2023 Business-type Activities	2022 Business-type Activities	2023 Total	2022 Total
Program Revenues:						
Charges for Services	\$ 9,751,695	\$13,949,658	\$ 9,070,715	\$ 7,353,256	\$18,822,410	\$21,302,914
Grants and Contributions	25,177,058	33,698,847	219,675	510,352	25,396,733	34,209,199
General Revenues:						
Property Taxes	23,920,177	23,020,454	-	-	23,920,177	23,020,454
Hotel Taxes	651,548	570,220	-	-	651,548	570,220
Unrestricted Investment Earnings	608,158	604,231	47,701	8,657	655,859	612,888
Transfers	132,000	132,000	(132,000)	(132,000)	-	-
Miscellaneous Revenue	95,784	55,455	-	-	95,784	55,455
Gain/(Loss) on disposal of assets	341	850	-	-	341	850
Total Revenues	<u>\$60,336,761</u>	<u>\$72,031,715</u>	<u>\$ 9,206,091</u>	<u>\$ 7,740,265</u>	<u>\$69,542,852</u>	<u>\$79,771,980</u>
Expenses:						
General Government - Administrative	\$14,860,292	\$16,669,519	\$ -	\$ -	\$14,860,292	\$16,669,519
General Government - Judicial	6,317,331	6,414,604	-	-	6,317,331	6,414,604
Public Safety	14,929,073	12,020,736	-	-	14,929,073	12,020,736
Public Works	3,611,015	4,181,916	-	-	3,611,015	4,181,916
Human Services	14,703,322	13,995,231	8,427,987	7,333,218	23,131,309	21,328,449
Culture and Recreation	1,769,981	2,413,478	-	-	1,769,981	2,413,478
Conservation and Development	5,821,155	1,602,258	-	-	5,821,155	1,602,258
Interest on Long-Term Debt	963,844	937,851	-	-	963,844	937,851
Other expenses	834,177	798,822	-	-	834,177	798,822
Total Expenses	<u>63,810,190</u>	<u>59,034,415</u>	<u>8,427,987</u>	<u>7,333,218</u>	<u>72,238,177</u>	<u>66,367,633</u>
Change in Net Position	<u>(3,473,429)</u>	<u>12,997,300</u>	<u>778,104</u>	<u>407,047</u>	<u>(2,695,325)</u>	<u>13,404,347</u>
Net Position - January 1	<u>69,240,748</u>	<u>56,243,408</u>	<u>4,382,671</u>	<u>3,975,624</u>	<u>73,623,419</u>	<u>60,219,032</u>
Net Position - December 31	<u>\$65,767,319</u>	<u>\$69,240,708</u>	<u>\$ 5,160,775</u>	<u>\$ 4,382,671</u>	<u>\$70,928,094</u>	<u>\$73,623,379</u>

MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2023

Net Program Expenses

Net program expenses indicate the amount of support required from taxes and other general revenues for a program of the government. In 2023, property taxes brought in \$23,920,177.

Net Cost of Governmental and Business-type Activities

	2023	2022	2023	2022
	Total Cost of Services	Total Cost of Services	Net Cost of Services	Net Cost of Services
Program:				
General Government-Administrative	\$14,860,292	\$16,669,519	\$(11,398,678)	\$ 924,092
General Government-Judicial	6,317,331	6,414,604	(3,333,405)	(2,828,533)
Public Safety	14,929,073	12,020,736	(7,353,748)	(4,701,666)
Public Works	3,611,015	4,181,916	(1,958,147)	(3,413,770)
Human Service	14,703,322	13,995,231	(1,715,170)	1,970,801
Culture and Recreation	1,769,981	2,413,478	(1,240,842)	(2,293,257)
Conservation and Development	5,821,155	1,602,258	(83,426)	693,096
Miscellaneous	834,177	798,822	(834,177)	(798,822)
Interest on Long-Term Debt	963,844	937,851	(963,844)	(937,851)
Communities at Indian Haven	<u>8,427,987</u>	<u>7,333,218</u>	<u>862,403</u>	<u>530,390</u>
Total	<u>\$72,238,177</u>	<u>\$66,367,633</u>	<u>\$(28,019,034)</u>	<u>\$(10,855,520)</u>

The COUNTY relied on property taxes and other general revenues to fund 39% of its governmental and business-type activities in 2023.

**MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

Capital Assets

The COUNTY's investment in capital assets at December 31, 2023, net of accumulated depreciation, was \$73,057,023. Capital assets consist primarily of land, buildings and equipment. The following is a summary of capital assets at December 31, 2023 and 2022:

Capital Assets						
	2023 Governmental Activities	2022 Governmental Activities	2023 Business- type Activities	2022 Business- type Activities	2023 Total	2022 Total
Land	\$ 2,085,470	\$ 2,085,470	\$ -	\$ -	\$ 2,085,470	\$ 2,085,470
Building and Improvements	81,830,995	79,711,932	4,888,627	4,717,789	86,719,622	84,429,721
Right of Use Buildings and Space	2,447,246	2,384,573	-	-	2,447,246	2,384,573
Equipment and machinery	36,566,635	33,988,858	4,496,708	4,342,493	41,063,343	38,331,351
Right of Use Equipment and Vehicles	3,146,390	2,672,232	-	-	3,146,390	2,672,232
Right of Use Software	3,164,907	3,164,907	-	-	3,164,907	3,164,907
Construction in Progress	32,097	2,038,316	-	-	32,097	2,038,316
Infrastructure	20,121,343	20,121,343	-	-	20,121,343	20,121,343
Accumulated Depreciation	<u>(77,497,710)</u>	<u>(70,679,915)</u>	<u>(8,225,685)</u>	<u>(8,090,965)</u>	<u>(85,723,395)</u>	<u>(78,770,880)</u>
Total Net Capital Assets	<u>\$ 71,897,373</u>	<u>\$ 75,487,716</u>	<u>\$1,159,650</u>	<u>\$ 969,317</u>	<u>\$ 73,057,023</u>	<u>\$ 76,457,033</u>

Detailed information about the COUNTY's capital assets can be found in Note 6, Notes to the Financial Statements.

MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2023

Debt Administration

At December 31, 2023, the COUNTY had \$44,103,081 of debt outstanding. Debt decreased 6.4% from the previous year. The following is a summary of debt obligations for the 2023 year:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities</u>					
Bonds and Notes Payable:					
General Obligation Bonds and Notes	\$ 45,477,961	\$ 312,186	\$ (3,368,004)	\$ 42,422,143	\$ 7,875,200
Total Bonds and Notes Payable	<u>45,477,961</u>	<u>312,186</u>	<u>(3,368,004)</u>	<u>42,422,143</u>	<u>7,875,200</u>
		Plus Bond Premium		<u>1,865,055</u>	
		Total General Obligation Bonds and Notes		<u>44,287,198</u>	
 Other Liabilities:					
Capital Leases	832,182	346,997	(342,083)	837,096	287,049
Compensated Absences	<u>892,628</u>	<u>-</u>	<u>(48,786)</u>	<u>843,842</u>	<u>-</u>
Total Other Liabilities	<u>1,724,810</u>	<u>346,997</u>	<u>(390,869)</u>	<u>1,680,938</u>	<u>287,049</u>
 Governmental Activities					
Long-Term Liabilities	<u>\$ 47,202,771</u>	<u>\$ 659,183</u>	<u>\$ (3,758,873)</u>	<u>\$ 44,103,081</u>	<u>\$ 8,162,249</u>

See Note 10 for more information regarding long-term debt.

**MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

GOVERNMENTAL FUNDS

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

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

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

GOVERNMENTAL FUND REVENUES

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

	<u>2023</u>	<u>2022</u>
Revenues:		
Taxes	\$24,054,169	\$24,275,723
Intergovernmental Revenues	25,873,689	33,949,417
Departmental Charges	8,078,579	7,175,300
Charges for Services	1,673,116	1,680,956
Interest	617,237	604,231
Other	95,784	55,455
Debt Proceeds	1,192,972	5,214,010
Amounts Received from Loans	873,131	605,753
Disposal of Fixed Assets	341	850
Operating Transfers In	<u>262,821</u>	<u>230,939</u>
Total Revenues	<u>\$62,721,839</u>	<u>\$73,792,634</u>

There are several factors relating to increases/decreases in revenues from 2023 to 2022. The county tax millage rate remained 4.905 in 2023, which resulted in real estate taxes being relatively flat year over year. The county had an decrease in intergovernmental revenues in 2023 due to no additional revenues received as a result of the COVID-19 pandemic. The County had a decrease in debt proceeds as a result of minimal additional borrowings to fund County capital projects.

MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2023

GOVERNMENTAL FUND EXPENDITURES

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

	<u>2023</u>	<u>2022</u>
Expenditures:		
General Government- Administrative	\$15,285,022	\$17,049,993
General Government-Judicial	8,499,076	7,547,387
Public Safety	11,870,612	10,174,138
Public Works	1,924,309	777,180
Human Services	14,664,222	13,566,879
Culture and Recreation	1,871,734	1,481,135
Conservation and Development	5,485,323	3,654,574
Other	786,520	709,796
Debt Service	4,546,489	4,077,130
Capital Outlay	346,997	89,026
Amounts Loaned to Others	495,000	530,000
Operating Transfers Out	<u>130,821</u>	<u>98,939</u>
Total Expenditures	<u>\$65,906,125</u>	<u>\$59,756,177</u>

The increase in Conservation and Development expenditures represents an increase in expenses related to the Community Development Block Grant fund. The expenses related to this fund were offset by corresponding revenue in 2023.

GOVERNMENTAL FUND BALANCES AND PROPRIETARY FUND NET POSITION

Ending balances for governmental funds and net position for proprietary funds at December 31, 2023 and 2022 were as follows:

<u>Fund</u>	<u>2023</u> <u>Governmental</u> <u>Funds</u>	<u>2022</u> <u>Governmental</u> <u>Funds</u>	<u>2023</u> <u>Proprietary</u> <u>Funds</u>	<u>2022</u> <u>Proprietary</u> <u>Funds</u>
General Fund	\$ 24,449,917	\$ 27,603,069	\$ -	\$ -
Community Program for Restoration	361,718	445,499	-	-
ARPA	22,207	-	-	-
Revolving Loan	1,457,629	1,485,014	-	-
Nonmajor Governmental Funds	5,377,159	5,319,334	-	-
Communities at Indian Haven	<u>-</u>	<u>-</u>	<u>5,160,775</u>	<u>4,382,671</u>
Total	<u>\$ 31,668,630</u>	<u>\$ 34,852,916</u>	<u>\$5,160,775</u>	<u>\$4,382,671</u>

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

**MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

BUDGETARY HIGHLIGHTS

The County adopts an annual appropriated budget for its general fund, capital improvements fund, and liquid fuels fund. Detailed information about the COUNTY's general fund budget can be found in Required Supplemental Information.

Overall the County general fund actual revenue had a surplus of the budget of \$585,448. The general fund expenditures had a positive variance from the actual budget of \$222,791. Other financing sources and uses showed a surplus in budget of \$1,596,440 as a result of debt transactions. This showed a deficit of revenue over expenditures of \$4,798,356. Numerous factors went into these results including the management of the commissioners on the oversight of the budget, decrease in additional federal funding due to the COVID pandemic, and multiple major capital projects in progress. The 2023 budget was completed for the general fund, the liquid fuels fund, and the capital improvement fund. The original general fund budget in 2023 had an operating deficit of \$5,557,791 and the final general fund budget in 2023 had an operating deficit of \$5,557,791 after a budget revision was made on December 31, 2023. The real estate tax rate was 4.905 mills, .86 mills applied to debt and the remaining 4.045 mills applied to general obligations.

ECONOMIC CONDITIONS AND NEXT YEAR'S BUDGET

The 2024 budget was completed for the general fund, the liquid fuels, and the capital improvement fund. The general fund budget in 2024 had an operating surplus of \$128,421. The real estate tax rate was 5.705 mills, .89 mills applied to debt and the remaining 4.815 mills applied to general obligations.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

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

County of Indiana
County Commissioners
825 Philadelphia Street
Indiana, PA 15701

Phone: 724-465-3805

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF NET POSITION
DECEMBER 31, 2023

Assets	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Cash and Cash Equivalents	\$ 26,031,693	\$ 4,331,986	\$ 30,363,679	\$ 2,909,880
Investments	116,233	-	116,233	-
Restricted Assets				
Cash and Cash Equivalents	-	575	575	1,407,360
Resident's Cash	-	26,633	26,633	-
Receivables (Net, where applicable, of Allowance for Uncollectibles)				
Accounts	1,954,903	24,134	1,979,037	1,248,905
Taxes	3,162,097	-	3,162,097	-
Loans	9,015,394	-	9,015,394	-
Grants	14,722,839	-	14,722,839	-
Notes (current)	-	-	-	102,500
Prepaid Assets	-	31,961	31,961	95,428
Inventory	-	-	-	191,282
Other Assets	290,531	-	290,531	260,796
Internal Balances	133,563	(133,563)	-	-
Intangible Assets	-	-	-	671,850
Note Receivable Less Current Portion	-	-	-	1,113,840
Capital Assets: (Net)				
Depreciable	69,779,806	1,159,650	70,939,456	112,449,326
Non-depreciable	2,117,567	-	2,117,567	-
Total Assets	127,324,626	5,441,376	132,766,002	120,451,167
Deferred Outflow of Resources				
Deferred amounts related to pension	\$ 6,299,101	\$ 1,735,467	\$ 8,034,568	\$ -
Liabilities				
Accounts Payable	\$ 4,562,713	\$ 234,903	\$ 4,797,616	\$ 149,043
Accrued Expenses	2,026,584	135,833	2,162,417	489,040
Unearned Revenues	2,602,286	-	2,602,286	148,841
Due to Other Governments	8,688	-	8,688	-
Funds Held in Fiduciary Capacity	-	6,493	6,493	-
Accrued Interest Payable on Debt	28,993	-	28,993	132,377
Current Portions of Long-Term Liabilities:				
Bonds and Notes Payable	8,162,249	-	8,162,249	3,604,440
Lease Liability	1,309,420	-	1,309,420	-
Non-Current Portions of Long-Term Liabilities:				
Bonds and Notes Payable	36,962,045	-	36,962,045	43,634,696
Compensated Absences	843,842	-	843,842	234,070
Lease Liability	5,401,290	-	5,401,290	-
Net Pension Liability	1,364,690	375,986	1,740,676	-
Total Liabilities	63,272,800	753,215	64,026,015	48,392,507
Deferred Inflow of Resources				
Deferred amounts related to pension	4,583,690	1,262,853	5,846,543	-
Net Position				
Net Investment in Capital Assets	20,062,369	1,159,650	21,222,019	58,320,913
Restricted Net Position				
Program Purposes	14,117,097	-	14,117,097	-
Bond Indenture	-	-	-	1,407,160
Capital projects	-	575	575	200
Unrestricted	31,587,771	4,000,550	35,588,321	12,330,387
Total Net Position	\$ 65,767,237	\$ 5,160,775	\$ 70,928,012	\$ 72,058,660

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

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

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

					Net (Expense) Revenue and Changes in Net Position			
					Primary Government			Component Units
					Governmental Activities	Business-Type Activities	Total	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions				
Primary Government:								
Governmental Activities:								
General Government - Administrative	\$ 14,860,292	\$ 2,417,175	\$ 1,044,439	\$ -	\$ (11,398,678)	\$ -	\$ (11,398,678)	
General Government - Judicial	6,317,413	1,618,589	1,365,337	-	(3,333,487)	-	(3,333,487)	
Public Safety	14,929,073	4,323,203	3,252,122	-	(7,353,748)	-	(7,353,748)	
Public Works	3,611,015	2,094	-	1,650,774	(1,958,147)	-	(1,958,147)	
Human Services	14,703,322	242,426	12,745,726	-	(1,715,170)	-	(1,715,170)	
Culture and Recreation	1,769,981	257,137	272,002	-	(1,240,842)	-	(1,240,842)	
Conservation and Development	5,821,155	891,071	4,846,658	-	(83,426)	-	(83,426)	
Miscellaneous	834,177	-	-	-	(834,177)	-	(834,177)	
Interest on Long-Term Debt	963,844	-	-	-	(963,844)	-	(963,844)	
Total Governmental Activities	63,810,272	9,751,695	23,526,284	1,650,774	(28,881,519)	-	(28,881,519)	
Business-Type Activities:								
Communities at Indian Haven	8,427,987	9,070,715	219,675	-	-	862,403	862,403	
Total Business-Type Activities	8,427,987	9,070,715	219,675	-	-	862,403	862,403	
Total Primary Government	\$ 72,238,259	\$ 18,822,410	\$ 23,745,959	\$ 1,650,774	\$ (28,881,519)	\$ 862,403	\$ (28,019,116)	
Component Units:								
Indiana County Municipal Services Authority	\$ 9,097,686	\$ 8,104,633	\$ -	\$ 701,635				\$ (291,418)
Highridge Water Authority	4,011,505	3,965,136	-	198,839				152,470
Total Component Units	\$ 13,109,191	\$ 12,069,769	\$ -	\$ 900,474				\$ (138,948)
General Revenues:								
Taxes:								
Property					23,920,177	-	23,920,177	-
Hotel Taxes					651,548	-	651,548	-
Unrestricted investment earnings					608,158	47,701	655,859	120,006
Gain (loss) from sale of assets					341	-	341	21,465
Miscellaneous					95,784	-	95,784	-
Transfers					132,000	(132,000)	-	-
Total General Revenues					25,408,008	(84,299)	25,323,709	141,471
Change in Net Position					(3,473,511)	778,104	(2,695,407)	2,523
Net Position - Beginning					69,240,748	4,382,671	73,623,419	72,056,137
Net Position - Ending					\$ 65,767,237	\$ 5,160,775	\$ 70,928,012	\$ 72,058,660

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

COUNTY OF INDIANA, PENNSYLVANIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	General Fund	ERAP Fund	Community Program for Restoration	Revolving Loan Fund	ARP Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 16,659,002	\$ 268,776	\$ 300,086	\$ 1,457,375	\$ 777,000	\$ 6,569,454	\$ 26,031,693
Investments	-	-	-	-	-	116,233	116,233
Receivables:							
Taxes	1,954,903	-	-	-	-	-	1,954,903
Other governmental grants	12,413,859	-	-	-	-	2,308,980	14,722,839
Other	3,018,441	-	6,062	1,204	-	136,390	3,162,097
Loans	5,028,615	-	1,039,593	1,884,684	-	1,062,502	9,015,394
Due from other funds	465,255	-	84,653	-	1,000,000	219,639	1,769,547
Other assets	<u>277,925</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,606</u>	<u>290,531</u>
Total assets	<u>\$ 39,818,000</u>	<u>\$ 268,776</u>	<u>\$ 1,430,394</u>	<u>\$ 3,343,263</u>	<u>\$ 1,777,000</u>	<u>\$ 10,425,804</u>	<u>\$ 57,063,237</u>
Liabilities							
Accounts Payable	\$ 2,846,797	\$ 97,669	\$ 29,083	\$ -	\$ -	\$ 1,589,164	\$ 4,562,713
Accrued liabilities	621,665	-	-	950	-	1,403,969	2,026,584
Due to other funds	1,319,691	-	-	-	-	316,293	1,635,984
Due to other governments	8,357	-	-	-	-	331	8,688
Unearned revenues	-	171,107	-	-	1,754,793	676,386	2,602,286
Unearned loans receivable	<u>5,028,615</u>	<u>-</u>	<u>1,039,593</u>	<u>1,884,684</u>	<u>-</u>	<u>1,062,502</u>	<u>9,015,394</u>
Total liabilities	<u>9,825,125</u>	<u>268,776</u>	<u>1,068,676</u>	<u>1,885,634</u>	<u>1,754,793</u>	<u>5,048,645</u>	<u>19,851,649</u>
Deferred Inflows of Resources							
Unavailable Revenue - Opioid Settlement	4,137,122	-	-	-	-	-	4,137,122
Unavailable Revenue - Property Taxes	<u>1,405,836</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,405,836</u>
Total Deferred Inflows of Resources	<u>5,542,958</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,542,958</u>
Fund Balances							
Nonspendable	277,925	-	-	-	-	12,606	290,531
Restricted	2,398,099	-	361,718	1,457,629	22,207	5,740,322	9,979,975
Assigned	16,530,205	-	-	-	-	-	16,530,205
Unassigned	<u>5,243,688</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(375,769)</u>	<u>4,867,919</u>
Total fund balances	<u>24,449,917</u>	<u>-</u>	<u>361,718</u>	<u>1,457,629</u>	<u>22,207</u>	<u>5,377,159</u>	<u>31,668,630</u>
Total liabilities and fund balances	<u>\$ 39,818,000</u>	<u>\$ 268,776</u>	<u>\$ 1,430,394</u>	<u>\$ 3,343,263</u>	<u>\$ 1,777,000</u>	<u>\$ 10,425,804</u>	<u>\$ 57,063,237</u>

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

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

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

Total fund balances of governmental funds	\$	31,668,630
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$149,395,083 and the accumulated depreciation is \$77,497,710.		71,897,373
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Revenues not available to pay for current period expenditures and therefore reported as unavailable revenue in the funds:

Loans Receivable	9,015,394	
Real estate taxes	1,405,836	
Opiod Settlement	4,137,122	14,558,352

Net pension liabilities are not reported in the the funds:		(1,364,690)
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Deferred outflow of resources related to pensions is not reported in the funds		6,299,101
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Deferred inflows of resources related to pensions is not reported in the funds		(4,583,690)
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Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. Both current and long-term liabilities are reported in the Statement of Net Position. Long-term liabilities at year-end consist of:

Long-term debt	(45,124,294)	
Leases	(6,710,710)	
Accrued interest on long-term debt	(28,993)	
Compensated absences	(843,842)	(52,707,839)

	\$	<u>65,767,237</u>
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COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	General Fund	ERAP Fund	Community Program for Restoration	Revolving Loan Fund	ARP Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Taxes, Real estate	\$ 23,402,621	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,402,621
Taxes, Hotel	-	-	-	-	-	651,548	651,548
Intergovernmental revenue	12,249,695	3,058,970	421,828	-	-	10,143,196	25,873,689
Charges for services	432,826	-	385	34,919	-	1,204,986	1,673,116
Departmental charges	8,078,579	-	-	-	-	-	8,078,579
Interest income	405,544	32,206	6,263	56,089	22,207	94,928	617,237
Other revenue	87,999	-	-	-	-	7,785	95,784
Total Revenues	<u>44,657,264</u>	<u>3,091,176</u>	<u>428,476</u>	<u>91,008</u>	<u>22,207</u>	<u>12,102,443</u>	<u>60,392,574</u>
Expenditures							
Current operating:							
General government	15,199,247	-	-	-	-	85,775	15,285,022
Judicial	7,127,640	-	-	-	-	1,371,436	8,499,076
Public safety	8,637,685	-	-	-	-	3,232,927	11,870,612
Public works	278,547	-	-	-	-	1,645,762	1,924,309
Human services	11,050,955	3,091,176	-	-	-	522,091	14,664,222
Culture and recreation	1,140,742	-	-	-	-	730,992	1,871,734
Conservation and development	340,838	-	541,740	8,994	-	4,593,751	5,485,323
Other	786,520	-	-	-	-	-	786,520
Capital Outlay	346,997	-	-	-	-	-	346,997
Debt service							
Principal	3,371,065	-	-	-	-	-	3,371,065
Interest	1,175,424	-	-	-	-	-	1,175,424
Total Expenditures	<u>49,455,660</u>	<u>3,091,176</u>	<u>541,740</u>	<u>8,994</u>	<u>-</u>	<u>12,182,734</u>	<u>65,280,304</u>
Excess (deficiency) of revenues over expenditures	<u>(4,798,396)</u>	<u>-</u>	<u>(113,264)</u>	<u>82,014</u>	<u>22,207</u>	<u>(80,291)</u>	<u>(4,887,730)</u>
Other financing sources (uses)							
Proceeds from long-term debt	1,192,972	-	-	-	-	-	1,192,972
Amounts received from loans	400,752	-	29,483	385,601	-	57,295	873,131
Disposal of fixed assets	341	-	-	-	-	-	341
Transfers in	132,000	-	-	-	-	130,821	262,821
Amounts loaned to others	-	-	-	(495,000)	-	-	(495,000)
Transfers out	<u>(80,821)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>(130,821)</u>
Total other financing sources (uses)	<u>1,645,244</u>	<u>-</u>	<u>29,483</u>	<u>(109,399)</u>	<u>-</u>	<u>138,116</u>	<u>1,703,444</u>
Net change in fund balance	(3,153,152)	-	(83,781)	(27,385)	22,207	57,825	(3,184,286)
Fund balances, beginning of year	<u>27,603,069</u>	<u>-</u>	<u>445,499</u>	<u>1,485,014</u>	<u>-</u>	<u>5,319,334</u>	<u>34,852,916</u>
Fund balances, end of year	<u>\$ 24,449,917</u>	<u>\$ -</u>	<u>\$ 361,718</u>	<u>\$ 1,457,629</u>	<u>\$ 22,207</u>	<u>\$ 5,377,159</u>	<u>\$ 31,668,630</u>

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

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

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

Net Change in fund balances - total governmental funds \$ (3,184,286)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital Outlays	3,401,014	
Difference between carrying value and accumulated depreciation of capital assets deletions	(40,622)	
Depreciation expense	<u>(6,950,817)</u>	(3,590,425)

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

Proceeds from long term debt	(659,183)	
Change in interest payable on long-term debt	4,351	
Amortization of Bond Premium	207,229	
Principal repayments	<u>3,710,087</u>	3,262,484

The acquisition of assets through lease arrangements are presented as other financing sources on the governmental fund statements. Such transactions do not affect net position since they are liabilities equal to the assets acquired. This is the amount presented in the governmental fund statements.

Lease Proceeds	(533,789)	
Lease Payments	<u>1,279,818</u>	746,029

Changes in loans receivable are reflected as an increase to revenue and expense in the fund statements, but shown as an increase or decrease to loans receivable on the statement of net position. The amortization of the discount on the loans receivable is reported as interest earnings in the statement of activities.

Amounts loaned to others	495,000	
Amounts received from loans	<u>(873,131)</u>	(378,131)

Governmental funds do not report the changes in compensated absences: 1,131

Real estate taxes reported in the funds include receipt of prior year delinquent taxes and do not include revenue attributable to the current year's delinquent tax receivable. This amount is the net effect of these differences.

Current year	1,405,836	
Prior year	<u>(888,280)</u>	517,556

Certain revenues are not available for use in the government funds.

Opioid Settlement		
Current year	4,137,122	
Prior year	<u>(4,842,832)</u>	(705,710)

The change in the net pension asset and other pension related items does not require financial resources and is therefore not reported in the funds but is shown as an expense in the statement of activities.

(142,159)

Changes in net position of governmental activities \$ (3,473,511)

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2023

	Business-Type Activities - Enterprise Fund The Communities at Indian Haven
<u>Assets</u>	
Current Assets:	
Cash and cash equivalents	\$ 4,331,986
Resident's cash	26,633
Accounts receivable	24,134
Prepaid expenses and other current assets	<u>31,961</u>
	<u>4,414,714</u>
Noncurrent assets:	
Cash, funded depreciation	575
Due from Primary Government	132,488
Capital assets (net of accumulated depreciation)	<u>1,159,650</u>
Total noncurrent assets	<u>1,292,713</u>
Total assets	<u>\$ 5,707,427</u>
<u>Deferred Outflow of Resources</u>	
Deferred amounts from pension liability	<u>\$ 1,735,467</u>
<u>Liabilities</u>	
Current liabilities:	
Accounts payable	234,903
Accrued liabilities	135,833
Due to Primary Government	266,051
Funds held in fiduciary capacity	<u>6,493</u>
Total current liabilities	<u>643,280</u>
Noncurrent liabilities:	
Pension liability	<u>375,986</u>
Total noncurrent liabilities	<u>375,986</u>
Total liabilities	<u>1,019,266</u>
<u>Deferred Inflow of Resources</u>	
Deferred amounts from pension liability	<u>\$ 1,262,853</u>
<u>Net Position</u>	
Net investment in capital assets	\$ 1,159,650
Restricted	575
Unrestricted	<u>4,000,550</u>
Total net position	<u>5,160,775</u>
Total liabilities and net position	<u>\$ 7,442,894</u>

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

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Business-Type Activities - Enterprise Fund The Communities at Indian Haven
Operating Revenues	
Receipts from Providing Services	\$ 9,070,715
Total Operating Revenues	<u>9,070,715</u>
Operating Expenses	
Human Services	8,293,267
Depreciation and amortization	<u>134,720</u>
Total Operating Expenses	<u>8,427,987</u>
Operating Income	<u>642,728</u>
Nonoperating Revenues (Expenses)	
Grant Income	219,675
Interest Income	<u>47,701</u>
Total Nonoperating Expenses	<u>267,376</u>
Excess of revenues under expenditures	<u>910,104</u>
Transfers to other funds	<u>(132,000)</u>
Total other financing uses	<u>(132,000)</u>
Change in Net Position	<u>778,104</u>
Net Position - Beginning of Year	<u>4,382,671</u>
Net Position - End of Year	<u><u>\$ 5,160,775</u></u>

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

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Business-Type Activities - Enterprise Fund The Communities at Indian Haven
Cash flows from operating activities	
Cash received from residents	\$ 9,491,362
Cash paid for goods and services	<u>(8,047,874)</u>
Net cash provided by operating activities	<u>1,443,488</u>
Cash flows from investing activities	
Net (increase)decrease in cash, funded depreciation	<u>(9)</u>
Net cash used in investing activities	<u>(9)</u>
Cash flows from capital and related financing activities	
Purchase of capital assets	<u>(325,053)</u>
Net cash used in capital and related financing activities	<u>(325,053)</u>
Cash flows from financing activities	
Interest income	47,701
Grant revenues	219,675
Transfers to other funds	<u>(132,000)</u>
Net cash used in financing activities	<u>135,376</u>
Net increase in cash and cash equivalents	1,253,802
Beginning cash and cash equivalents	<u>3,078,184</u>
Ending cash and cash equivalents	<u>\$ 4,331,986</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 642,728
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	134,721
Loss on disposal of asset	-
Decrease in pension liability	(855,137)
Change in deferred (inflows) outflows related to pension liability	894,302
Increase (decrease) in assets	
Decrease in accounts receivable, net of allowances	772,385
Prepaid expenses	69,747
Due from primary government	(132,488)
Restricted cash	(13,810)
Increase(decrease) in liabilities	
Accounts payable	61,180
Accrued expenses	135,833
Funds held in a fiduciary capacity	(10,248)
Deferred revenue	(219,250)
Due to primary government	<u>(36,475)</u>
Net cash provided by operating activities	<u>\$ 1,443,488</u>

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

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2023

	Employee Retirement Trust Fund	Custodial Fund
<u>Assets</u>		
Cash and Cash Equivalents	\$ 552,895	\$ 1,407,790
Investments	<u>61,771,412</u>	<u>63,112</u>
Total Assets	<u>\$ 62,324,307</u>	<u>\$ 1,470,902</u>
<u>Liabilities</u>		
Liabilities		
Accounts payable	\$ -	\$ 65,143
Total Liabilities	<u>-</u>	<u>65,143</u>
Net Position Restricted for:		
Individuals, Organizations, and Other Governments	-	1,405,759
Employees' Pension Benefits	<u>62,324,307</u>	<u>-</u>
Total Net Position	<u>\$ 62,324,307</u>	<u>\$ 1,405,759</u>

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

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
EMPLOYEE RETIREMENT TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Employee Retirement Trust Fund	Custodial Fund
Additions:		
Property Taxes Collected for Other Governments	\$ -	\$ 6,649,067
Fees Collected for Other Governments	-	5,882,999
Inmate Account Collections	-	473,429
Fees and Fines Collected - Other	-	1,171,803
Miscellaneous Income	-	43,750
	<hr/>	<hr/>
Contributions:		
Employee	1,185,900	-
County Contribution	792,056	-
	<hr/>	<hr/>
	1,977,956	-
	<hr/>	<hr/>
Investment Income:		
Interest and Dividends	1,153,539	11,904
	<hr/>	<hr/>
Total Investment Income	1,153,539	11,904
	<hr/>	<hr/>
Net decrease in fair value of assets	6,694,013	-
Investment Expense	(114,492)	-
	<hr/>	<hr/>
Net Investment Income	7,733,060	11,904
	<hr/>	<hr/>
Total Additions	9,711,016	14,232,952
	<hr/>	<hr/>
Deductions:		
Employee Benefits Paid	3,548,370	-
Administrative Expenses	77,878	-
Taxes Collected for Other Governments	-	6,631,478
Payments to Other Individuals	-	1,465,617
Fees Collected for Other Governments	-	5,556,820
Inmate Disbursements	-	565,907
Payments to Other Entities	-	50,685
Other expenses	24,488	-
	<hr/>	<hr/>
Total Deductions	3,650,736	14,270,507
	<hr/>	<hr/>
Net Increase	6,060,280	(37,555)
Restricted Net Position		
Beginning of Year	56,264,027	1,443,314
End of Year	<u>\$ 62,324,307</u>	<u>\$ 1,405,759</u>

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

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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

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

The County of Indiana (the "County") was formed in 1803. The County operates under the direction of an elected three member Board of Commissioners and provides the following services: general administrative services, tax assessment and collections, judicial, public improvements, public safety, public works, human services, culture and recreation, and conservation and development. The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") applicable to governmental units, as prescribed by the Governmental Accounting Standards Board ("GASB").

A) Reporting Entity

The County follows the criteria promulgated by the Governmental Auditing Standards Board ("GASB") No. 61 for purposes of determining the scope of its reporting entity. As required by accounting principles generally accepted in the United States of America, the financial statements include those of the County of Indiana (the "Primary Government") and its Component Units. The Component Units discussed below are included in the County's financial reporting entity because of their operational or financial relationship with the County.

1. Component Units

In conformity with GAAP, the financial statements of Component Units have been included in the financial reporting entity either as a Blended Component Unit or as a Discretely Presented Component Unit.

a. Blended Component Unit

Some component units, despite being legally separate from the primary government, are so intertwined with the primary government that they are, in substance, the same as the primary government and are reported as part of the primary government. The only component unit reported in this way is The Communities at Indian Haven, Inc.

The Communities at Indian Haven, Inc. (Indian Haven) is a 108 bed skilled nursing facility located in Indiana, Pennsylvania.

Indian Haven reports on a calendar year basis.

The Indiana County Employee's Retirement Fund is considered a blended Fiduciary Component Unit under the Government Accounting Standards Board Statement No. 84.

b. Discretely Presented Component Units

In conformity with GAAP, the financial statements of the Component Units described below have been included in the financial reporting entity as discretely presented Component Units.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

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

A) Reporting Entity (Continued)

1. Component Units (Continued)

b. Discretely Presented Component Units (Continued)

The Highridge Water Authority (the "Water Authority") was created pursuant to the Municipal Authorities Act of 1945. The organizational meeting was held on April 25, 1991, at which time the By-laws were adopted. The purpose of the Water Authority is to acquire and provide water service to customers in the southern Indiana County and northeastern Westmoreland County areas. The County guarantees the debt of the Water Authority. A copy of the separate Financial Statements can be obtained at the Highridge Water Authority, 17 Maple Avenue, Blairsville, PA 15717.

The Water Authority operates on a calendar year basis.

The Indiana County Municipal Services Authority (the "Municipal Services Authority") is a body politic and corporate organized on April 23, 1973 under provisions of the Act of the General Assembly of the Commonwealth of Pennsylvania, approved May 2, 1945, P.L. 382, as amended and supplemented, known as the Municipality Authorities Act of 1945. The purpose of the Municipal Services Authority is to provide water and sewage service to areas of Indiana, Armstrong and Cambria Counties, Pennsylvania. The County guarantees the debt of the Municipal Services Authority. A copy of the separate Financial Statements can be obtained at the Indiana County Municipal Services Authority, 602 Kolter Drive, Indiana, PA 15701.

The Municipal Services Authority operates on a calendar year basis.

2. Related Organizations

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

- Farmland Preservation
- Indiana County Airport Authority
- Indiana County Conservation District
- Indiana County Hospital Authority
- Indiana County Housing Authority
- Indiana County Redevelopment Authority
- Indiana County Solid Waste Authority
- Indiana County Transportation Authority
- Indiana County Development Corporation

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

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

3. Joint Venture

The County participates in a joint venture with another governmental entity. Based upon the foregoing criteria, the County has determined that the joint venture should not be included in its financial reporting entity. The Armstrong-Indiana Behavioral and Developmental Health Program was created for the delivery of various human services activities to the counties of Indiana and Armstrong. The counties exercise joint control and both counties have an ongoing financial responsibility to the joint venture. However, neither county has an ongoing financial interest or equity interest in the joint venture.

B) Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., statement of net position, and the statement of activities) report information on all the non-fiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business type activities, which rely, to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from its legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which direct expenses of a given function, or segment, are affected by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Program revenues include 1.) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2.) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available.

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

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

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

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

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

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

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

The County reports the following major governmental funds:

- The General Fund is the primary government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues of this fund are primarily derived from real estate taxes, state and federal grants, and fees for services. Many of the basic activities of the County are accounted for in this fund including operation of general County government, boards, commissions, the court system, and health and welfare services.
- Community Program for Restoration is used to account for a revolving loan program within the County which uses program income from several federal grant programs to make low interest loans to residents of the County for eligible projects such as house repairs or repairs of property damage.
- The Revolving Loan Fund is used to account for the revolving loan program the County administers to stimulate economic development within the County by granting loans with low interest rates to businesses in the County. The loan program was originally established in 1993 with grant funding from the United States Economic Development Administration.
- The ARP Fund was established to account for the federal funding received under the American Rescue Plan Act of 2021. The fund helped with the County's response to the Coronavirus Pandemic.
- The ERAP Fund was established to account for the Federal Emergency Rental Assistance Program that was authorized as part of the American Rescue Plan to help renters and landlords during the Coronavirus Pandemic.

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

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

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

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

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

The County reports the following major proprietary fund:

- The Communities at Indian Haven, an enterprise fund, is used to account for the operations of the County's nursing home.

The Communities at Indian Haven functions as a business-type activity, as defined by the Governmental Accounting Standards Board (GASB). Indian Haven's financial statements have been prepared using the economic resource focus and the accrual basis of accounting.

Additionally, the County reports the following fiduciary fund types:

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

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

1. Cash and Cash Equivalents

The County considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

2. Investments

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

3. Interfund Transactions

The County affects a variety of transactions between funds to finance operations. Certain interfund transactions have not been paid or received as of December 31, 2023, and appropriate interfund receivables or payables have been established accordingly.

Any residual balances outstanding between the governmental activities and business-type activities are reported as internal balances in the government-wide financial statements.

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the governmental activity column in the government-wide financial statements. Property, plant and equipment with initial, individual costs that equal or exceed \$5,000 and estimated useful lives of over one year are recorded as capital assets. The County adopted the provisions of GASB 34 related to infrastructure on the retroactive basis. Capital assets are recorded at historical costs or

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

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

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

4. Capital Assets (Continued)

estimated historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are completed.

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

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

5. Allowance for Doubtful Accounts

Taxes receivable have been reported net of allowance for doubtful accounts of \$514,752.

6. Long-Term Obligations

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

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

7. Compensated Absences

County policy permits employees to accumulate a limited amount of earned but unused vacation and sick leave time. These benefits are payable to employees upon separation of services. All leave pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is recorded. The computed liability is in compliance with GASB 16, *Accounting for Compensated Absences*.

8. Leases

The County is a lessee of noncancelable leases of equipment, buildings and vehicles and software. The County recognizes a lease liability and an intangible right-of-use lease assets (lease asset) in the government-wide financial statements for each type of lease.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

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

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

8. Leases (Continued)

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

Key estimates and judgements related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the non-cancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise. The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease assets and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of debt position.

9. Unearned Revenues

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

10. Net Position/Fund Balances

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

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

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

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

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

10. Net Position/Fund Balances (Continued)

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

- Non-spendable – This classification consists of accounts that cannot be spent because they are not in spendable form or are legally required to be maintained intact.
- Restricted – This classification consists of amounts that are restricted to specific purposes. The County's restricted fund balances consist of external enabling legislation for the state, federal, or local government.
- Committed – This classification consists of amounts used for specific purposes imposed by formal action of the County's Board of Commissioners. The removal or modification of the use of committed funds can only be accomplished by a formal action of the Commissioners prior to fiscal year end.
- Assigned – This classification consists of amounts constrained by the County's intent to be used for specific purposes that are neither restricted or committed. The County Commissioners have delegated the authority to assign fund balance for specific purposes to the Financial Director.
- Unassigned – This classification consists of amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund permitted to report a positive unassigned fund balance.

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

11. Accounting Estimates

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

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

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

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

12. Deferred Inflows of Resources

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government only has one type of item, which arises under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

13. Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has one type of item, which arises under a modified accrual basis of accounting that qualifies for reporting in this category. Deferred outflows of resources related to pensions are described further in Note 8. The components of deferred outflows of resources, other than the difference between the projected and actual investment earnings on investments, are amortized into pension expense over a 4.6 year closed period, which reflects the weighted average remaining service life of all members of the plan beginning the year in which the deferred amount occurs (current year). The annual difference between the projected and actual earnings on plan investments is amortized over a five-year closed period beginning the year in which the difference occurs (current year).

14. Adoption of Governmental Accounting Standards Board Statements

The County adopted the provisions of GASB issued Statement No. 96, "Subscription Based Information Technology Arrangements." The adoption of this Statement resulted in the addition of right-of-use assets and lease liabilities which are now presented on the statement of net position.

The County adopted the provision of GASB Statement No. 99 "Omnibus 2022". The adoption of this Statement had no effect on the County's financial statements.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

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

15. Pending Changes in Accounting Principles

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

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

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

In April 2024, the GASB issued Statement No. 103 "Financial Reporting Model Improvements". The County is required to adopt Statement No. 103 for its fiscal year 2026 financial statements.

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

E) Component Unit – Summary of Significant Accounting Policies

Highridge Water Authority

Basis of Accounting

The financial statements of the Water Authority have been prepared on the accrual basis of accounting.

Cash and Cash Equivalents

For purposes of the balance sheet, the Water Authority considers non-restricted, highly liquid short-term investments that have an original maturity of three months or less to be cash equivalents.

Property

Property is stated at cost. Depreciation is provided on a straight-line basis over the estimated useful life of the respective asset which lives range from 5 to 125 years. Maintenance and repairs are charged to income as incurred and renewals and betterments are capitalized.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

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

E) Component Unit – Summary of Significant Accounting Policies

Highridge Water Authority (Continued)

Goodwill

The excess acquisition cost over the fair market value of net position acquired is being amortized using the straight-line method over a period of 40 years. Amortization expense for 2023 amounted to \$73,985.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Indiana County Municipal Services Authority

Basis of Accounting

The financial statements of the Municipal Services Authority have been prepared on the accrual basis of accounting.

Cash and Cash Equivalent

The Municipal Services Authority considers all liquid investments that are readily convertible to cash with an original maturity of three months or less to be cash equivalents.

Accounts Receivable – Trade

Accounts receivable – trade are reported at net realizable value. Accounts are charged to bad debt expense when deemed uncollectible based on a periodic review by management. The allowance for doubtful accounts is estimated based upon periodic review of individual accounts. The allowance for doubtful accounts was approximately \$525,000.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

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

E) Component Unit – Summary of Significant Accounting Policies (Continued)

Indiana County Municipal Services Authority (Continued)

Designated Assets

Designated assets consist of cash and money market accounts that are designed for the following purposes:

Debt Service Fund – Established to account for funds held for payment of principal and interest on water and sewer revenue bonds designated by bond indentures as debt service reserves.

Debt Service Reserve and Repair Fund – Established in compliance with requirements of the United States Department of Agriculture, Rural Utilities Service ("RUS") notes to accumulate funds for the purpose of paying the cost of repairing or replacing any damage of the water system which may be caused by any unforeseen catastrophe.

Construction Fund – Established to control funds from various sources to be used for the purchase and renovation of water and sewage facilities.

Utility Plant

Utility plant is recorded at historical cost and consists of utility plant, equipment, furniture and fixtures. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets.

Capital Grants and Contributions

The Municipal Services Authority receives capital grants from certain federal and state agencies to be used for various purposes connected with the planning and construction of water and sewage systems and equipment. Capital grants of the Municipal Services Authority are reported as revenue rather than contributed capital as required by GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 2: BUDGETARY DATA

Commonwealth of Pennsylvania statutes require that all County Governments establish budgetary systems and approve annual operating budgets. The County's annual budget relates to only the General Fund, Capital Fund and the Liquid Fuels Fund, and is based on estimates of revenues and expenditures approved by the Board of County Commissioners. The County of Indiana adopted the 2023 budget on the same basis of accounting as reported in the fund financial statements. The County of Indiana follows these procedures in establishing the budgetary data reflected in the financial statements:

County Budget Process

1. During the fall, preliminary individual budgets are prepared by each department or agency and are reviewed by the Commissioners.
2. During November, the County Commissioners, or their designee, meet with the head of each department and agency to review proposed changes to the preliminary budget.
3. The Commissioners' Office then reassembles the preliminary budget data and prepares a final budget draft including all proposed expenditures and the financing plan, incorporating any revisions or adjustments evolving from the departmental meetings.
4. In early December, the final budget is presented at a public Commissioners' meeting. In accordance with statutes contained in the County Code, public notice is given that the proposed budget is available for inspection for a twenty-day period.
5. Prior to December 31, after the twenty-day inspection period, the County Commissioners, at a public meeting properly announced, the final budget is adopted by resolution.
6. Formal budgeting integration is employed as a planning device. The budget adopted is on the modified accrual basis. Budget amounts are as originally adopted, or as amended by the County Commissioners.

- Level of Control

The County maintains budgeting control at the individual fund level.

- Lapsing of Appropriations

Unexpended appropriations lapse at year-end.

Management Amendment Authority

During the course of the year, departmental needs may change, emergencies may occur, or additional revenue sources may arise. As a result, funds are occasionally transferred between line items of the department's budget or additional revenue may need to be budgeted for a specific project or grant. Adjustments to the budget are made on a line item basis during the year and are approved by the County Commissioners. Financial analysis is provided monthly to management showing spending levels in comparison to the current budget. The budget is also reviewed by management with other departments.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 3: DEPOSIT AND INVESTMENT RISK

As of December 31, 2023, the County had the following investments:

	<u>Market</u>
Governmental Funds	
Nonmajor Governmental Funds	
Certificates of Deposit	\$ 116,233
Total Governmental Funds	<u>116,233</u>
Fiduciary Funds	
Custodial Funds	
Certificates of Deposit	63,112
Retirement Fund	
Fixed Income Securities	17,522,926
Domestic Equities	26,936,351
International Equities	6,642,437
Real Estate/Alternative	<u>10,669,697</u>
Total Fiduciary Funds	<u>61,834,523</u>
Total Investments	<u><u>\$61,950,756</u></u>

Interest Rate Risk – The County does not have a formal investment policy for the County's operating funds that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The County's Retirement Fund investment policy states that the trustees exercise good judgment in the selection of securities or in the selection of a plan administrator.

Credit Risk – The County has no formal investment policy for its operating funds that addresses credit risk. As of December 31, 2023, the County's operating investments were all maintained in Certificates of Deposit.

Custodial Credit Risk – For deposits and investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will be able to recover the value of its investment or collateral securities that are in the possession of an outside party. As of December 31, 2023, the County's cash balances for its governmental activities, business-type activities and custodial fund were \$31,798,677 and its bank balances were \$32,624,903. Of these bank balances, \$31,624,903 was collateralized with securities held by the pledging financial institutions, or by their trust departments or agents, but not in the County's name. The entire cash and cash equivalent balance in the Retirement Fund of \$552,895 was collateralized with securities held by the pledging financial institutions, or by their trust departments or agents, but not in the County's name. None of the County's retirement investments were exposed to custodial credit risk at December 31, 2023 because the custodians hold the securities in an account that designates the County as the owner of the securities.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 3: DEPOSIT AND INVESTMENT RISK (CONTINUED)

Concentration of Credit Risk – The County has no formal investment policy for operating investments pertaining to the concentration of credit risk. At December 31, 2023, the County is not subject to concentration of credit risk.

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

At December 31, 2023, the County had the following recurring fair value measurements:

<u>Investments measured by fair value level</u>	<u>12/31/23</u>	<u>Fair Value Measurements Using Level 1</u>
Certificates of Deposit	\$ 179,345	\$ 179,345
Corporate Bonds	17,522,926	17,522,926
Common Stock	26,936,351	26,936,351
International Stock	6,642,437	6,642,437
Mutal Funds	<u>10,669,697</u>	<u>10,669,697</u>
Total investments by fair value level	<u>\$61,950,756</u>	<u>\$ 61,950,756</u>

Component Unit

Indiana County Municipal Services Authority

At December 31, 2023, the carrying amount of the Authority's cash deposits was \$2,854,529 and the bank balance was \$2,879,283. Of the bank balance, \$2,158,623 was not covered by federal depository insurance. The Authority grants credit without collateral to its customers. The Authority's service area is located in portions of Indiana, Armstrong, and Cambria Counties, Pennsylvania. The Authority charges residents within its service area based upon usage and connection charges. The ability of each of the Authority's customers to honor their obligations to the Authority is dependent upon economic and other factors affecting the customers.

NOTE 4: PROPERTY TAXES

Real Estate Property Taxes

Real estate property taxes for the calendar year are levied on March 1 of each year. Any unpaid real estate taxes attach as an enforceable lien on property as of January 1 of the following year. Taxes are levied on March 1 and payable with a 2% discount to April 30, with no discount or penalty to June 30, and with a 10% penalty from July 1 to December 31. In some instances certain tax collectors have been allowed to extend the discount and face value periods due to unusual office hours of these tax collectors by a few days. The County bills these taxes which are collected by local tax collectors.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 4: PROPERTY TAXES (CONTINUED)

Real Estate Property Taxes (Continued)

The County is permitted by the County Code of the Commonwealth of Pennsylvania to levy real estate taxes up to 30 mills on every dollar of adjusted valuation for general County purposes exclusive of the requirements for the payment of interest and principal on bonded or funded debt. In 2023 the County had total millage of 4.905, of which .86 mill was reserved for principal and interest on debt, and 4.045 mills for general county purposes.

The County's 2023 real estate taxes are based on assessed values established by the County's Bureau of Assessments. The County had a complete reassessment from 2015 to 2018 with assessed valuation of \$4,860,733,387 in 2016 to \$4,763,924,406 in 2020.

The County maintained the millage rate of 4.905 mills. Assessed values of real property are generally 100% of the market value as determined by the Indiana County Tax Assessment Office. The total 2023 real estate taxes levied was \$23,324,869 based on a total County assessed valuation of \$4,755,325,033. Based on the 2023 levy of 4.905 mills, a property owner would pay \$4.905 per \$1,000 of assessed valuation.

NOTE 5: LOANS RECEIVABLE

The County has various loans outstanding that are used for multiple purposes within the County. The County has 6 revolving loan programs in which the County loans money to local small businesses or home owners for various reasons - home repairs, working capital for the businesses, new equipment for the businesses, etc. These loans are reported in the Enterprise Zone, Community Program for Restoration, Revolving Loan, Emergency Repair, Community Revitalization Program, and Affordable Housing Funds and had a total balance of \$3,986,779 as of December 31, 2023. All loans are fully deferred at the fund level.

The County also contracts with the Indiana County Development Corporation (ICDC) in which the County obtains loans and immediately loans that money to ICDC with the same terms. The activity on these loans is reported in the General Fund. All loans are fully deferred in the General Fund at the fund level.

The County also has a loan with the Kovalchick Convention and Athletic Complex.

A summary of the long-term General Fund receivables is shown as follows:

	Balance at December 31, 2022	Payments Received from Others	Amounts Loaned to Others	Discounts	Balance at December 31, 2023
KCAC Project	\$ 473,919	\$ -	\$ -	\$ -	\$ 473,919
Corporate Campus Multi-Tenant Building Loan	127,482	127,482	-	-	-
Indian Springs Multi-Tenant Building Loan	<u>4,827,966</u>	<u>273,270</u>	<u>-</u>	<u>-</u>	<u>4,554,696</u>
Total	<u>\$ 5,429,367</u>	<u>\$ 400,752</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,028,615</u>

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 6: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

GOVERNMENTAL ACTIVITIES	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	\$ 2,085,470	\$ -	\$ -	\$ 2,085,470
Construction in Progress	<u>2,038,316</u>	<u>-</u>	<u>(2,006,219)</u>	<u>32,097</u>
Total Capital Assets, Not Being Depreciated	<u>4,123,786</u>	<u>-</u>	<u>(2,006,219)</u>	<u>2,117,567</u>
Capital Assets, Being Depreciated:				
Building and Improvements	79,711,932	2,119,063	-	81,830,995
Right of Use - Buildings and Space	2,384,573	62,673	-	2,447,246
Equipment and Vehicles	33,988,858	2,751,339	(173,562)	36,566,635
Right of Use - Equipment and Vehicles	2,672,232	474,158	-	3,146,390
Right of Use - Software	3,164,907	-	-	3,164,907
Infrastructure	<u>20,121,343</u>	<u>-</u>	<u>-</u>	<u>20,121,343</u>
Total Capital Assets, Being Depreciated	<u>142,043,845</u>	<u>5,407,233</u>	<u>(173,562)</u>	<u>147,277,516</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	(33,635,687)	(2,499,911)	-	(36,135,598)
Right of Use - Buildings and Space	(348,229)	(373,557)	-	(721,786)
Equipment and Vehicles	(26,790,945)	(2,631,075)	133,022	(29,288,998)
Right of Use - Equipment and Vehicles	(617,336)	(593,787)	-	(1,211,123)
Right of Use - Software	-	(503,012)	-	(503,012)
Infrastructure	<u>(9,287,718)</u>	<u>(349,475)</u>	<u>-</u>	<u>(9,637,193)</u>
Total Accumulated Depreciation	<u>(70,679,915)</u>	<u>(6,950,817)</u>	<u>133,022</u>	<u>(77,497,710)</u>
Total Capital Assets, Being Depreciated, Net	<u>71,363,930</u>	<u>(1,543,584)</u>	<u>(40,540)</u>	<u>69,779,806</u>
Governmental Activities Capital Assets, Net	<u>\$75,487,716</u>	<u>\$(1,543,584)</u>	<u>\$(2,046,759)</u>	<u>\$71,897,373</u>
BUSINESS-TYPE ACTIVITIES	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Being Depreciated:				
Building and Improvements	\$ 4,717,789	\$ 170,838	\$ -	\$ 4,888,627
Equipment and Vehicles	<u>4,342,493</u>	<u>154,215</u>	<u>-</u>	<u>4,496,708</u>
Total Capital Assets, Being Depreciated	<u>9,060,282</u>	<u>325,053</u>	<u>-</u>	<u>9,385,335</u>
Less Accumulated Depreciation	(8,090,965)	(134,720)	-	(8,225,685)
Total Capital Assets, Being Depreciated, Net	<u>969,317</u>	<u>190,333</u>	<u>-</u>	<u>1,159,650</u>
Business-Type Activities Capital Assets, Net	<u>\$ 969,317</u>	<u>\$ 190,333</u>	<u>\$ -</u>	<u>\$ 1,159,650</u>

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 6: CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:

General Government-Administrative	\$ 442,813
General Government-Judicial	211,334
Public Safety	3,898,778
Public Works	1,682,457
Human Services	53,786
Culture and Recreation	338,573
Conservation and Development	<u>323,076</u>

Total Depreciation Expense-Governmental Activities	<u>\$ 6,950,817</u>
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Business-Type Activities:

Human Services	<u>\$ 134,720</u>
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Total Depreciation Expense-Business-Type Activities	<u>\$ 134,720</u>
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Component Unit – Capital Assets

Highridge Water Authority

Capital assets and accumulated depreciation as of December 31, 2023 is as follows:

Highridge Water Authority

Buildings	\$40,497,193
Land and improvements	<u>14,249,490</u>
Total	54,746,683
Less accumulated depreciation	<u>29,098,352</u>
Capital Assets, net	<u>\$25,648,331</u>

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 6: CAPITAL ASSETS (CONTINUED)

Component Unit – Capital Assets (Continued)

Indiana County Municipal Services Authority

Capital assets and accumulated depreciation as of December 31, 2023 is as follows:

Indiana County Municipal Services Authority

Fixed equipment	\$ 150,809,799
Moveable equipment	938,487
Vehicles	827,408
Construction in progress	<u>294,961</u>
Total	152,870,655
Less accumulated depreciation	<u>66,069,660</u>
Capital Assets, net	<u>\$ 86,800,995</u>

NOTE 7: RESTRICTED ASSETS

Business Type Activities

The County has restricted cash of \$575 in the business type activities which is restricted for capital purchases and repairs to existing capital assets.

The County also has restricted cash of \$26,633 that is owed to residents of the nursing home.

Component Unit – Designated Assets

Indiana County Municipal Services Authority

Restricted Assets at December 31, 2023 are as follows:

Debt Service Fund	\$ 453,095
Debt Service Reserve and Repair Fund	954,065
Internal Service Fund	<u>200</u>
Total	<u>\$ 1,407,360</u>

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND

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

Summary of Significant Accounting Policies

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

Description of Plan

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

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

Plan membership. For the 2023 measurement period, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	280
Inactive plan members entitled to but not yet receiving benefits	69
Active plan members	<u>384</u>
	<u>733</u>

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

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Contributions. The Retirement Board establishes contribution rates based on an actuarially determined contribution recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the year ended December 31, 2023, the minimum required active member contribution rate was 5 percent of annual pay and the County's average contribution rate was 4.30 percent of annual payroll.

Per Act 96 of 1971, as amended, contribution requirements of the Plan members and the County may be amended by the General Assembly of the Commonwealth of Pennsylvania. Interest is credited each year in an amount allowed by the County Retirement Board to each member's account.

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

Legally Required Reserves

At December 31, 2023, the County has a balance of \$12,662,630 in the Members' Annuity Reserve Account. This account is the total of the contributions deducted from the salaries of the active and terminated vested members of the retirement system and the IRC 414(h)(2) pickup contributions together with the interest additions as of December 31, 2023. Since these accumulations represent the present value as of December 31, 2023 of future benefits, the reserve balance and liability are identical.

The County has a balance of \$5,581,097 in the County Annuity Reserve Account as of December 31, 2023. This balance and the amounts expected to be credited in the future, plus investment earnings, represent the reserves set aside for the payment of the County's share of the retirement allowances and this reserve is fully funded.

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

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

The Retired Members' Reserve Account is the account out of which monthly retirement allowances, including cost-of-living adjustments and death benefits are paid. The balance in this account was \$29,449,763 as of December 31, 2023. The corresponding liability for those annuitants on the roll is identical.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Plan Reporting

Net Pension Liability of the County

The total pension liability was based on an actuarial valuation dated January 1, 2023 and update procedures were used to rollforward the total pension liability to the December 31, 2023 measurement date. The components of the net pension liability of the County for the 2023 measurement period were as follows:

Total Pension Liability	\$ 64,064,983
Plan Fiduciary Net Position	<u>62,324,307</u>
Net Pension Liability	<u>\$ 1,740,676</u>

Plan Fiduciary net position as a percentage of the total pension liability	97.28%
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The net pension liability breakdown for governmental activities and business type activities was as follows:

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Net Pension Liability	\$ <u>1,364,690</u>	\$ <u>375,986</u>

Changes in the County's net pension liability for the plan for the year ended December 31, 2023 were as follows:

	<u>Increase/(Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability/(Asset)</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balances at 12/31/2022	\$ 61,963,670	\$ 56,264,027	\$ 5,699,643
Service Cost	1,459,712	-	1,459,712
Interest Cost	4,309,198	-	4,309,198
Changes in Benefit Terms	-	-	-
Changes for Experience	(119,227)	-	(119,227)
Changes of Assumptions	-	-	-
Contributions - Employer	-	792,056	(792,056)
Contributions - Member	-	1,185,900	(1,185,900)
Net Investment Income	-	7,733,060	(7,733,060)
Benefit Payments, including Refunds of Member Contributions	(3,548,370)	(3,548,370)	-
Administrative Expenses	-	(77,878)	77,878
Other Changes	-	(24,488)	24,488
Net Changes	<u>\$ 2,101,313</u>	<u>\$ 6,060,280</u>	<u>\$ (3,958,967)</u>
Balances at 12/31/2023	<u>\$ 64,064,983</u>	<u>\$ 62,324,307</u>	<u>\$ 1,740,676</u>

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Deferred (Inflows) Outflows of Resources

The total pension expense recognized in 2023 for the plan was \$2,188,025. At December 31, 2023, the County reported deferred outflows of resources related to the pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 168,586	\$ (695,449)
Changes in Assumptions	6,311,913	(5,151,094)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,554,069	-
Total	<u>\$ 8,034,568</u>	<u>\$ (5,846,543)</u>

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

Year ended December 31:	Governmental Activities	Business Type Activities	Total
2024	\$ 621,323	\$ 171,181	\$ 792,504
2025	790,397	217,763	1,008,160
2026	919,897	253,442	1,173,339
2027	(616,206)	(169,772)	(785,978)
	<u>\$ 1,715,411</u>	<u>\$ 472,614</u>	<u>\$ 2,188,025</u>

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

Plan Actuarial Methods and Assumptions

Actuarial assumptions. The total pension liability was determined by an actuarial valuation for the 2023 measurement period, using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates were based on the PubG-2010 Mortality Tables for Males and Females set forward one year with generational mortality improvement using MP20.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Plan Actuarial Methods and Assumptions (Continued)

The actuarial assumptions used in the valuation for the 2023 measurement period were based on past experience under the Plan and reasonable future expectations which represent our best estimate of anticipated experience under the Plan. An actuarial experience study was performed in 2016; however, no modifications to assumptions were made as a result.

Under the Act, cost-of-living adjustments to each member's retirement allowance shall be reviewed at least once every three years subsequent to the member's retirement date. The adjustment, should the Plan elect to give one, is a percentage of the change in the Consumer

Price Index. The Plan did not include an assumption for projected ad hoc postemployment benefit changes as they are not considered to be substantively automatic.

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

The following was the Board's asset allocation policy for the 2023 measurement period:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	40%
International equity	10%
Fixed income	30%
Real Estate/Alternative	20%
Cash	0%
Total	<u>100%</u>

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation for the 2023 measurement period (see the discussion of the pension plan's investment policy) are summarized in the following table:

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

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Plan Actuarial Methods and Assumptions (Continued)

Discount rate. The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the actuarially determined contribution rates in accordance with the County's recently adopted funding policy. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.00 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6 percent) or 1-percentage-point higher (8 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's net pension liability	\$8,985,780	\$1,740,676	\$(4,133,477)

Rate of return. For the 2023 measurement period, the annual money-weighted rate of return on Plan investments, net of Plan investment expense, was (14.60) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Component Unit – Retirement Plan

Highridge Water Authority

The Water Authority adopted a retirement plan covering all eligible employees effective January 1, 1995. Terms of the plan require Authority contributions \$1.40 per hour for union and \$1.00 per hour for non union employees. Participants are 100% vested after 3 years. Contributions for 2023 amounted to \$30,764.

Indiana County Municipal Services Authority

The Municipal Services Authority has a defined contribution retirement plan which provides retirement benefits for all full-time employees. The Authority contributed an amount equal to 5% of the full-time employees' gross salaries. Employees become 10% vested after two years of employment. An additional 20% is vested for each additional year of employment until they are fully vested after 7 years. Pension expense was approximately \$103,571.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 9: LINE OF CREDIT

Component Unit – Line of CreditIndiana County Municipal Services Authority

The Municipal Services Authority has available a \$250,000 unsecured line of credit with First Commonwealth Bank, which is due on demand, with interest at 75% of the prime rate (5.9% at December 31, 2023). There was no balance at December 31, 2023.

NOTE 10: LONG-TERM OBLIGATIONS

A summary of changes in long-term debt obligations for 2023 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities</u>					
Bonds and Notes Payable:					
General Obligation Bonds and Notes	\$ 46,310,143	\$ 659,183	\$ (3,710,087)	\$ 43,259,239	\$ 8,162,249
Total Bonds and Notes Payable	<u>46,310,143</u>	<u>659,183</u>	<u>(3,710,087)</u>	<u>43,259,239</u>	<u>8,162,249</u>
			Plus Bond Premium	1,865,055	
Total General Obligation Bonds and Notes				<u>45,124,294</u>	
 Other Liabilities:					
Compensated Absences	892,628	-	(48,786)	843,842	-
Total Other Liabilities	<u>892,628</u>	<u>-</u>	<u>(48,786)</u>	<u>843,842</u>	<u>-</u>
 Governmental Activities					
Long-Term Liabilities	<u>\$ 47,202,771</u>	<u>\$ 659,183</u>	<u>\$ (3,758,873)</u>	<u>\$ 44,103,081</u>	<u>\$ 8,162,249</u>

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

Governmental Activities

	Principal Requirements	Interest Requirements	Total Debt Service Requirements
Year Ended December 31			
2024	\$ 8,162,249	\$ 1,364,045	\$ 9,526,294
2025	3,837,738	1,079,355	4,917,093
2026	3,803,789	982,987	4,786,776
2027	3,881,764	882,933	4,764,697
2028	3,873,000	792,188	4,665,188
2029-2033	16,282,699	1,930,252	18,212,951
2034-2038	2,436,000	543,297	2,979,297
2039-2043	578,000	93,875	671,875
2044-2047	<u>404,000</u>	<u>26,802</u>	<u>430,802</u>
Total	<u>\$43,259,239</u>	<u>\$ 7,695,734</u>	<u>\$ 50,954,973</u>

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 10: LONG-TERM OBLIGATIONS (CONTINUED)

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

Governmental Activities

Issuance	Amount of Original Issue	Purpose	Balance Outstanding December 31, 2023
2006	\$ 2,610,000	To finance the construction of a multi-tenant building on Indian Springs Road. The note has an interest rate of 2.75% per annum and a final maturity of July 2033. The note was loaned to ICDC under the same terms.	\$ 2,317,132
2006	\$ 2,586,000	To finance the construction of a multi-tenant building on Indian Springs Road. The note has an interest rate of 3.50% per annum and a final maturity of July 2033. The note was loaned to ICDC under the same terms.	\$ 2,237,564
Series A of 2013	\$ 3,500,000	To refinance GON, Series B of 2010. The note has an interest rate of 3.31% with a final maturity in December 2025.	\$ 826,113
Series B of 2018	\$ 7,200,000	To refinance and consolidate existing outstanding debt. The note has an interest rate of 1.993% with a final maturity in October of 2028.	\$ 3,517,454
Series D of 2018	\$ 4,125,000	To refinance and consolidate existing outstanding debt. The note has an interest rate of 1.918% with a final maturity in October of 2026.	\$ 1,442,498
Series A of 2020	\$ 5,709,000	To finance the construction of the Westmoreland County Community College/Challenger building in addition to capital and renovation projects at the Courthouse. The note has an interest rate of 2.62% with a final maturity date of December of 2047.	\$ 5,128,000
Series B of 2020	\$ 4,918,000	To finance the construction of the Westmoreland County Community College/Challenger building. This loan is a grant anticipation loan and will be paid off when the grant is received. The note has an interest rate of 2.67% with a final maturity date of December 2023.	\$ 4,405,382
Series C of 2020	\$ 710,000	To refinance and consolidate existing outstanding debt. The note has an interest rate of 2.91% with a final maturity in December of 2026.	\$ 507,000
Series D of 2020	\$ 4,286,000	To refinance and consolidate existing outstanding debt. The note has an interest rate of 2.7% with a final maturity in December of 2031.	\$ 4,286,000
Series A of 2021	\$15,665,000	To refinance and consolidate existing outstanding debt. The note has an interest rate of 2.0% through 2023, 3% through 2026, 4% through 2030, and 3% through 2032 with a final maturity in December of 2032.	\$ 14,365,000
Series A of 2022	\$ 3,575,000	To finance the Courthouse capital projects including Courthouse HVAC update, Jail Boilers Update, and Jail security update.	\$ 3,390,000
Various	\$ 837,096	Financed purchases of various County equipment.	\$ 837,096
			<u>\$ 43,259,239</u>

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 10: LONG-TERM OBLIGATIONS (CONTINUED)

Component Units

In addition to the long-term debt above, the County also guarantees debt for the Indiana County Municipal Services Authority and the Highridge Water Authority. This schedule summarizes the activity on this debt for 2023.

Highridge Water Authority

An analysis of debt service requirements to maturity on these obligations follows:

	Balance as of December 31, 2022	Additions	Reductions	Balance as of December 31, 2023
Debt Guaranteed by Indiana County:				
Water Revenue Bonds, Series of 2020	\$ 5,535,000	\$ -	\$ (515,000)	\$ 5,020,000
PennVest Loan	474,162	-	(269,934)	204,228
Other Long-Term Debt:				
PennVest Loan	1,143,794	-	(96,569)	1,047,225
Total Long-Term Debt	<u>\$ 7,152,956</u>	<u>\$ -</u>	<u>\$ (881,503)</u>	<u>\$ 6,271,453</u>

<u>Year Ended December 31</u>	<u>Principal Payments</u>
2024	\$ 896,373
2025	911,747
2026	461,375
2027	469,029
2028	477,711
Thereafter	<u>3,055,218</u>
Total	<u>\$ 6,271,453</u>

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 10: LONG-TERM OBLIGATIONS (CONTINUED)

Component Units (Continued)

Indiana County Municipal Services Authority

An analysis of debt service requirements to maturity on these obligations follows:

Indiana County Municipal Services Authority	
	Balance as of 2023
Debt Guaranteed by Indiana County:	
Sewage Renovation I	\$ 3,755,000
Sewage Renovation III	942,992
Sewage Renovation IV - Cherry Tree	96,288
Sewage Renovation VI	674,366
Crooked Creek Water Project	6,358,206
Cherry Tree Water System Project	477,564
Other Long-Term Debt:	
WR XVIII Interim Financing	4,581,970
Pennvest WB XX	1,414,114
Water Bond Refinance I & II	37,731
Water Bond VII	-
Water Bond VIII	-
Heilwood Water Bond	-
PennVest Water Bond XV	638,067
PennVest Water Bond XVI	1,344,327
West Lebanon Reservoir Bond	8,654
Water Bond XIV Interim Financing	-
Water Bond XI	1,984,376
Water Bond XII	3,775,483
Water Bond XIII	2,767,321
Water Bond XVIII	3,010,540
Vehicle Loan II	9,650
Vehicle Loan III	18,907
Vehicle Loan IV	13,018
Vehicle Loan VI	20,483
Vehicle Loan VII	44,035
Vehicle Loan VIII	72,268
Vehicle Loan IX	66,469
Sewer Revenue Bonds, Series 2022	6,295,000
Sewage Renovation III Refinance	57,705
Sewage Renovation V	103,948
Sewage Renovation X	1,387,582
Sewage Renovation IX - Alverda	639,864
Total Bonds and Notes	40,595,928
Bond Premium	371,755
Total Debt	\$ 40,967,683

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 10: LONG-TERM OBLIGATIONS (CONTINUED)

Component Units (Continued)

Indiana County Municipal Services Authority (Continued)

<u>Year Ended December 31</u>	<u>Principal Payments</u>
2024	\$ 2,708,067
2025-2029	13,036,030
2060-2034	12,430,752
2035-2036	8,254,659
2040-2044	2,944,778
2045-2048	1,060,782
Thereafter	<u>160,860</u>
Total	<u>\$ 40,595,928</u>

NOTE 11: LEASE OBLIGATIONS

A summary of changes in lease obligations for 2023 is as follows:

	<u>Beginning Balance</u>	<u>Lease Additions</u>	<u>Lease Payments</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Governmental Activities	<u>\$ 7,456,739</u>	<u>\$ 533,789</u>	<u>\$ 1,279,818</u>	<u>\$ 6,710,710</u>	<u>\$ 1,309,420</u>

Pertinent information regarding the leases is as follows:

The County leases space for various County agencies and departments from external parties. The leases mature from 2024 through 2032, and have an imputed interest rate of 4.31%. The beginning balance of the lease liability for buildings as of January 1, 2023, was \$2,103,108. During 2023, there were \$191,789 of additions to the lease liability. The outstanding lease liability is \$1,951,511 as of December 31, 2023. A corresponding right of use asset was recorded in the amount of \$2,576,363 and there was \$734,698 of accumulated amortization as of December 31, 2023.

The County leases copiers from external parties. The leases mature from 2024 through 2028, and have an imputed interest rate of 4.31%. The beginning value of the lease liability for buildings as of January 1, 2023, was \$29,339. During 2023, there were \$33,072 of additions to the lease liability. The outstanding lease liability is \$39,825.15 as of December 31, 2022. A corresponding right of use asset was recorded in the amount of \$70,905, and there was \$37,836 of accumulated amortization as of December 31, 2023.

The County leases equipment for various County agencies from external parties. The leases mature in 2025 through 2028, and have an interest rate of 3.5%. The beginning value of the lease liability for buildings as of January 1, 2023, was \$66,102. During 2023, there were \$177,092 of additions to the lease liability. The outstanding lease liability is of which \$182,947 \$182,947 as of December 31, 2023. A corresponding right of use asset was recorded in the amount of \$270,954, and there was \$99,087 of accumulated amortization as of December 31, 2023.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 11: LEASE OBLIGATIONS (CONTINUED)

The County leases tower for various County agencies from external parties. The leases mature from 2025 through 2032, and have an interest rate between 1.2% and the imputed interest rate of 4.31%. The beginning value of the lease liability for buildings as of January 1, 2023, was \$1,260,439. During 2023, there were no additions to the lease liability. The outstanding lease liability is of which \$1,014,927 as of December 31, 2023. A corresponding right of use asset was recorded in the amount of \$1,478,741, and there was \$619,618 of accumulated amortization as of December 31, 2023.

The County leases vehicles for various County agencies and departments from external parties. The leases mature in 2028, and have an imputed interest rate of 4.31%. The beginning value of the lease liability for vehicles as of January 1, 2023, was \$826,765. During 2023, there were \$138,437 of additions to the lease liability. The outstanding lease liability is of which of which \$811,510 as of December 31, 2023. A corresponding right of use asset was recorded in the amount of \$1,197,194, and there was \$441,149 of accumulated amortization as of December 31, 2023.

The County leases software for various County agencies and departments from external parties. The leases mature in 2025 through 2032, and have an imputed interest rate of 4.31%. The initial value of the lease liability for vehicles as of January 1, 2023, was \$3,164,907, of which of which \$2,709,990 was outstanding as of December 31, 2023. A corresponding right of use asset was initially recorded in the amount of \$3,164,907, and there was \$503,012 of accumulated amortization as of December 31, 2023.

Future maturities of lease obligations are as follows:

Year ended December 31	Governmental Activities		
	Principal	Interest	Total
2024	\$ 1,309,420	\$ 235,572	\$ 1,544,992
2025	1,243,893	182,598	1,426,491
2026	1,046,825	136,704	1,183,529
2027	842,784	97,097	939,881
2027	682,941	69,496	752,437
2029-2033	1,584,847	121,676	1,706,523
	<u>\$ 6,710,710</u>	<u>\$ 843,143</u>	<u>\$ 7,553,853</u>

NOTE 12: GUARANTEES OF COMPONENT UNITS

The County has agreed to guarantee the Municipal Services Authority's indebtedness. The Municipal Services Authority is required to repay the County for any payments the County makes pursuant to the guarantee. The County has not made any payments on behalf of the Municipal Services Authority as of December 31, 2023. A summary of all guaranteed debt is listed below.

In 2005, the County guaranteed the Municipal Services Authority \$989,074 PennVest Cherry Tree Installment Note. This note matures in May 2037. As of December 31, 2023 the outstanding principal amount of the guarantee is \$477,564.

In 2005, the County guaranteed the Municipal Services Authority \$13,299,915 Crooked Creek Installment Note. This note matures in March 2037. As of December 31, 2023 the outstanding principal amount of the guarantee is \$6,358,206.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 12: GUARANTEES OF COMPONENT UNITS (CONTINUED)

In 1999, the County guaranteed the Municipal Services Authority \$6,258,000 Sewer Revenue Notes, Series 1999. These notes mature in December 2039. As of December 31, 2023 the outstanding principal amount of the guarantee is \$3,755,000.

In 2001, the County guaranteed the Municipal Services Authority \$2,770,000 Sewage Renovation III Installment Note. This note matures in March 2033. As of December 31, 2023 the outstanding principal amount of the guarantee is \$942,992.

In 2002, the County guaranteed the Municipal Services Authority \$1,351,200 Sewage Renovation VI Installment Note. This note matures in April 2037. As of December 31, 2023 the outstanding principal amount of the guarantee is \$674,366.

In 2003, the County guaranteed the Municipal Services Authority \$1,173,199 Sewage Renovation IV Installment Note. This note matures in June 2025. As of December 31, 2023 the outstanding principal amount of the guarantee is \$96,288.

The County has agreed to guarantee Highridge Water Authority's indebtedness. Highridge Water Authority is required to repay the County for any payments the County makes pursuant to the guarantee. The County has not made any payments on behalf of Highridge Water Authority as of December 31, 2023. A summary of all guaranteed debt is listed below:

In 2020, the County guaranteed Highridge Water Authority \$6,540,000 Water Revenue Notes Series 2020. This note matures in April 2025. As of December 31, 2023 the outstanding principal amount of the guarantee is \$5,020,000.

In 1994, the County guaranteed Highridge Water Authority \$6,715,890 PennVest Installment Note. This note matures in September 2024. As of December 31, 2023 the outstanding principal amount of the guarantee is \$204,228.

NOTE 13: INTERFUND RECEIVABLES AND PAYABLES

Certain funds have paid the expenditures of the other funds and the amounts have not been repaid at year end, resulting in interfund balances. Interfund receivable and payable balances of each major fund as of December 31, 2023, are as follows:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
<u>Governmental Fund Types</u>		
General Fund	\$ 465,255	\$ 1,319,691
CPR Fund	84,653	-
ARPA Fund	1,000,000	-
Other Governmental Fund Type	<u>219,639</u>	<u>316,293</u>
Total Governmental Fund Types	<u>1,769,547</u>	<u>1,635,984</u>
<u>Proprietary Fund</u>		
Communities at Indian Haven	<u>132,488</u>	<u>266,051</u>
Total Proprietary Fund Type	<u>132,488</u>	<u>266,051</u>
Total Interfund Balances	<u>\$1,902,035</u>	<u>\$ 1,902,035</u>

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 13: INTERFUND RECEIVABLES AND PAYABLES (CONTINUED)

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

NOTE 14: INTERFUND OPERATING TRANSFERS

Interfund operating transfers are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
<u>Governmental Fund Types</u>		
General Fund	\$ 132,000	\$ 80,821
Other Governmental Funds	130,821	50,000
Total Governmental Fund Type	<u>262,821</u>	<u>130,821</u>
 <u>Proprietary Fund</u>		
Communities at Indian Haven	-	132,000
Total Proprietary Fund Type	<u>-</u>	<u>132,000</u>
 Total Interfund Transfers	 <u>\$ 262,821</u>	 <u>\$ 262,821</u>

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

NOTE 15: NET PATIENT SERVICE REVENUE

The Communities at Indian Haven, Inc.

Indian Haven has agreements with third-party payors that provide for payments to Indian Haven at amounts different from its established rates. A significant portion of Indian Haven's revenues are derived from third-party payor programs. A summary of the principal payment arrangements with third-party payors follows:

- Medical Assistance – Nursing services provided to Medical Assistance program beneficiaries are paid at prospectively determined rates per day. These rates vary according to a resident classification system that is based on clinical, diagnostic, and other factors and the reimbursement methodology is subject to various limitations and adjustments.
- Medicare – Nursing and ancillary services rendered to Medicare Part A beneficiaries are paid at prospectively determined rates per day. These rates vary according to a resident classification system that is based on clinical, diagnostic, and other factors, and the reimbursement methodology is subject to various limitations and adjustments.

Indian Haven is reimbursed for therapy services provided to Medicare Part B beneficiaries at the lesser of a published fee schedule or actual charges.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 15: NET PATIENT SERVICE REVENUE (CONTINUED)

The Communities at Indian Haven, Inc. (Continued)

As described above, the Medical Assistance and Medicare Part A rates are based on clinical, diagnostic, and other factors. Indian Haven is required to clinically assess its residents at predetermined periods throughout the year. The documented assessments are subject to review and adjustment by the Medical Assistance and Medicare Programs.

Indian Haven also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to Indian Haven under these agreements includes prospectively determined rates per day or discounts from established charges.

NOTE 16: FUND BALANCES

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

<u>Fund:</u>	<u>Fund Balance:</u>	<u>Balances</u>
Major Funds		
General Fund	<u>Non-Spendable:</u>	
	These amounts are other assets	\$ 277,925
		<u>277,925</u>
	<u>Restricted Funds:</u>	
	These funds are restricted for Coroner Act 122	21,076
	These funds are restricted for Coroner Data	39,614
	These funds are restricted for Coroner Training	115,265
	These funds are restricted for Victim Services	28,821
	These funds are restricted for Act 13 Shale Impact	528,011
	These funds are restricted for Act 13 Highway Bridge	1,331,897
	These funds are restricted for Act 13 Greenways Rehab	255,803
	These funds are restricted for Airport Construction	<u>77,612</u>
		2,398,099
	<u>Assigned Funds:</u>	
	These funds are assigned for Debt Service	888,049
	These funds are assigned for Rt 22 Ped Bridge	10,000
	These funds are assigned for Suicide Task Force	31,100
	These funds are assigned for CYS Special Fund	11,180
	These funds are assigned for Employee Vending Fund	3,161
	These funds are assigned for Healthcare Fully Insured	2,265,111
	These funds are assigned for Elections Machine	53,410
	These funds are assigned for American Rescue Plan	10,620,499
	These funds are assigned for Bar Association Donations	5,407
	These funds are assigned for Capital Projects	2,188,799
	These funds are assigned for 2022 Capital Projects	<u>453,489</u>
		16,530,205
Community Program for Restoration	<u>Restricted Funds:</u>	
	These funds are restricted for the Community Program Restoration.	361,718
Revolving Loan	<u>Restricted Funds:</u>	
	These funds are restricted for the Revolving Loan Program.	1,457,629
American Rescue Plan	<u>Restricted Funds:</u>	
	These funds are restricted for the American Rescue Plan.	22,207

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2023

NOTE 16: FUND BALANCES (CONTINUED)

Non-Major Governmental Funds

Special Revenue Funds

Non-Spendable:

These amounts are prepaid expenses.

12,606

Restricted Funds:

These funds are restricted within the departments of the General Government.

537,015

These funds are restricted within the Judicial System.

1,888,021

These funds are restricted within the Public Safety programs.

307,335

These funds are restricted within the Human Service programs.

12,377

These funds are restricted within the Public Works programs.

1,912,216

These funds are restricted within the Culture and Recreation programs.

322,881

These funds are restricted within the Conservation and Development programs.

760,477

\$5,740,322

NOTE 17: LITIGATION

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

NOTE 18: RISK MANAGEMENT

The County participates in the Pennsylvania Counties' Workers' Compensation Trust (the "Trust") insurance pool for workers' compensation insurance. Insurance premiums are developed based on employee job descriptions, rate factors, and payroll costs for the year. The Trust has an audit performed each year and the County may be required to pay an additional premium as a result of the audit, or, the County may be entitled to a refund as a result of the audit. For the year ended December 31, 2023, the County paid insurance premiums of \$333,042 to the Trust.

NOTE 19: SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 29, 2023, the date the financial statements were available to be issued.

**REQUIRED
SUPPLEMENTAL
INFORMATION**

COUNTY OF INDIANA, PENNSYLVANIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive (Negative)
Revenues				
Taxes, Real estate	\$ 23,045,709	\$ 23,045,709	\$ 23,402,621	\$ 356,912
Intergovernmental grants	12,471,123	13,130,105	12,249,695	(880,410)
Charges for services	7,216,153	7,274,778	432,826	(6,841,952)
Departmental charges	491,650	491,650	8,078,579	7,586,929
Interest income	27,583	27,583	405,544	377,961
Other revenue	101,750	101,991	87,999	(13,992)
Total Revenues	<u>43,353,968</u>	<u>44,071,816</u>	<u>44,657,264</u>	<u>585,448</u>
Expenditures				
Current operating:				
General government	7,658,901	7,685,546	15,199,247	(7,513,701)
Judicial	7,408,158	7,456,747	7,127,640	329,107
Public safety	16,107,221	16,155,978	8,637,685	7,518,293
Public works	352,683	356,355	278,547	77,808
Human services	12,119,968	12,201,031	11,050,955	1,150,076
Culture and recreation	837,181	1,197,483	1,140,742	56,741
Conservation and development	284,648	359,128	340,838	18,290
Miscellaneous	98,000	120,323	786,520	(666,197)
Capital outlay	-	-	346,997	(346,997)
Debt service	<u>4,110,219</u>	<u>4,145,820</u>	<u>4,546,489</u>	<u>(400,669)</u>
Total Expenditures	<u>48,976,979</u>	<u>49,678,411</u>	<u>49,455,660</u>	<u>222,751</u>
Excess (deficiency) of revenues over expenditures	<u>(5,623,011)</u>	<u>(5,606,595)</u>	<u>(4,798,396)</u>	<u>362,697</u>
Other financing sources (uses)				
Proceeds from long term debt	-	-	1,192,972	1,192,972
Proceeds from disposal of fixed assets	-	-	341	341
Amounts received from loans	-	-	400,752	400,752
Transfers in	132,000	132,000	132,000	-
Transfers out	<u>(66,780)</u>	<u>(83,196)</u>	<u>(80,821)</u>	<u>2,375</u>
Total other financing sources (uses)	<u>65,220</u>	<u>48,804</u>	<u>1,645,244</u>	<u>1,596,440</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ (5,557,791)</u>	<u>\$ (5,557,791)</u>	<u>\$ (3,153,152)</u>	<u>\$ 1,959,137</u>

COUNTY OF INDIANA, PENNSYLVANIA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total pension liability										
Service Cost	\$ 1,482,615	\$ 1,487,234	\$ 1,505,842	\$ 1,519,127	\$ 1,382,786	\$ 1,384,446	\$ 1,441,239	\$ 1,395,959	\$ 1,336,839	\$ 1,459,712
Interest	2,632,137	2,809,872	2,983,894	3,163,224	3,345,611	3,545,607	3,719,355	4,076,619	4,164,676	4,309,198
Differences between expected and actual experience	(460,609)	(216,483)	(164,293)	(125,284)	(39,350)	202,191	(110,141)	449,560	(1,029,538)	(119,227)
Changes of assumptions	-	-	-	-	993,400	-	-	4,144,182	-	-
Benefits payments, including refunds of member contributions	(1,450,606)	(1,647,228)	(1,991,410)	(1,964,563)	(2,014,674)	(2,338,347)	(2,627,087)	(2,922,560)	(3,336,341)	(3,548,370)
Net change in total pension liability	2,203,537	2,433,395	2,334,033	2,592,504	3,667,773	2,793,897	2,423,366	7,143,760	1,135,636	2,101,313
Total pension liability - beginning	35,235,769	37,439,306	39,872,701	42,206,734	44,799,238	48,467,011	51,260,908	53,684,274	60,828,034	61,963,670
Total pension liability - ending (a)	<u>\$37,439,306</u>	<u>\$39,872,701</u>	<u>\$42,206,734</u>	<u>\$44,799,238</u>	<u>\$48,467,011</u>	<u>\$51,260,908</u>	<u>\$53,684,274</u>	<u>\$60,828,034</u>	<u>\$61,963,670</u>	<u>\$64,064,983</u>
Plan fiduciary net position										
Contributions - employer	\$ -	\$ 243,566	\$ 500,000	\$ 652,173	\$ 525,933	\$ 500,000	\$ 500,000	\$ 891,623	\$ 625,654	\$ 792,056
Contributions - employee	884,856	857,245	886,553	903,146	918,025	957,060	991,006	1,048,477	1,074,282	1,185,900
Net investment income	2,371,131	(853,587)	3,336,471	5,714,759	(2,391,937)	6,831,698	5,706,610	8,164,365	(6,092,636)	7,733,060
Benefit payments, including refunds of employee contributions	(1,450,606)	(1,647,228)	(1,991,410)	(1,964,563)	(2,014,674)	(2,338,347)	(2,627,087)	(2,922,560)	(3,336,341)	(3,548,370)
Administrative expense	(27,415)	(25,839)	(48,112)	(71,893)	(78,734)	(67,614)	(75,798)	(61,709)	(103,161)	(77,878)
Other	-	-	-	-	(17,399)	(8,172)	-	(138,324)	(9,508)	(24,488)
Net change in plan fiduciary position	1,777,966	(1,425,843)	2,683,502	5,233,622	(3,058,786)	5,874,625	4,494,731	6,981,872	(7,841,710)	6,060,280
Plan fiduciary net position - beginning	41,544,045	43,322,014	41,896,171	44,579,673	49,813,295	46,754,509	52,629,134	57,123,865	64,105,737	56,264,027
Plan fiduciary net position - ending (b)	<u>\$43,322,011</u>	<u>\$41,896,171</u>	<u>\$44,579,673</u>	<u>\$49,813,295</u>	<u>\$46,754,509</u>	<u>\$52,629,134</u>	<u>\$57,123,865</u>	<u>\$64,105,737</u>	<u>\$56,264,027</u>	<u>\$62,324,307</u>
County's net pension liability (asset) - ending (a) - (b)	<u>\$ (5,882,705)</u>	<u>\$ (2,023,470)</u>	<u>\$ (2,372,939)</u>	<u>\$ (5,014,057)</u>	<u>\$ 1,712,502</u>	<u>\$ (1,368,226)</u>	<u>\$ (3,439,591)</u>	<u>\$ (3,277,703)</u>	<u>\$ 5,699,643</u>	<u>\$ 1,740,676</u>
Plan fiduciary net position as a percentage of the total pension liability	115.71%	105.07%	105.62%	111.19%	96.47%	102.67%	106.41%	105.39%	90.80%	97.28%
Covered - employee payroll	\$ 15,621,894	\$ 16,530,669	\$ 16,789,363	\$ 17,153,570	\$ 17,504,938	\$ 16,751,771	\$ 17,904,426	\$ 18,498,187	\$ 17,465,816	\$ 18,430,342
County net pension liability as a percentage of covered - employee payroll	-37.66%	-12.24%	-14.13%	-29.23%	9.78%	-8.17%	-19.21%	-17.72%	32.63%	9.44%

COUNTY OF INDIANA, PENNSYLVANIA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS - LAST 10 YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 117,162	\$ 243,566	\$ 682,497	\$ 652,173	\$ 525,933	\$ 734,293	\$ 875,063	\$ 891,623	\$ 625,654	\$ 792,056
Contributions in relation to the actuarially determined contribution	-	243,566	500,000	652,173	525,933	500,000	500,000	891,623	625,654	792,056
Contribution deficiency (excess)	<u>\$ 117,162</u>	<u>\$ -</u>	<u>\$ 182,497</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 234,293</u>	<u>\$ 375,063</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered - employee payroll	\$ 15,621,894	\$ 16,530,669	\$ 16,789,363	\$ 17,153,570	\$ 17,504,938	\$ 16,751,771	\$ 17,904,426	\$ 18,498,187	\$ 17,465,816	\$ 18,430,342
Contributions as a percentage of covered - employee payroll	0.00%	1.47%	2.98%	3.80%	3.00%	2.98%	2.79%	4.82%	3.58%	4.30%
Notes to Schedule										
Valuation date:	January 1, 2014	January 1, 2015	January 1, 2016	January 1, 2017	January 1, 2018	January 1, 2019	January 1, 2020	January 1, 2021	January 1, 2022	January 1, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar
Remaining amortization period	15 years
Asset valuation method	Market value adjusted for unrecognized gains and losses from prior years
Inflation	3.00%
Salary increases	3.50 average, including inflation
Investment rate of return	7% net of pension plan investment expense, including inflation
Retirement age	Age 60 or 55 with 20 years' service
Mortality	PubG-2010 Mortality Table for males and females set forward on year with generational mortality improvement using MP20

COUNTY OF INDIANA, PENNSYLVANIA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF INVESTMENT RETURNS

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Annual money-weighted rate of return, net of investment expense	5.99%	1.65%	8.26%	13.01%	-4.69%	16.80%	10.57%	14.60%	-9.54%	14.60%

**OTHER
SUPPLEMENTAL
INFORMATION**

COUNTY OF INDIANA, PENNSYLVANIA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2023

	Capital Improvements Fund	Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
<hr/>			
Assets			
Cash and cash equivalents	\$ 80,740	\$ 6,488,714	\$ 6,569,454
Investments	-	116,233	116,233
Receivables:			
Other governmental grants	-	2,308,980	2,308,980
Other	-	136,390	136,390
Loans	-	1,062,502	1,062,502
Due from other funds	-	219,639	219,639
Prepaid expenses	-	12,606	12,606
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 80,740</u>	<u>\$ 10,345,064</u>	<u>\$ 10,425,804</u>
<hr/>			
Liabilities			
Accounts payable	\$ -	\$ 1,589,164	\$ 1,589,164
Accrued Liabilities	-	1,403,969	1,403,969
Due to other governments	-	331	331
Due to other funds	-	316,293	316,293
Unearned revenue	-	676,386	676,386
Unearned loans receivable	-	1,062,502	1,062,502
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>-</u>	<u>5,048,645</u>	<u>5,048,645</u>
<hr/>			
Fund Balance			
Fund balance:			
Nonspendable	-	12,606	12,606
Restricted	80,740	5,659,582	5,740,322
Unassigned	-	(375,769)	(375,769)
	<hr/>	<hr/>	<hr/>
Total fund balance	<u>80,740</u>	<u>5,296,419</u>	<u>5,377,159</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balance	<u>\$ 80,740</u>	<u>\$ 10,345,064</u>	<u>\$ 10,425,804</u>

COUNTY OF INDIANA, PENNSYLVANIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Capital Improvements Fund	Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
Revenues			
Taxes, Hotel	\$ -	\$ 651,548	\$ 651,548
Intergovernmental revenue	-	10,143,196	10,143,196
Charges for services	-	1,204,986	1,204,986
Interest income	137	94,791	94,928
Other revenue	-	7,785	7,785
Total Revenues	<u>137</u>	<u>12,102,306</u>	<u>12,102,443</u>
Expenditures			
Current operating:			
General government	-	85,775	85,775
Judicial	-	1,371,436	1,371,436
Public safety	-	3,232,927	3,232,927
Public works	-	1,645,762	1,645,762
Human services	-	522,091	522,091
Culture and recreation	-	730,992	730,992
Conservation and development	-	4,593,751	4,593,751
Total Expenditures	<u>-</u>	<u>12,182,734</u>	<u>12,182,734</u>
Excess (deficiency) of revenues over expenditures	<u>137</u>	<u>(80,428)</u>	<u>(80,291)</u>
Other financing sources (uses)			
Amounts received from loans	-	57,295	57,295
Transfers in	23,196	107,625	130,821
Transfers out	-	(50,000)	(50,000)
Total other financing sources (uses)	<u>23,196</u>	<u>114,920</u>	<u>138,116</u>
Net change in fund balance	23,333	34,492	57,825
Fund balance, beginning of year	<u>57,407</u>	<u>5,261,927</u>	<u>5,319,334</u>
Fund balance, end of year	<u>\$ 80,740</u>	<u>\$ 5,296,419</u>	<u>\$ 5,377,159</u>

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023

	Liquid Fuels	Human Services Development	Planning Fund	Airport Construction	Children's Advisory Commission	Enhanced 911	Hazardous Materials	Indiana County Code Division
Assets								
Cash and cash equivalents	\$ 1,920,136	\$ 5,880	\$ 31,161	\$ 2,407	\$ 4,947	\$ 435,753	\$ 5,919	\$ 138,475
Investments	8,432	-	-	-	-	-	-	-
Receivables:								
Other governmental grants	84,755	-	13,536	13,659	-	749,050	-	-
Other	-	-	-	-	-	-	15,000	-
Loans	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	12,606	-
Total assets	\$ 2,013,323	\$ 5,880	\$ 44,697	\$ 16,066	\$ 4,947	\$ 1,184,803	\$ 33,525	\$ 138,475
Liabilities								
Accounts payable	\$ 103,514	\$ 20,295	\$ -	\$ 13,659	\$ 795	\$ -	\$ 1,634	\$ 122,644
Accrued liabilities	-	-	-	-	-	1,386,810	-	-
Due to other governments	-	-	-	-	-	-	-	331
Due to other funds	-	-	2,217	-	-	-	65,000	-
Unearned revenue	-	-	-	-	-	-	-	-
Unearned loans receivable	-	-	-	-	-	-	-	-
Total liabilities	103,514	20,295	2,217	13,659	795	1,386,810	66,634	122,975
Fund Balance								
Fund balance:								
Nonspendable	-	-	-	-	-	-	12,606	-
Restricted	1,909,809	-	42,480	2,407	4,152	-	-	15,500
Unassigned	-	(14,415)	-	-	-	(202,007)	(45,715)	-
Total fund balance	1,909,809	(14,415)	42,480	2,407	4,152	(202,007)	(33,109)	15,500
Total liabilities and fund balance	\$ 2,013,323	\$ 5,880	\$ 44,697	\$ 16,066	\$ 4,947	\$ 1,184,803	\$ 33,525	\$ 138,475

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023

	Keystone Communities	Jail Commissary	Register of Wills Ck of Orphan Ct	County Record's Improvement	Register and Recorder Records Improvement	Assessment Uniform Parcel ID	Recorder's Uniform Parcel ID	Domestic Relations
<u>Assets</u>								
Cash and cash equivalents	\$ 13	\$ 281,333	\$ 30,534	\$ 160,288	\$ 132,549	\$ 55,805	\$ 67,753	\$ 1,324,971
Investments	-	-	-	-	-	-	-	-
Receivables:								
Other governmental grants	156,653	-	-	-	-	-	-	321,126
Other	-	32,854	-	1,118	-	520	520	2,189
Loans	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	187,204
Prepaid expenses	-	-	-	-	-	-	-	-
Total assets	<u>\$ 156,666</u>	<u>\$ 314,187</u>	<u>\$ 30,534</u>	<u>\$ 161,406</u>	<u>\$ 132,549</u>	<u>\$ 56,325</u>	<u>\$ 68,273</u>	<u>\$ 1,835,490</u>
<u>Liabilities</u>								
Accounts payable	\$ 180,000	\$ 6,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,255
Accrued liabilities	-	-	-	-	-	-	-	11,099
Due to other governments	-	-	-	-	-	-	-	-
Due to other funds	84,653	-	-	-	-	-	-	134,204
Unearned revenue	-	-	-	-	-	-	-	-
Unearned loans receivable	-	-	-	-	-	-	-	-
Total liabilities	<u>264,653</u>	<u>6,852</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>152,558</u>
<u>Fund Balance</u>								
Fund balance:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	307,335	30,534	161,406	132,549	56,325	68,273	1,682,932
Unassigned	<u>(107,987)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>(107,987)</u>	<u>307,335</u>	<u>30,534</u>	<u>161,406</u>	<u>132,549</u>	<u>56,325</u>	<u>68,273</u>	<u>1,682,932</u>
Total liabilities and fund balance	<u>\$ 156,666</u>	<u>\$ 314,187</u>	<u>\$ 30,534</u>	<u>\$ 161,406</u>	<u>\$ 132,549</u>	<u>\$ 56,325</u>	<u>\$ 68,273</u>	<u>\$ 1,835,490</u>

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023

	Drug Task Force	DA Special Investigations	Health and Human Services Sub-Committee	Sheriff Public Safety Training	Prothonotary Automation	Adoption Counseling	Hotel Tax	Parks Gas Lease
<u>Assets</u>								
Cash and cash equivalents	\$ 33,747	\$ 135,824	\$ 8,441	\$ 11,606	\$ 4,826	\$ 21,922	\$ 21,420	\$ 16,605
Investments	-	-	-	-	-	-	-	-
Receivables:								
Other governmental grants	-	-	-	-	-	-	-	-
Other	-	7,831	-	-	-	300	64,263	1,014
Loans	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Total assets	<u>\$ 33,747</u>	<u>\$ 143,655</u>	<u>\$ 8,441</u>	<u>\$ 11,606</u>	<u>\$ 4,826</u>	<u>\$ 22,222</u>	<u>\$ 85,683</u>	<u>\$ 17,619</u>
<u>Liabilities</u>								
Accounts payable	\$ 23,767	\$ 495	\$ 227	\$ -	\$ -	\$ -	\$ 79,755	\$ -
Accrued liabilities	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-
Unearned loans receivable	-	-	-	-	-	-	-	-
Total liabilities	<u>23,767</u>	<u>495</u>	<u>227</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,755</u>	<u>-</u>
<u>Fund Balance</u>								
Fund balance:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	9,980	143,160	8,214	11,606	4,826	22,222	5,928	17,619
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	<u>9,980</u>	<u>143,160</u>	<u>8,214</u>	<u>11,606</u>	<u>4,826</u>	<u>22,222</u>	<u>5,928</u>	<u>17,619</u>
Total liabilities and fund balance	<u>\$ 33,747</u>	<u>\$ 143,655</u>	<u>\$ 8,441</u>	<u>\$ 11,606</u>	<u>\$ 4,826</u>	<u>\$ 22,222</u>	<u>\$ 85,683</u>	<u>\$ 17,619</u>

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023

	Parks Enterprise	Farmlands Preservation	Community Development Block Grant	HOME Investment	Escrow Fund	Affordable Housing and Act 137	Emergency Repair	Emergency Shelter Grant
<u>Assets</u>								
Cash and cash equivalents	\$ 301,569	\$ 28,163	\$ 3,201	\$ 4,783	\$ -	\$ 78,381	\$ 15,670	\$ 116
Investments	-	-	-	-	-	107,801	-	-
Receivables:								
Other governmental grants	-	-	224,760	-	-	-	-	30,218
Other	-	474	-	-	1,050	2,990	-	-
Loans	-	-	-	-	-	51,094	55,152	-
Due from other funds	-	-	2,217	-	-	30,218	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Total assets	<u>\$ 301,569</u>	<u>\$ 28,637</u>	<u>\$ 230,178</u>	<u>\$ 4,783</u>	<u>\$ 1,050</u>	<u>\$ 270,484</u>	<u>\$ 70,822</u>	<u>\$ 30,334</u>
<u>Liabilities</u>								
Accounts payable	\$ 2,235	\$ 6,250	\$ 224,760	\$ 3,770	\$ -	\$ 20,865	\$ -	\$ 104
Accrued liabilities	-	-	474	603	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	30,219
Unearned revenue	-	-	-	-	-	-	-	-
Unearned loans receivable	-	-	-	-	-	51,094	55,152	-
Total liabilities	<u>2,235</u>	<u>6,250</u>	<u>225,234</u>	<u>4,373</u>	<u>-</u>	<u>71,959</u>	<u>55,152</u>	<u>30,323</u>
<u>Fund Balance</u>								
Fund balance:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	299,334	22,387	4,944	410	1,050	198,525	15,670	11
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	<u>299,334</u>	<u>22,387</u>	<u>4,944</u>	<u>410</u>	<u>1,050</u>	<u>198,525</u>	<u>15,670</u>	<u>11</u>
Total liabilities and fund balance	<u>\$ 301,569</u>	<u>\$ 28,637</u>	<u>\$ 230,178</u>	<u>\$ 4,783</u>	<u>\$ 1,050</u>	<u>\$ 270,484</u>	<u>\$ 70,822</u>	<u>\$ 30,334</u>

COUNTY OF INDIANA, PENNSYLVANIA
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2023

	Community Development Fund	Community Revitalization Program	General Economic Development	Homeless Assistance Program	Enterprise Zone	DA Forfeitures Account	WHR	DA Victim Services
Assets								
Cash and cash equivalents	\$ 14,981	\$ 105	\$ 21,012	\$ 23,701	\$ 424,284	\$ 5,457	\$ 705,758	\$ 9,218
Investments	-	-	-	-	-	-	-	-
Receivables:								
Other governmental grants	-	-	715,223	-	-	-	-	-
Other	-	-	-	-	4,560	959	-	748
Loans	-	150,000	-	-	806,256	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Total assets	\$ 14,981	\$ 150,105	\$ 736,235	\$ 23,701	\$ 1,235,100	\$ 6,416	\$ 705,758	\$ 9,966
Liabilities								
Accounts payable	\$ -	\$ -	\$ 715,324	\$ 29,346	\$ -	\$ 6,416	\$ 19,202	\$ -
Accrued liabilities	-	-	-	-	-	-	-	4,983
Due to other governments	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	676,386	-
Unearned loans receivable	-	150,000	-	-	806,256	-	-	-
Total liabilities	-	150,000	715,324	29,346	806,256	6,416	695,588	4,983
Fund Balance								
Fund balance:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	14,981	105	20,911	-	428,844	-	10,170	4,983
Unassigned	-	-	-	(5,645)	-	-	-	-
Total fund balance	14,981	105	20,911	(5,645)	428,844	-	10,170	4,983
Total liabilities and fund balance	\$ 14,981	\$ 150,105	\$ 736,235	\$ 23,701	\$ 1,235,100	\$ 6,416	\$ 705,758	\$ 9,966

COUNTY OF INDIANA, PENNSYLVANIA
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2023

Assets	Total
Cash and cash equivalents	\$ 6,488,714
Investments	116,233
Receivables:	
Other governmental grants	2,308,980
Other	136,390
Loans	1,062,502
Due from other funds	219,639
Prepaid expenses	<u>12,606</u>
 Total assets	 <u><u>\$ 10,345,064</u></u>
 Liabilities	
Accounts payable	\$ 1,589,164
Accrued liabilities	1,403,969
Due to other governments	331
Due to other funds	316,293
Unearned revenue	676,386
Unearned loans receivable	<u>1,062,502</u>
 Total liabilities	 <u>5,048,645</u>
 Fund Balance	
Fund balance:	
Nonspendable	12,606
Restricted	5,659,582
Unassigned	<u>(375,769)</u>
 Total fund balance	 <u>5,296,419</u>
 Total liabilities and fund balance	 <u><u>\$ 10,345,064</u></u>

COUNTY OF INDIANA, PENNSYLVANIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT)
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Liquid Fuels	Human Services Development	Planning Fund	Airport Construction	Children's Advisory Commission	Enhanced 911	Hazardous Materials	Indiana County Code Division
Revenues								
Taxes, Hotel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue	446,560	88,586	25,648	1,203,493	-	2,818,899	-	-
Charges for services	-	440	-	-	8,140	-	23,711	63,036
Interest income	30,973	28	610	42	51	1,659	49	1,402
Other revenue	-	-	-	-	-	-	-	-
Total Revenues	<u>477,533</u>	<u>89,054</u>	<u>26,258</u>	<u>1,203,535</u>	<u>8,191</u>	<u>2,820,558</u>	<u>23,760</u>	<u>64,438</u>
Expenditures								
Current operating:								
General government	-	-	-	-	-	-	-	66,556
Judicial	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	2,946,445	130,305	-
Public works	416,994	-	-	1,228,768	-	-	-	-
Human services	-	102,171	-	-	6,698	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Conservation and development	-	-	24,610	-	-	-	-	-
Total Expenditures	<u>416,994</u>	<u>102,171</u>	<u>24,610</u>	<u>1,228,768</u>	<u>6,698</u>	<u>2,946,445</u>	<u>130,305</u>	<u>66,556</u>
Excess (deficiency) of revenues over expenditures	<u>60,539</u>	<u>(13,117)</u>	<u>1,648</u>	<u>(25,233)</u>	<u>1,493</u>	<u>(125,887)</u>	<u>(106,545)</u>	<u>(2,118)</u>
Other financing sources (uses)								
Amounts received from loans	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	57,625	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,625</u>	<u>-</u>
Net change in fund balance	60,539	(13,117)	1,648	(25,233)	1,493	(125,887)	(48,920)	(2,118)
Fund balance, beginning of year	<u>1,849,270</u>	<u>(1,298)</u>	<u>40,832</u>	<u>27,640</u>	<u>2,659</u>	<u>(76,120)</u>	<u>15,811</u>	<u>17,618</u>
Fund balance, end of year	<u>\$ 1,909,809</u>	<u>\$ (14,415)</u>	<u>\$ 42,480</u>	<u>\$ 2,407</u>	<u>\$ 4,152</u>	<u>\$ (202,007)</u>	<u>\$ (33,109)</u>	<u>\$ 15,500</u>

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Keystone Communities Program	Jail Commissary	Register of Wills Ck of Orphan Ct	County Record's Improvement	Register and Recorder Records Improvement	Assessment Uniform Parcel ID	Recorder's Uniform Parcel ID	Domestic Relations
Revenues								
Taxes, Hotel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue	519,214	-	-	-	-	-	-	803,181
Charges for services	-	254,191	4,313	15,738	24,057	7,440	7,440	428,704
Interest income	7	404	-	2,509	12	964	1,036	25,325
Other revenue	-	-	-	-	-	-	-	-
Total Revenues	<u>519,221</u>	<u>254,595</u>	<u>4,313</u>	<u>18,247</u>	<u>24,069</u>	<u>8,404</u>	<u>8,476</u>	<u>1,257,210</u>
Expenditures								
Current operating:								
General government	-	-	-	4,781	1,980	12,458	-	-
Judicial	-	-	-	-	-	-	-	1,202,909
Public safety	-	156,177	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Conservation and development	<u>627,214</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>627,214</u>	<u>156,177</u>	<u>-</u>	<u>4,781</u>	<u>1,980</u>	<u>12,458</u>	<u>-</u>	<u>1,202,909</u>
Excess (deficiency) of revenues over expenditures	<u>(107,993)</u>	<u>98,418</u>	<u>4,313</u>	<u>13,466</u>	<u>22,089</u>	<u>(4,054)</u>	<u>8,476</u>	<u>54,301</u>
Other financing sources (uses)								
Amounts received from loans	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(107,993)	98,418	4,313	13,466	22,089	(4,054)	8,476	54,301
Fund balance, beginning of year	<u>6</u>	<u>208,917</u>	<u>26,221</u>	<u>147,940</u>	<u>110,460</u>	<u>60,379</u>	<u>59,797</u>	<u>1,628,631</u>
Fund balance, end of year	<u>\$ (107,987)</u>	<u>\$ 307,335</u>	<u>\$ 30,534</u>	<u>\$ 161,406</u>	<u>\$ 132,549</u>	<u>\$ 56,325</u>	<u>\$ 68,273</u>	<u>\$ 1,682,932</u>

COUNTY OF INDIANA, PENNSYLVANIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Drug Task Force	DA Special Investigations	Health and Human Services Sub-Committee	Sheriff Public Safety Training	Prothonotary Automation	Adoption Counseling	Hotel Tax	Parks Gas Lease
Revenues								
Taxes, Hotel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 651,548	\$ -
Intergovernmental revenue	66,362	-	-	-	-	-	-	-
Charges for services	-	32,558	1,600	3,870	9,766	1,875	-	9,522
Interest income	-	16	134	178	1	342	441	337
Other revenue	-	-	-	-	-	-	-	-
Total Revenues	<u>66,362</u>	<u>32,574</u>	<u>1,734</u>	<u>4,048</u>	<u>9,767</u>	<u>2,217</u>	<u>651,989</u>	<u>9,859</u>
Expenditures								
Current operating:								
General government	-	-	-	-	-	-	-	-
Judicial	67,666	71,205	-	3,301	12,043	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Human services	-	-	1,494	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	652,214	25,107
Conservation and development	-	-	-	-	-	-	-	-
Total Expenditures	<u>67,666</u>	<u>71,205</u>	<u>1,494</u>	<u>3,301</u>	<u>12,043</u>	<u>-</u>	<u>652,214</u>	<u>25,107</u>
Excess (deficiency) of revenues over expenditures	<u>(1,304)</u>	<u>(38,631)</u>	<u>240</u>	<u>747</u>	<u>(2,276)</u>	<u>2,217</u>	<u>(225)</u>	<u>(15,248)</u>
Other financing sources (uses)								
Amounts received from loans	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(1,304)	(38,631)	240	747	(2,276)	2,217	(225)	(15,248)
Fund balance, beginning of year	<u>11,284</u>	<u>181,791</u>	<u>7,974</u>	<u>10,859</u>	<u>7,102</u>	<u>20,005</u>	<u>6,153</u>	<u>32,867</u>
Fund balance, end of year	<u>\$ 9,980</u>	<u>\$ 143,160</u>	<u>\$ 8,214</u>	<u>\$ 11,606</u>	<u>\$ 4,826</u>	<u>\$ 22,222</u>	<u>\$ 5,928</u>	<u>\$ 17,619</u>

COUNTY OF INDIANA, PENNSYLVANIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Parks Enterprise	Farmlands Preservation	Community Development Block Grant	HOME Investment	Escrow Fund	Affordable Housing and Act 137	Emergency Repair	Emergency Shelter Grant
Revenues								
Taxes, Hotel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue	-	-	2,416,438	413,779	-	-	-	143,645
Charges for services	239,132	3,415	-	-	-	38,635	28	-
Interest income	5,488	416	-	-	-	4,304	369	-
Other revenue	<u>7,785</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>252,405</u>	<u>3,831</u>	<u>2,416,438</u>	<u>413,779</u>	<u>-</u>	<u>42,939</u>	<u>397</u>	<u>143,645</u>
Expenditures								
Current operating:								
General government	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	143,648
Culture and recreation	53,671	-	-	-	-	-	-	-
Conservation and development	<u>-</u>	<u>288</u>	<u>2,417,716</u>	<u>417,549</u>	<u>-</u>	<u>30,974</u>	<u>64,511</u>	<u>-</u>
Total Expenditures	<u>53,671</u>	<u>288</u>	<u>2,417,716</u>	<u>417,549</u>	<u>-</u>	<u>30,974</u>	<u>64,511</u>	<u>143,648</u>
Excess (deficiency) of revenues over expenditures	<u>198,734</u>	<u>3,543</u>	<u>(1,278)</u>	<u>(3,770)</u>	<u>-</u>	<u>11,965</u>	<u>(64,114)</u>	<u>(3)</u>
Other financing sources (uses)								
Amounts received from loans	-	-	-	-	-	2,626	532	-
Transfers in	-	-	-	-	-	-	50,000	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(47,374)</u>	<u>50,532</u>	<u>-</u>
Net change in fund balance	198,734	3,543	(1,278)	(3,770)	-	(35,409)	(13,582)	(3)
Fund balance, beginning of year	<u>100,600</u>	<u>18,844</u>	<u>6,222</u>	<u>4,180</u>	<u>1,050</u>	<u>233,934</u>	<u>29,252</u>	<u>14</u>
Fund balance, end of year	<u>\$ 299,334</u>	<u>\$ 22,387</u>	<u>\$ 4,944</u>	<u>\$ 410</u>	<u>\$ 1,050</u>	<u>\$ 198,525</u>	<u>\$ 15,670</u>	<u>\$ 11</u>

COUNTY OF INDIANA, PENNSYLVANIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Community Development Fund	Community Revitalization Program	General Economic Development	Homeless Assistance Program	Enterprise Zone	DA Forfeitures Account	WHR	DA Victim Services
Revenues								
Taxes, Hotel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue	-	-	715,223	223,106	-	-	259,062	-
Charges for services	-	-	-	-	15,279	2,130	-	9,966
Interest income	272	2	349	342	6,559	-	10,170	-
Other revenue	-	-	-	-	-	-	-	-
Total Revenues	<u>272</u>	<u>2</u>	<u>715,572</u>	<u>223,448</u>	<u>21,838</u>	<u>2,130</u>	<u>269,232</u>	<u>9,966</u>
Expenditures								
Current operating:								
General government	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	9,329	-	4,983
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Human services	-	-	-	268,080	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Conservation and development	<u>14,866</u>	<u>-</u>	<u>716,438</u>	<u>-</u>	<u>20,523</u>	<u>-</u>	<u>259,062</u>	<u>-</u>
Total Expenditures	<u>14,866</u>	<u>-</u>	<u>716,438</u>	<u>268,080</u>	<u>20,523</u>	<u>9,329</u>	<u>259,062</u>	<u>4,983</u>
Excess (deficiency) of revenues over expenditures	<u>(14,594)</u>	<u>2</u>	<u>(866)</u>	<u>(44,632)</u>	<u>1,315</u>	<u>(7,199)</u>	<u>10,170</u>	<u>4,983</u>
Other financing sources (uses)								
Amounts received from loans	-	-	-	-	54,137	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,137</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(14,594)	2	(866)	(44,632)	55,452	(7,199)	10,170	4,983
Fund balance, beginning of year	<u>29,575</u>	<u>103</u>	<u>21,777</u>	<u>38,987</u>	<u>373,392</u>	<u>7,199</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ 14,981</u>	<u>\$ 105</u>	<u>\$ 20,911</u>	<u>\$ (5,645)</u>	<u>\$ 428,844</u>	<u>\$ -</u>	<u>\$ 10,170</u>	<u>\$ 4,983</u>

COUNTY OF INDIANA, PENNSYLVANIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE (DEFICIT) (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Total</u>
Revenues	
Taxes, Hotel	\$ 651,548
Intergovernmental revenue	10,143,196
Charges for services	1,204,986
Interest income	94,791
Other revenue	<u>7,785</u>
Total Revenues	<u>12,102,306</u>
Expenditures	
Current operating:	
General government	85,775
Judicial	1,371,436
Public safety	3,232,927
Public works	1,645,762
Human services	522,091
Culture and recreation	730,992
Conservation and development	<u>4,593,751</u>
Total Expenditures	<u>12,182,734</u>
Excess (deficiency) of revenues over expenditures	<u>(80,428)</u>
Other financing sources (uses)	
Amounts received from loans	57,295
Transfers in	107,625
Transfers out	<u>(50,000)</u>
Total other financing sources (uses)	<u>114,920</u>
Net change in fund balance	34,492
Fund balance, beginning of year	<u>5,261,927</u>
Fund balance, end of year	<u>\$ 5,296,419</u>

COUNTY OF INDIANA, PENNSYLVANIA
 COMBINING STATEMENT OF NET POSITION
 DISCRETELY PRESENTED COMPONENT UNITS
 DECEMBER 31, 2023

	Indiana County Municipal Services Authority	Highridge Water Authority	Total Component Units
Assets			
Current Assets:			
Cash and cash equivalents	\$ 1,447,169	\$ 1,462,711	\$ 2,909,880
Restricted cash and cash equivalents	1,407,360	-	1,407,360
Accounts Receivable	920,254	328,651	1,248,905
Note Receivable - current	102,500	-	102,500
Prepaid expenses and other current assets	-	95,428	95,428
Inventories	-	191,282	191,282
	<u>3,877,283</u>	<u>2,078,072</u>	<u>5,955,355</u>
Noncurrent assets:			
Capital Assets (net of accumulated depreciation)	86,800,995	25,648,331	112,449,326
Note Receivable less current portion	1,113,840	-	1,113,840
Intangible assets	-	671,850	671,850
Other assets	260,796	-	260,796
	<u>88,175,631</u>	<u>26,320,181</u>	<u>114,495,812</u>
Total assets	<u>\$ 92,052,914</u>	<u>\$ 28,398,253</u>	<u>\$ 120,451,167</u>
Liabilities			
Current liabilities:			
Accounts payable	\$ 124,450	\$ 24,593	\$ 149,043
Accrued Expenses	439,971	49,069	489,040
Accrued Interest Payable	107,576	24,801	132,377
Current portion of long-term debt	2,708,067	896,373	3,604,440
Customer Deposits	99,322	49,519	148,841
	<u>3,479,386</u>	<u>1,044,355</u>	<u>4,523,741</u>
Total current liabilities	<u>3,479,386</u>	<u>1,044,355</u>	<u>4,523,741</u>
Compensated absences	-	234,070	234,070
Long-term debt	38,259,616	5,375,080	43,634,696
	<u>38,259,616</u>	<u>5,609,150</u>	<u>43,868,766</u>
Total noncurrent liabilities	<u>38,259,616</u>	<u>5,609,150</u>	<u>43,868,766</u>
Total Liabilities	<u>41,739,002</u>	<u>6,653,505</u>	<u>48,392,507</u>
Net Position			
Net investment in capital assets	45,986,532	12,334,381	58,320,913
Restricted per bond indenture	1,407,160	-	1,407,160
Restricted for construction	200	-	200
Unrestricted	2,920,020	9,410,367	12,330,387
	<u>50,313,912</u>	<u>21,744,748</u>	<u>72,058,660</u>
Total net position	<u>50,313,912</u>	<u>21,744,748</u>	<u>72,058,660</u>
Total liabilities and net position	<u>\$ 92,052,914</u>	<u>\$ 28,398,253</u>	<u>\$ 120,451,167</u>

COUNTY OF INDIANA, PENNSYLVANIA
 COMBINING STATEMENT OF ACTIVITIES
 DISCRETELY PRESENTED COMPONENT UNITS
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Indiana County Municipal Services Authority	Highridge Water Authority	Total Component Units
Operating Revenues			
Charges for services	\$ 8,070,021	\$ 3,109,077	\$ 11,179,098
Other revenue	<u>34,612</u>	<u>808,876</u>	<u>843,488</u>
Total Operating Revenues	<u>8,104,633</u>	<u>3,917,953</u>	<u>12,022,586</u>
Operating Expenses			
General and administration	423,479	654,818	1,078,297
Operating costs	4,118,421	1,740,781	5,859,202
Depreciation and amortization	<u>3,906,679</u>	<u>1,482,368</u>	<u>5,389,047</u>
Total Operating Expenses	<u>8,448,579</u>	<u>3,877,967</u>	<u>12,326,546</u>
Operating Income	<u>(343,946)</u>	<u>39,986</u>	<u>(303,960)</u>
Nonoperating Revenues (Expenses)			
Interest Income	89,700	30,306	120,006
Tap fees	-	47,183	47,183
Amorization of bond discount and issuance costs	(15,339)	(17,320)	(32,659)
Interest expense	(633,768)	(116,218)	(749,986)
Gain on sale of asset	21,465	-	21,465
Grants for construction	<u>701,635</u>	<u>198,839</u>	<u>900,474</u>
Total Nonoperating Revenues (Expenses)	<u>163,693</u>	<u>142,790</u>	<u>306,483</u>
Changes in Net Position	<u>(180,253)</u>	<u>182,776</u>	<u>2,523</u>
Net Position - Beginning of Year	<u>50,494,165</u>	<u>21,561,972</u>	<u>72,056,137</u>
Net Position - End of Year	<u>\$ 50,313,912</u>	<u>\$ 21,744,748</u>	<u>\$ 72,058,660</u>