

COUNTY OF WARREN, PENNSYLVANIA

WARREN, PENNSYLVANIA

**FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

COUNTY OF WARREN, PENNSYLVANIA
YEAR ENDED DECEMBER 31, 2024

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Independent Auditor's Report

Board of Commissioners
County of Warren, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of County of Warren, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise County of Warren's basic financial statements as listed in the table of contents.

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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Warren, as of December 31, 2024, 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.

We did not audit the financial statements of Rouse Estate, which represent 100 percent of the assets, net position, and revenues of the aggregate discretely presented component unit. 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 Rouse Estate, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 County of Warren, 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.

Responsibilities of Management for the Financial Statements

County of Warren'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.

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 Warren's ability to continue as a going concern for one year after the date that the financial statements are issued.



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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 Warren'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 Warren'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 and contributions related to pension plans, and schedules of total OPEB liability (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 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.



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Supplementary Information

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

The other supplemental information 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 supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Zelenkofske Axcelrod LLC

Zelenkofske Axcelrod LLC

December 23, 2025
Pittsburgh, Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

The COUNTY OF WARREN, 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, 2024. 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

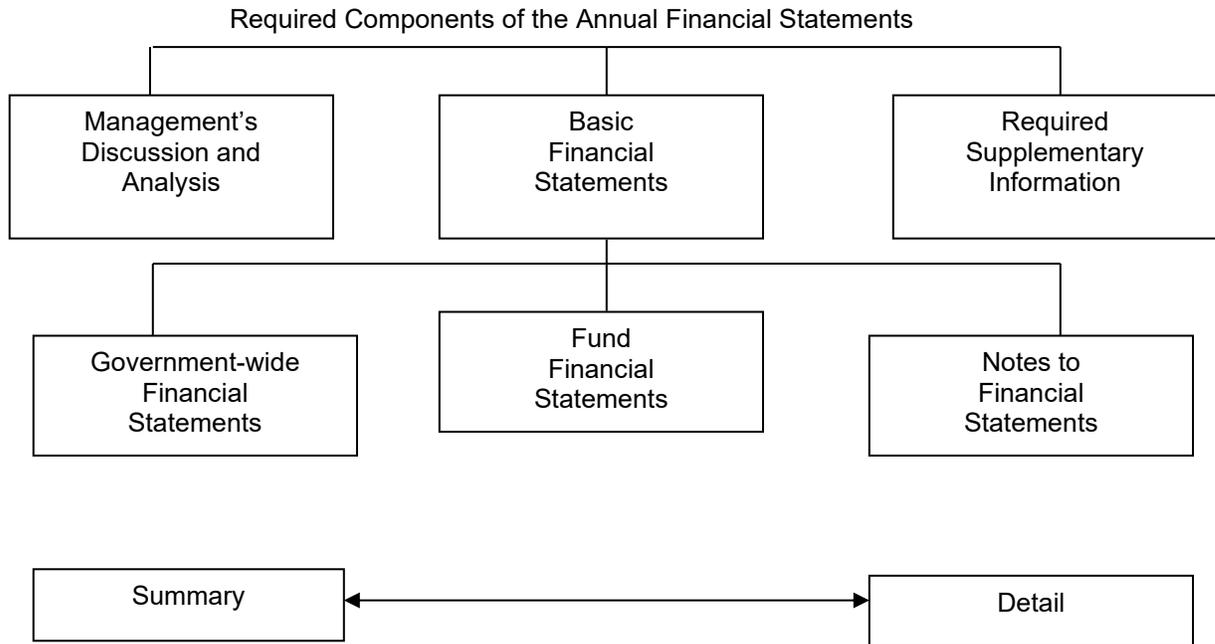
Management's discussion and analysis is a guide to reading the financial statements and provides related information to help the reader to better understand the COUNTY's government. The basic financial statements include notes that provide additional information essential to a full understanding of the 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, schedule of investment returns, and schedule of OPEB liability and related ratios.

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 unit.
- *Fund financial statements*, the remaining statements, focus on individual parts of the COUNTY's government. They provide more detail on operations than the government-wide statements. There are two types of fund financial statements:
 - *Governmental funds statements* show how general government services such as public safety, human services, public works, culture and recreation, and conservation and development are financed in the short term, as well as what remains for future spending.
 - *Fiduciary funds statements* reflect activities involving resources that are held by the COUNTY as a trustee or agent for the benefit of others. Fiduciary funds are not reflected in the government-wide statements because the resources cannot be used to support the COUNTY's programs.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

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



**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

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

**MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

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 unit are included in the government-wide financial statements. 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 one discretely presented component unit that it reports in the financial statements – The Rouse Estate (the "Estate").

There is one category 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.

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, 2024**

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 two kinds of funds:

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

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

The COUNTY adopts an annual budget for the general fund, as required by state law. A budgetary comparison of the COUNTY's general fund is presented as required supplementary information.

- *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, 2024**

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Position

The COUNTY's total assets were \$22,205,776 at December 31, 2024. Of this amount, \$4,673,393 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 – 2024/2023

	2024	2023
	Governmental Activities	Governmental Activities
	<u> </u>	<u> </u>
Capital Assets	\$ 4,673,393	\$ 5,069,385
Other Assets	<u>17,534,200</u>	<u>16,628,248</u>
 Total Assets	 <u>\$ 22,207,593</u>	 <u>\$ 21,697,633</u>
 Deferred Outflows	 <u>\$ 882,930</u>	 <u>\$ 2,168,076</u>
Current Liabilities	\$ 9,740,657	\$ 10,790,742
Long-term Liabilities	<u>8,508,346</u>	<u>10,155,308</u>
 Total Liabilities	 <u>\$ 18,249,003</u>	 <u>\$ 20,946,050</u>
 Deferred Inflows	 <u>\$ 1,383,664</u>	 <u>\$ 2,029,476</u>
 Net Position:		
Net Investment in Capital Assets	\$ 877,890	\$ 938,348
Restricted Net Position	1,664,723	1,524,355
Unrestricted Net Position	<u>915,243</u>	<u>(1,572,520)</u>
 Total Net Position	 <u>\$ 3,457,856</u>	 <u>\$ 890,183</u>

**MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Change in Net Position

The following statement of activities represents the change in net position for the years ended December 31, 2024 and 2023. It shows revenues by source and expenses by function for governmental activities.

Condensed Statement of Activities

	2024 Governmental Activities	2023 Governmental Activities
Program Revenues:		
Charges for Services	\$ 3,708,656	\$ 3,116,776
Grants and Contributions	14,454,414	13,573,102
General Revenues:		
Taxes	12,330,402	11,134,024
Interest and Investment Income	260,703	155,182
Miscellaneous Revenue	84,399	116,763
Total Revenues	<u>\$ 30,838,574</u>	<u>\$ 28,095,847</u>
Expenses:		
General Government	\$ 9,611,287	\$ 8,642,121
Public Safety	6,451,618	5,964,370
Public Works	522,633	508,579
Human Services	10,128,830	9,810,887
Culture and Recreation	611,187	603,016
Conservation and Development	656,447	295,502
Interest Expense	288,896	202,804
Total Expenses	<u>28,270,898</u>	<u>26,027,279</u>
Change in Net Position	<u>2,567,676</u>	<u>2,068,568</u>
Net Position - January 1	<u>890,183</u>	<u>(1,178,385)</u>
Net Position - December 31	<u>\$ 3,457,859</u>	<u>\$ 890,183</u>

**MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

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 2024, taxes brought in \$12,047,780.

Net Cost of Governmental Activities

	2024 Total Cost of Services	2023 Total Cost of Services	2024 Net Cost of Services	2023 Net Cost of Services
Program:				
General Government	\$ 9,611,287	\$ 8,642,121	\$ (4,788,887)	\$ (6,490,944)
Public Safety	6,451,618	5,964,370	(2,879,330)	(1,744,841)
Public Works	522,633	508,579	(341,424)	(401,698)
Human Service	10,128,830	9,810,887	(963,863)	(2,546,413)
Culture and Recreation	611,187	603,016	(583,645)	(612,316)
Conservation and Development	656,447	295,502	(261,783)	(324,277)
Interest Expense	<u>288,896</u>	<u>202,804</u>	<u>(288,896)</u>	<u>(181,956)</u>
Total	<u>\$ 28,270,898</u>	<u>\$ 26,027,279</u>	<u>\$ (10,107,828)</u>	<u>\$ (12,302,445)</u>

The COUNTY relied on property taxes and other general revenues to fund 36% of its governmental activities in 2024.

Capital Assets

The COUNTY's investment in capital assets at December 31, 2024, net of accumulated depreciation, was \$4,596,776. Capital assets consist primarily of land, buildings and equipment. The following is a summary of capital assets at December 31, 2024 and 2023:

Capital Assets

	2024 Governmental Activities	2023 Governmental Activities
Land	\$ 272,997	\$ 272,997
Land Improvements	20,457	20,457
Building and Improvements	8,874,602	8,874,602
Machinery and Equipment	4,715,405	4,715,405
Accumulated Depreciation	<u>(9,286,685)</u>	<u>(8,814,076)</u>
Total Net Capital Assets	<u>\$ 4,596,776</u>	<u>\$ 5,069,385</u>

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

**MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Debt Administration

At December 31, 2024, the COUNTY had \$3,714,631 of debt outstanding. Debt decreased by 9.9% in 2024. The following is a summary of debt obligations for the 2024 calendar year:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities</u>					
Loans payable	\$ 4,126,782	\$ -	\$ (412,151)	\$ 3,714,631	\$ 427,617
Total long term liabilities	<u>4,126,782</u>	<u>-</u>	<u>(412,151)</u>	<u>3,714,631</u>	<u>427,617</u>
 Governmental Activities					
Long-Term Liabilities	<u>\$ 4,126,782</u>	<u>\$ -</u>	<u>\$ (412,151)</u>	<u>\$ 3,714,631</u>	<u>\$ 427,617</u>

See Note 8 for more information regarding long-term debt.

GOVERNMENTAL FUNDS

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

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

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

**MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

GOVERNMENTAL FUND REVENUES

Governmental fund revenues by source at December 31, 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Revenues:		
Taxes	\$ 12,330,402	\$ 10,960,624
Licenses and Permits	21,725	23,792
Intergovernmental Revenues	14,816,473	13,819,471
Charges for Services	3,178,116	2,705,862
Fines and Forfeitures	146,756	140,753
Interest and Investment Income	260,703	155,182
Miscellaneous	84,399	116,763
Operation Transfers In	<u>2,782,907</u>	<u>2,428,523</u>
Total Revenues	<u>\$ 33,621,481</u>	<u>\$ 30,350,970</u>

There are several factors relating to increases/decreases in revenues from 2023 to 2024. The main factor was the tax millage increase effective for 2024 which resulted in additional tax revenues of approximately \$1.5 million.

GOVERNMENTAL FUND EXPENDITURES

Governmental fund expenditures by function at December 31, 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Expenditures:		
General Government	\$ 9,342,473	\$ 8,819,624
Public Safety	6,587,591	6,207,679
Public Works	533,648	529,323
Human Services	10,342,302	10,286,526
Culture and Recreation	624,068	627,615
Conservation and Development	670,282	307,557
Debt Service	701,047	599,750
Operating Transfers Out	<u>2,782,907</u>	<u>2,428,523</u>
Total Expenditures	<u>\$ 31,584,318</u>	<u>\$ 29,806,597</u>

The County's change in expenditures from 2023 to 2024 were primarily from increased operating costs from personnel, insurance and retirement expenses, which effected almost all functions. The debt service also increased based on the loan amortization schedules, by approximately \$100k.

**MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

GOVERNMENTAL FUND BALANCES

Ending balances for governmental funds at December 31, 2024 and 2023 were as follows:

<u>Fund</u>	<u>2024 Governmental Funds</u>	<u>2023 Governmental Funds</u>
General Fund	\$ 6,447,568	\$ 4,463,089
Children and Youth Fund	-	-
Mental Health Fund	-	-
Intellectual Disabilities Fund	-	-
COVID-19 Fund	183,744	14,152
Nonmajor Governmental Funds	<u>1,141,322</u>	<u>1,258,230</u>
Total	<u>\$ 7,772,634</u>	<u>\$ 5,735,471</u>

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

BUDGETARY HIGHLIGHTS

The COUNTY adopts an annual appropriated budget for its general fund. Detailed information about the COUNTY's 2024 general fund budget can be found in Required Supplemental Information.

Overall the County general fund had revenues that exceeded budget by \$1,413,907. The general fund expenditures were over budget by \$344,019. Other financing sources (uses) had a positive budget variance of \$2,064,321. This showed a surplus of revenue over expenditures of \$3,134,209. Numerous factors went into these results, and the County has made strides to budget more stringently going forward. The increased tax millage was a factor in the revenue surplus, as well additional grant revenue, which also resulted in the increased expenditures. The County also utilized \$1.75 million of remaining ARPA funds in 2024.

ECONOMIC CONDITIONS AND NEXT YEAR'S BUDGET

The 2025 budget was based off a real estate millage of 25 mills which were all dedicated to operating purposes. The budget was balanced with no reserves being used.

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 Warren
County Commissioners
204 4th Avenue
Warren, PA 16365

Phone: 814-728-3400

COUNTY OF WARREN, PENNSYLVANIA
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Primary Government Governmental Activities	Component Unit Rouse Estate
<u>Assets</u>		
Cash and Cash Equivalents	\$ 13,810,429	\$ 2,321,513
Restricted cash and cash equivalents	-	674,177
Investments	-	2,347,035
Receivables		
Taxes	1,050,062	-
Grants	522,745	-
Loan	455,000	-
Other accounts receivable	1,695,964	2,418,229
Prepaid Items	-	664,503
Right of use assets	76,617	-
Capital assets, not being depreciated	272,997	311,850
Capital assets, net of accumulated depreciation	4,323,779	7,353,243
Total Assets	<u>22,207,593</u>	<u>16,090,550</u>
<u>Deferred Outflow of Resources</u>		
Deferred outflows - relating to pensions	820,084	-
Deferred outflows - relating to OPEB	62,846	-
Total deferred outflows of resources	<u>\$ 882,930</u>	<u>\$ -</u>
<u>Liabilities</u>		
Accounts Payable	\$ 1,292,832	\$ 353,867
Accrued Liabilities	680,030	3,431,751
Unearned Revenue	7,294,168	701,420
Current portions of long-term liabilities		
Leases	46,010	-
Long-term debt	427,617	350,378
Non-current portions of long-term liabilities		
OPEB	3,336,363	-
Pension	1,850,107	6,367,211
Leases	34,862	-
Long-term debt	3,287,014	4,078,918
Total Liabilities	<u>18,249,003</u>	<u>15,283,545</u>
<u>Deferred Inflow of Resources</u>		
Deferred amounts from pension liability	710,472	-
Deferred amounts from OPEB liability	673,192	-
Total deferred inflows of resources	<u>\$ 1,383,664</u>	<u>\$ -</u>
<u>Net Position</u>		
Net Investment in Capital Assets	877,890	-
Restricted	1,664,723	2,204,006
Unrestricted	915,243	(1,397,001)
Total Net Position	<u>\$ 3,457,856</u>	<u>\$ 807,005</u>

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

COUNTY OF WARREN, PENNSYLVANIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Primary Government	Component Unit
Primary Government:					
Governmental Activities:					
General Government	\$ 9,611,287	\$ 822,591	\$ 3,999,809	\$ (4,788,887)	
Public Safety	6,451,618	2,862,227	710,061	(2,879,330)	
Public Works	522,633	-	181,209	(341,424)	
Human Services	10,128,830	23,838	9,141,129	(963,863)	
Culture and Recreation	611,187	-	27,542	(583,645)	
Conservation and Development	656,447	-	394,664	(261,783)	
Interest and other fiscal charges	288,896	-	-	(288,896)	
Total Governmental Activities	<u>28,270,898</u>	<u>3,708,656</u>	<u>14,454,414</u>	<u>(10,107,828)</u>	
Total Primary Government	<u>\$ 28,270,898</u>	<u>\$ 3,708,656</u>	<u>\$ 14,454,414</u>	<u>\$ (10,107,828)</u>	
Component Unit:					
Rouse Estate	\$ 19,648,263	\$ 19,132,269	\$ 611,026		\$ 95,032
Total Component Units	<u>\$ 19,648,263</u>	<u>\$ 19,132,269</u>	<u>\$ 611,026</u>		<u>\$ 95,032</u>
General Revenues:					
Real Estate Taxes				12,047,780	-
Hotel Taxes				282,622	-
Interest and investment income				260,703	363,465
Miscellaneous				84,399	451,100
Total General Revenues				<u>12,675,504</u>	<u>814,565</u>
Change in Net Position				2,567,676	909,597
Net Position - Beginning				<u>890,183</u>	<u>(102,592)</u>
Net Position - Ending				<u>\$ 3,457,859</u>	<u>\$ 807,005</u>

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

COUNTY OF WARREN, PENNSYLVANIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General Fund	Children and Youth Fund	Mental Health Fund	Intellectual Disabilities Fund	COVID-19 Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 5,532,580	\$ 611,667	\$ 1,774,268	\$ 1,061,040	\$ 3,709,223	\$ 1,121,651	\$ 13,810,429
Accounts Receivable	1,138,578	-	47,454	141,351	-	368,581	1,695,964
Due from other governments	247,881	194,213	-	-	-	80,651	522,745
Loan Receivable	-	-	195,000	260,000	-	-	455,000
Taxes Receivable	1,050,062	-	-	-	-	-	1,050,062
Due from other funds	532,083	507,662	60,681	11,853	-	12,902	1,125,181
Total assets	\$ 8,501,184	\$ 1,313,542	\$ 2,077,403	\$ 1,474,244	\$ 3,709,223	\$ 1,583,785	\$ 18,659,381
Liabilities							
Accounts Payable	\$ 249,995	\$ 540,972	\$ 174,414	\$ 47,955	\$ -	\$ 279,496	\$ 1,292,832
Accrued liabilities	499,849	-	-	88	-	-	499,937
Unearned revenues	-	581,656	1,811,328	1,337,493	3,525,479	38,212	7,294,168
Due to other funds	629,143	190,914	91,661	88,708	-	124,755	1,125,181
Total liabilities	1,378,987	1,313,542	2,077,403	1,474,244	3,525,479	442,463	10,212,118
Deferred Inflows of Resources							
Unavailable revenue - property taxes	674,629	-	-	-	-	-	674,629
Total deferred inflows of resources	674,629	-	-	-	-	-	674,629
Fund Balances							
Restricted	77,321	-	-	-	183,744	1,403,658	1,664,723
Assigned	2,487,307	-	-	-	-	-	2,487,307
Unassigned	3,882,940	-	-	-	-	(262,336)	3,620,604
Total fund balances	6,447,568	-	-	-	183,744	1,141,322	7,772,634
Total liabilities and fund balances	\$ 8,501,184	\$ 1,313,542	\$ 2,077,403	\$ 1,474,244	\$ 3,709,223	\$ 1,583,785	\$ 18,659,381

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

COUNTY OF WARREN, PENNSYLVANIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024

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

Total fund balances of governmental funds		\$ 7,772,634
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$16,577,698 and the accumulated depreciation is \$8,536,556.		4,673,393
Revenues not available to pay for current period expenditures and therefore reported as unearned revenue in the funds:		
Real estate taxes		674,629
Net pension liability is not reported in the the funds:		(1,850,107)
Other post-employment obligations are not reported in the funds:		(3,336,363)
Deferred outflows of resources related to pensions and other postemployment benefits are not reported in the funds		882,930
Deferred inflows of resources related to pensions and other postemployment benefits are not reported in the funds		(1,383,664)
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:		
Loans payable	(3,714,631)	
Leases	<u>(80,872)</u>	(3,795,503)
Certain liabilities which are incurred but not recorded are not expected to be paid with current resources and are therefore not reported in the funds:		<u>(180,093)</u>
		<u>\$ 3,457,856</u>

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

COUNTY OF WARREN, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>General Fund</u>	<u>Children and Youth Fund</u>	<u>Mental Health Fund</u>	<u>Intellectual Disabilities Fund</u>	<u>COVID-19 Fund</u>	<u>Total Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues							
Taxes	\$ 12,330,402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,330,402
Licenses and permits	21,725	-	-	-	-	-	21,725
Intergovernmental revenue	2,754,075	3,441,792	2,824,232	1,317,114	2,458,101	2,021,159	14,816,473
Charges for services	1,703,956	23,838	-	-	-	1,450,322	3,178,116
Fines and forfeitures	146,756	-	-	-	-	-	146,756
Interest and investment income	38,571	4,194	21,832	12,952	170,759	12,395	260,703
Miscellaneous	-	7,802	57,305	-	-	19,292	84,399
Total Revenues	<u>16,995,485</u>	<u>3,477,626</u>	<u>2,903,369</u>	<u>1,330,066</u>	<u>2,628,860</u>	<u>3,503,168</u>	<u>30,838,574</u>
Expenditures							
Current operating:							
General government	8,862,692	-	-	-	-	479,781	9,342,473
Public safety	4,374,091	-	-	-	632,726	1,580,774	6,587,591
Public works	346,629	-	-	-	-	187,019	533,648
Human services	589,131	4,377,901	2,987,085	1,363,900	76,542	947,743	10,342,302
Culture and recreation	624,068	-	-	-	-	-	624,068
Conservation and development	230,867	-	-	-	-	439,415	670,282
Debt service							
Principal	412,151	-	-	-	-	-	412,151
Interest	288,470	-	-	-	-	426	288,896
Total Expenditures	<u>15,728,099</u>	<u>4,377,901</u>	<u>2,987,085</u>	<u>1,363,900</u>	<u>709,268</u>	<u>3,635,158</u>	<u>28,801,411</u>
Excess (deficiency) of revenues over expenditures	<u>1,267,386</u>	<u>(900,275)</u>	<u>(83,716)</u>	<u>(33,834)</u>	<u>1,919,592</u>	<u>(131,990)</u>	<u>2,037,163</u>
Other financing sources (uses)							
Transfers in	1,750,000	900,275	83,716	33,834	-	15,082	2,782,907
Transfers out	(1,032,907)	-	-	-	(1,750,000)	-	(2,782,907)
Total other financing sources (uses)	<u>717,093</u>	<u>900,275</u>	<u>83,716</u>	<u>33,834</u>	<u>(1,750,000)</u>	<u>15,082</u>	<u>-</u>
Net change in fund balance	1,984,479	-	-	-	169,592	(116,908)	2,037,163
Fund balances, beginning of year	<u>4,463,089</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,152</u>	<u>1,258,230</u>	<u>5,735,471</u>
Fund balances, end of year	<u>\$ 6,447,568</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 183,744</u>	<u>\$ 1,141,322</u>	<u>\$ 7,772,634</u>

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

COUNTY OF WARREN, 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, 2024

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

Net Change in fund balances - total governmental funds	\$	2,037,163
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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.

Depreciation expense	<u>(472,609)</u>	(472,609)
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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.

Principal payments	<u>412,151</u>	412,151
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Certain costs by the County are incurred but not yet paid, such as accrued vacation and health insurance claims. This is the change in the balance of those liabilities.

10,957

The change in net other post-employment benefit obligation and other related other post-employment benefit items does not require financial resources and is therefore not reported in the funds but shown as an expense in the statement of activities.

747,832

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.

(167,818)

Changes in net position of governmental activities

\$ 2,567,676

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

COUNTY OF WARREN, PENNSYLVANIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2024

	<u>Pension Trust Fund</u>	<u>Private Purpose Fund</u>	<u>Custodial Fund</u>	<u>Total</u>
<u>Assets</u>				
Cash and Cash Equivalents	\$ 1,710,651	\$ 1,233	\$ 817,838	\$ 2,529,722
Investments	40,705,511	1,612,611	-	42,318,122
Accounts Receivable	<u>42,321</u>	<u>1,219</u>	-	<u>43,540</u>
 Total Assets	 <u>\$ 42,458,483</u>	 <u>\$ 1,615,063</u>	 <u>\$ 817,838</u>	 <u>\$ 44,891,384</u>
<u>Liabilities</u>				
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Total Liabilities	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
Net Position Restricted for:				
Employees' Pension Benefits	42,458,483	-	-	42,458,483
Individuals, Organizations, and Other Governments	<u>-</u>	<u>1,615,063</u>	<u>817,838</u>	<u>2,432,901</u>
 Total Net Position	 <u>\$ 42,458,483</u>	 <u>\$ 1,615,063</u>	 <u>\$ 817,838</u>	 <u>\$ 44,891,384</u>

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

COUNTY OF WARREN, PENNSYLVANIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Pension Trust Fund</u>	<u>Private Purpose Fund</u>	<u>Custodial Fund</u>	<u>Total Fiduciary Funds</u>
Additions:				
Taxes collected for other governments	\$ -	\$ -	\$ 4,127,880	\$ 4,127,880
Fees Collected for other governments	-	-	3,351,386	3,351,386
Fees and fines	-	-	519,031	519,031
Miscellaneous income	-	-	47,356	47,356
Contributions:				
Employee	968,556	-	-	968,556
County Contribution	587,493	-	-	587,493
Other Contribution	-	13,902	-	13,902
Total contributions	<u>1,556,049</u>	<u>13,902</u>	<u>-</u>	<u>1,569,951</u>
Investment Income:				
Net depreciation in fair value of assets	2,742,744	127,597	-	2,870,341
Interest and Dividends	1,006,009	48,304	-	1,054,313
Miscellaneous	-	-	-	-
Less: investment expense	<u>(69,081)</u>	<u>-</u>	<u>-</u>	<u>(69,081)</u>
Total Investment Income	<u>3,679,672</u>	<u>175,901</u>	<u>-</u>	<u>3,855,573</u>
Total Additions	<u>5,235,721</u>	<u>189,803</u>	<u>8,045,653</u>	<u>13,471,177</u>
Deductions:				
Employee Benefits Paid	3,169,585	62,027	-	3,231,612
Administrative Expenses	40,260	13,030	-	53,290
Taxes paid to other governments	-	-	4,201,942	4,201,942
Fees paid to other governments	-	-	3,179,706	3,179,706
Payments to other individuals	-	-	647,942	647,942
Other deductions	<u>-</u>	<u>-</u>	<u>5,140</u>	<u>5,140</u>
Total Deductions	3,209,845	75,057	8,034,730	11,319,632
Change in Net Position	2,025,876	114,746	10,923	2,151,545
Net Position Held In Trust:				
Beginning of Year	<u>40,432,607</u>	<u>1,500,317</u>	<u>806,915</u>	<u>42,739,839</u>
End of Year	<u>\$ 42,458,483</u>	<u>\$ 1,615,063</u>	<u>\$ 817,838</u>	<u>\$ 44,891,384</u>

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

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

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 Warren (the "County") was formed in 1800. 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, 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 Warren, Pennsylvania (the "Primary Government") and its Component Unit. The Component Unit discussed below is included in the County's financial reporting entity because of its operational or financial relationship with the County.

1. Component Unit

In conformity with GAAP, the financial statements of the Component Unit has been included in the financial reporting entity as a Discretely Presented Component Unit.

a. Discretely Presented Component Unit

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

Rouse Estate — The Rouse Estate (the "Estate") is a Pennsylvania not-for-profit corporation located in Youngsville, Pennsylvania. The Estate's operations include those of a 176-bed nursing facility ("Rouse-Warren County Home"), a 69-apartment personal care facility ("The Suites at Rouse"), providing residential and support services for the aged, child care center ("Rouse Children's Center"), providing day care services for children, and the Rouse Annex, which includes an office building ("Rouse Agricultural Center") that rents office space to businesses located in Warren County. In addition to including the Rouse Agricultural Center, the Rouse Annex includes activities of the Estate not included in the three other divisions. The governing body of the Estate is a five voting-member Board of Directors. The Warren County Commissioners comprise the majority three of the five voting-members.

The nursing facility provides skilled and intermediate care services to residents under the Medicaid and Medicare programs.

The Estate is exempt from income taxes under Internal Revenue Code Section 501(c)(3).

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

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

A) Reporting Entity (Continued)

1. Component Unit (Continued)

a. Discretely Presented Component Unit (Continued)

Resident Care Revenue, Net of Contractual Allowances

Reimbursement for Medicaid beneficiaries is based on the Pennsylvania Department of Public Welfare's Case Mix reimbursement system. Under the Case Mix reimbursement system eliminates the need for retroactive adjustments.

The Estate's nursing facility division participates in Medicare's prospective payments system ("PPS"). Under PPS, providers are paid prospectively by the intermediary acting on behalf of, and at the direction of the Centers for Medicaid and Medicare Services. The PPS does not provide for retroactive adjustments. The large majority of the Estate's revenues under third-party payor agreements are based on capitated contracts whereby the Estate receives payment based on pre-established rates and fees schedules (including Medicare and Medicaid). The payment under these contracts does not provide for retroactive cost settlements. However, from time to time, based on various regulatory issues, the Estate may receive lump sum payments from Medicare and Medicaid. These payments are recognized as revenue when the amount is known and payment is certain.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The Estate believes it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations.

County Allocation

Pursuant to a lease agreement dated July, 1980, by and between the County and the Commissioners of the Estate, the County makes annual allocations to the Estate necessary to satisfy statutory obligations to provide care for any dependent having residence in the County. The County contribution totaled \$1 for the year ended December 31, 2024.

Basis of Accounting

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

The Estate's financial statements can be obtained either through inquiry of the County or the Estate. The County's address is Commissioners of Warren County, 204 Fourth Avenue, Warren, PA, 16365, and the Estate address is, Commissioners of the Rouse Estate, 701 Rouse Avenue, Youngsville, PA, 16371.

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

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

A) Reporting Entity (Continued)

2. Related Parties

The Board of County Commissioners is also responsible for appointing the members of the governing boards of other organizations or the entities provide services to residents, generally within the geographic boundaries of the County. These entities are excluded from the reporting entity because the County does not have the ability to exercise influence over their daily operations, approve budgets or provide funding, or the County's accountability for the organizations does not extend beyond making the appointments. These organizations include:

- Warren County Industrial Development Authority
- Warren County Housing Authority
- Warren County Hospital Authority
- Warren County Transit Authority

B) Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., statement of net position, and the statement of activities) report information on all the non-fiduciary activities of the primary government and its component unit. 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 unit 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 and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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.

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

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

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

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.

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.

COUNTY OF WARREN, PENNSYLVANIA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2024

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 governmental funds:

- The General Fund is the primary government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues of this fund are primarily derived from real estate taxes, state and federal grants, and fees for services. Many of the basic activities of the County are accounted for in this fund including operation of general County government, boards, commissions, the court system, and health and welfare services.
- The Children and Youth Fund is used the account for the federal and state children and youth services program. The fund is funded primarily by state and federal grants, and as a result does not have a fund balance.
- The Mental Health Fund is used to account for the Mental Health program. The fund is funded primarily by state and federal grants, and as a result does not have a fund balance.
- The Intellectual Disabilities Fund accounts for programs serving those with intellectual disabilities in Forest and Warren counties. The fund is funded primarily by state and federal grants, and as a result does not have a fund balance.
- The COVID-19 Fund accounts for resources primarily received from the Federal Government to finance the County's response to the COVID-19 pandemic.

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.

The County reports the following fiduciary fund types:

- *Pension Trust Fund*—The Pension Trust Fund is an employee retirement fund which accounts for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. The County and the Warren County Human Services department account for the administrative costs of the system. Resources are contributed by employees at rates fixed by law and by the County at amounts determined by an annual actuarial study. The Pension Trust Fund is considered a blended component unit of the County.
- *Private Purpose Fund*—The Private Purpose Fund is used to account for resources legally held in trust for use by the County devoted for specific purposes.
- *Custodial Fund*—The Agency Fund is custodial in nature and does not include measurement of results of operations. The Custodial Fund accounts for funds that the County holds as an agent for individuals, private organizations, other governments, and/or other funds.

COUNTY OF WARREN, PENNSYLVANIA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2024

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

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, 2024, and appropriate interfund receivables or payables have been established accordingly.

4. Capital Assets

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

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

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

5. 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, premiums, and deferred losses on refundings 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.

COUNTY OF WARREN, PENNSYLVANIA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2024

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

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

6. Unearned Revenues

Revenues that are received but not earned are recorded as unearned revenue in the County's financial statements. In the County's governmental funds, unearned revenues arise when the potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has legal claim to the resources, the liability for unearned revenue is removed from the governmental funds' balance sheet and revenue is recognized.

7. 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.

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.

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

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

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

7. Net Position/Fund Balances (Continued)

- 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 Director of Finance and Administration.
- 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.

8. 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.

9. 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. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. Deferred inflows of resources related to pensions and OPEB are described further in Note 6 and Note 7, respectively. The annual difference between expected and actual experience is amortized over a 4.41 year period for pension amounts and 6 year closed period for OPEB amounts.

10. 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 governmental funds only have one type of item that qualifies for reporting in this category. Deferred outflows of resources related to pensions and OPEB are described further in

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

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

10. Deferred Outflows of Resources (Continued)

Note 6 and Note 7, respectively. 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 4.41 year closed period for pension amounts and 6 year closed period for OPEB amounts, 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).

11. Adoption of Governmental Accounting Standards Board Statements

The County adopted the provisions of GASB Statement No. 100 "Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62". The adoption of this statement had no effect on previously reported amounts.

The County adopted the provisions of GASB Statement No. 101 "Compensated Absences". The adoption of this statement had no effect on previously reported amounts.

12. Pending Changes in Accounting Principles

In December 2023, the GASB issued Statement No. 102 "Certain Risk Disclosures". The County is required to adopt Statement No. 102 for its calendar 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 calendar year 2026 financial statements.

In September 2024, the GASB issued Statement No. 104 "Disclosure of Certain Capital Assets". The County is required to adopt Statement No. 104 for its calendar year 2026 financial statements.

The County is in the process of updating their internal policies and procedures to adhere to these statements as they become applicable.

COUNTY OF WARREN, PENNSYLVANIA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2024

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

E) Component Unit – Summary of Significant Accounting Policies

The Rouse Estate

Cash and Cash Equivalents

The Rouse Estate include investments in highly liquid debt instruments, purchased with an original maturity of three months or less, excluding assets whose use is limited.

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.

Accounting 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.

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 is based on estimates of revenues and expenditures approved by the Board of County Commissioners. The County of Warren adopted the 2024 budget on the same basis of accounting as reported in the fund financial statements. The County of Warren 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 and/or their designee.
2. During November, the County Commissioners, or their designee, communicate with the head of each department and agency to review proposed changes to the preliminary budget.
3. During November the County Commissioners, and/or their designee, 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 and overall budget process.
4. In mid-November, the preliminary 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.

COUNTY OF WARREN, PENNSYLVANIA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2024

NOTE 2: BUDGETARY DATA (CONTINUED)

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.

NOTE 3: DEPOSIT AND INVESTMENT RISK

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. Investments are generally limited to 180 days or less.

Credit Risk – The County has no formal investment policy for its operating funds that addresses credit risk. The County's investments consisted entirely of mutual funds and stocks at December 31, 2024.

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, 2024, the County's cash balances for its governmental activities, private purpose trust fund and custodial fund were \$14,629,500 and its bank balances were \$15,661,240. Of these bank balances, \$14,836,444 was collateralized with securities held by the pledging financial institutions, or by their trust departments or agents, but not in the County's name. The entire cash and cash equivalent balance in the Retirement Fund was collateralized with securities held by the pledging financial institutions, or by their trust departments or agents, but not in the County's name. None of the County's retirement or private purpose trust investments were exposed to custodial credit risk at December 31, 2024 because the custodians hold the securities in an account that designates the County as the owner of the securities.

Concentration of Credit Risk – The County has no formal investment policy for operating investments pertaining to the concentration of credit risk. At December 31, 2024, the County had more than 5% of its investments in Schwab Fundamental U.S. Large Company Index 1 Mutual Funds, Metropolitan West Total Return Bond 1 Mutual Fund, Neuberger Berman Strategic Income Mutual Fund, and Arbitrage Fund Class 1 Mutual Fund.

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.

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 3: DEPOSIT AND INVESTMENT RISK (CONTINUED)

At December 31, 2024, the County had the following recurring fair value measurements:

<u>Investments measured by fair value level</u>	<u>12/31/2024</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Common Stock	\$ 9,813,455	\$ 9,813,455	\$ -	\$ -
Foreign Stock	1,773,337	1,773,337	-	-
Mutual Funds	21,448,671	21,448,671	-	-
ETFs	<u>9,282,659</u>	<u>9,282,659</u>	<u>-</u>	<u>-</u>
Total investments by fair value level	<u>\$ 42,318,122</u>	<u>\$ 42,318,122</u>	<u>\$ -</u>	<u>\$ -</u>

Rouse Estate

At December 31, 2024, the Estate had the following recurring fair value measurements:

<u>Investments measured by fair value level</u>	<u>12/31/2024</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash and cash equivalents	\$ 33,682	\$ 33,682	\$ -	\$ -
Derivative Instruments	93,973	-	93,973	-
ETFs	790,206	790,206	-	-
Mutual Funds	<u>1,429,174</u>	<u>1,429,174</u>	<u>-</u>	<u>-</u>
Total investments by fair value level	<u>\$ 2,347,035</u>	<u>\$ 2,253,062</u>	<u>\$ 93,973</u>	<u>\$ -</u>

NOTE 4: PROPERTY TAXES

Real Estate Property Taxes

Real estate property taxes for the calendar year are levied in January of each year. Any unpaid real estate taxes attach as an enforceable lien on property as of May 1 of the following year. Taxes are levied on August 1 and payable with a 2% discount to September 30, with no discount or penalty to November 30, and with a 10% penalty from December 1 to April of the following year. 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.

The County is permitted by the County Code of the Commonwealth of Pennsylvania to levy real estate taxes up to 25 mills on every dollar of adjusted valuation for general County purposes exclusive of the requirements for the payment of interest and principal on bonded or funded debt. In 2024, the County had total millage of 21.75 mills, which was all dedicated for general County purposes.

The County's 2024 real estate taxes are based on assessed values established by the County's Assessment Department. Assessed values of real property are generally 50% of the market value as determined by the Warren County Tax Assessment Department. The total 2024 real estate taxes levied was \$11,277,173 based on a total County assessed valuation of \$474,828,375. Based on the 2024 levy of 23.75 mills, a property owner would pay \$23.75 per \$1,000 of assessed valuation.

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 5: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024 was as follows:

GOVERNMENTAL ACTIVITIES	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	\$ 272,997	\$ -	\$ -	\$ 272,997
Total Capital Assets, Not Being Depreciated	<u>272,997</u>	<u>-</u>	<u>-</u>	<u>272,997</u>
Capital Assets, Being Depreciated:				
Land improvements	20,457	-	-	20,457
Building and Improvements	8,874,602	-	-	8,874,602
Machinery and Equipment	4,715,405	-	-	4,715,405
Total Capital Assets, Being Depreciated	<u>13,610,464</u>	<u>-</u>	<u>-</u>	<u>13,610,464</u>
Less Accumulated Depreciation For:				
Land improvements	(20,457)	-	-	(20,457)
Building and Improvements	(5,957,520)	(103,799)	-	(6,061,319)
Machinery and Equipment	(2,836,099)	(368,810)	-	(3,204,909)
Total Accumulated Depreciation	<u>(8,814,076)</u>	<u>(472,609)</u>	<u>-</u>	<u>(9,286,685)</u>
Total Capital Assets, Being Depreciated, Net	<u>4,898,915</u>	<u>(472,609)</u>	<u>-</u>	<u>4,323,779</u>
Governmental Activities Capital Assets, Net	<u>\$ 5,069,385</u>	<u>\$ (472,609)</u>	<u>\$ -</u>	<u>\$ 4,596,776</u>

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

Governmental Activities:	
General Government	\$ 321,376
Public Safety	66,164
Human Services	85,069
	<u>85,069</u>
Total Depreciation Expense-Governmental Activities	<u>\$ 472,609</u>

COUNTY OF WARREN, PENNSYLVANIA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2024

NOTE 5: CAPITAL ASSETS (CONTINUED)

Component Unit – Capital AssetsRouse Estate

Capital assets and accumulated depreciation as of December 31, 2024 is as follows:

PROPERTY AND EQUIPMENT, at cost	
Land	\$ 309,350
Buildings and improvements	26,090,164
Equipment and furniture	3,555,224
Automotive equipment	373,456
Construction in progress	<u>2,500</u>
Total	30,330,694
Less accumulated depreciation	<u>22,665,601</u>
Capital assets, net	<u>\$ 7,665,093</u>

NOTE 6: EMPLOYEE RETIREMENT TRUST FUND

The Warren 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.

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.

A Retirement Board consisting of three county commissioners, the chief clerk and the county treasurer administers the Plan. The Retirement Board has delegated the authority to manage plan assets to Northwest Bank.

Plan membership. As of December 31, 2024 measurement period, pension plan membership consisted of the following:

Active Plan Members	214
Retirees and beneficiaries currently receiving benefits	210
Terminated Plan Members entitled to but not yet receiving benefits	<u>37</u>
	<u>461</u>

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 6: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Benefits Provided

Retirement Benefit – A participant is entitled to begin receiving retirement benefits at age 55 if the member has completed 20 years of service or at age 60. The retirement benefit is equal to 1.25% of the member's "Final Average Salary" multiplied by years of credited service, plus an annuity based on the actuarial equivalent of the member's accumulated contributions with interest. The "Final Average Salary" is defined as the average of the highest three years of compensation earned by the member.

Disability Retirement Benefit – A participant is entitled to a disability benefit after suffering a Total and Permanent Disability prior to retirement eligibility and after completion of five years of credited service. The disability benefit is equal to 25% of Final Average Salary at the time of retirement. Such disability benefit shall include the benefit that is actuarially equivalent to the member's accumulated contributions at retirement.

Death Benefit- The Pre-Retirement Death Benefit is payable if an active member dies after having attained age 60 or having completed ten years of credited service. His beneficiary will receive a lump sum equal to the actuarially determined present value of the benefits calculated based on the member's Final Average Salary and credited service at time of death plus the member's accumulated contributions with interest at time of death.

The Post-Retirement Death Benefit is payable upon the death of a retired member. His beneficiary will receive survivor benefits, if any, in accordance with the form under which benefits were being paid to the member. In any event, the total amount of benefits paid to the deceased member and beneficiary must, at least, equal the member's accumulated contributions with interest.

Contributions

Plan members are required to contribute 7% of their annual covered salary. The County is required to contribute at an actuarially determined rate. Per Act 96 of 1971, as amended, contribution requirements of the plan members and the County are established and may be amended by the General Assembly of the Commonwealth of Pennsylvania. The actuarially determined rate is the estimated amount necessary to finance the costs of the benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the year ended December 31, 2024, the plan had deposits totaling \$1,439,121. This was comprised of member contributions of \$941,584 and County contributions of \$497,537.

Legally Required Reserves

At December 31, 2024, the County has a balance of \$10,613,933 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, 2024. Since these accumulations represent the present value as of December 31, 2024 of future benefits, the reserve balance and liability are identical.

The County has a balance of \$5,401,744 in the County Annuity Reserve Account as of December 31, 2024. 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.

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 6: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Legally Required Reserves (Continued)

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 \$23,718,592 as of December 31, 2024. The corresponding liability for those annuitants on the roll is identical.

Plan Reporting*Net Pension Liability of the County*

The total pension liability was based on an actuarial valuation dated December 31, 2024. The components of the net pension liability of the County for the 2024 measurement period were as follows:

Total Pension Liability	\$ 44,308,590
Plan Fiduciary Net Position	<u>42,458,483</u>
Net Pension Liability	<u>\$ 1,850,107</u>

Plan Fiduciary net position as a percentage of the total pension liability	95.82%
-------------------------------------------------------------------------------	--------

Changes in the County's net pension liability for the plan for the year ended December 31, 2024 were as follows:

	<u>Increase/(Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a) - (b)</u>
Balances at 12/31/2023	\$ 43,311,591	\$ 40,432,607	\$ 2,878,984
Service Cost	1,415,402	-	1,415,402
Interest Cost	3,225,760	-	3,225,760
Differences between expected and actual experience	(474,578)	-	(474,578)
Changes for Experience	-	-	-
Changes of Assumptions	-	-	-
Contributions - Employer	-	587,493	(587,493)
Contributions - Member	-	968,556	(968,556)
Net Investment Income	-	3,679,672	(3,679,672)
Benefit Payments, including Refunds of Member Contributions	(3,169,585)	(3,169,585)	-
Administrative Expenses	-	(40,260)	40,260
Net Changes	<u>\$ 996,999</u>	<u>\$ 2,025,876</u>	<u>\$ (1,028,877)</u>
Balances at 12/31/2024	<u>\$ 44,308,590</u>	<u>\$ 42,458,483</u>	<u>\$ 1,850,107</u>

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 6: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Deferred (Inflows) Outflows of Resources

The total pension expense recognized in 2024 for the plan was \$518,513. At December 31, 2024, 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	\$ -	\$ 710,472
Change of Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	820,084	-
Total	\$ 820,084	\$ 710,472

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Governmental Activities
2025	\$ 297,319
2026	735,401
2027	(781,261)
2028	(141,847)
	\$ 109,612

Plan Actuarial Methods and AssumptionsActuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary increases	2.5 percent, average, including inflation
Investment rate of return	7.5 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PubG-2010(B) mortality table, with the adjusted MP-2021 mortality improvement scale.

GASB Recognition Period

The deferred inflows and deferred outflows of resources are amortized over a period of time equal to the total expected future service divided by the sum of all active and inactive participants of the Plan. For the period ended December 31, 2024, the recognition period was calculated to be 4.00 years.

COUNTY OF WARREN, PENNSYLVANIA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2024

NOTE 6: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Asset Allocation

The following was the Board's asset allocation policy for the 2024 measurement period:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	50%
International equity	10%
Fixed income	<u>40%</u>
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 2024 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>
U.S. Large Cap	7.91%
U.S. Mid Cap	8.51%
U.S. Small Cap	8.82%
EAFE Equity	9.49%
Emerging Markets Equity	9.18%
U.S. REIT's	9.33%
U.S. Aggregate Bonds	4.70%
U.S. High Yield Bonds	6.44%

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. 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 the actuarially determined contribution rate. 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 6: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

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 7.5%, 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 (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
County's net pension liability	\$6,180,759	\$2,878,984	\$69,781

Rate of Return

For the 2024 measurement period, the annual money-weighted rate of return on Plan investments, net of Plan investment expense, was 9.29% percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Rouse Estate

The Rouse Estate adopted a retirement plan covering substantially all employees of the Estate effective January 1, 1972. To be eligible for the Plan, each full-time employee must complete three months of service after which participation begins on the first day of the following month. The Estate shall contribute such amounts as are deemed necessary to satisfy the funding requirements of the Plan based on the report of the actuary. The Plan was frozen to all new hires effective January 1, 2006.

The following table sets forth the Plan's funded status and amounts recognized in the accompanying financial statements as of and for the years ended December 31:

Projected benefit obligation	\$ 14,427,030
Fair value of plan assets	<u>8,059,819</u>
Funded status	<u>\$ (6,367,211)</u>
Accumulated benefit obligation	\$ 14,087,977
Benefits paid	<u>948,633</u>
Employer contribution	<u>539,808</u>

The two primary components of financial statement accounting include a comparison of Plan assets to Plan liabilities and a calculation of net periodic pension cost for the year.

The Plan liabilities are defined as the projected benefit obligation and the accrued benefit obligation. The projected benefit obligation equals the value of Plan benefits which have been earned to date including expected future salary increases of Plan participants. The accumulated benefit obligation equals the value of Plan benefits which have been earned to date but not considered future increases in Plan benefits.

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 6: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Rouse Estate (Continued)

The components of net periodic benefit costs for the years ended December 31 are as follows:

Service cost	\$ 108,100
Interest cost	715,273
Return on Plan assets	(891,818)
Net amortization and deferral	<u>537,750</u>
 Net periodic benefit cost	 <u>\$ 469,305</u>

Actuarial Assumptions

Assumptions to determine benefit obligations:

Discount rate	5.44%
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Assumptions to determine net periodic benefit costs:

Discount rate	4.76%
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Expected long-term return on Plan assets	7.00%
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Rate of compensation increase	2.00%
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NOTE 7: OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The Warren County OPEB plan is a single-employer defined benefit plan that pays the cost of healthcare coverage for certain grandfathered retirees for the remainder of their lives, bridge health insurance coverage for retirees until age 65 when Medicare commences, and post retirement life insurance

Plan Participants

At December 31, 2024, the following employees were covered by the benefit terms:

Active Plan Participants	47
Retirees and beneficiaries currently receiving benefits	115
Terminated Plan Participants entitled to but not yet receiving benefits	<u>0</u>
Total	<u>162</u>

Contributions

The Plan is funded by the County as a "pay as you go" basis. Contributions are made to the plan to pay claims as they happen. For the period January 1, 2024 to December 31, 2024, the total contributions to the Plan equaled \$285,316.

Total OPEB Liability

The County's total OPEB liability of \$3,526,831 was measured as of December 31, 2024 and was determined by an actuarial valuation as of that date.

COUNTY OF WARREN, PENNSYLVANIA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2024

NOTE 7: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions

The total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Actuarial assumptions

Actuarial cost method	Entry Age Normal Cost		
Measurement date	December 31, 2024		
Healthcare cost trend rates	Bridge Coverage	Medicare Supplement	
2024	10%		2%
2025	9%		2%
2026	8%		2%
2027	7%		2%
2028	6%		2%
2029 and after	5%		2%
Discount rate	4.28%		
Turnover	T-7		
Retirement age	15% age 55, 3% ages 56-59 10% age 60-61, 25% age 62 15% ages 63-64, 100% age 65		

Mortality Rates

Mortality rates were in accordance with the Society of Actuaries PubG.H-2010.

Discount Rate

The discount rate was used to measure the total OPEB liability for the Plan was 4.00%. The discount rate was based on the S&P Municipal Bond 20-Year High Grade Index as of December 31, 2024. The discount rate was used in the prior period was 4.31%.

GASB Recognition Period

The deferred inflows and deferred outflows of resources are amortized over a period of time equal to the total expected future service divided by the sum of all active and inactive participants of the Plan. For the period ended December 31, 2024, the recognition period was calculated to be 6 years.

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 7: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Changes in the total OPEB Liability:

	<u>Total OPEB Liability</u>
December 31, 2023 Balances	\$ 3,526,831
Service Cost	41,877
Interest	136,211
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Change in Assumptions	(66,836)
Benefit Payments	<u>(301,720)</u>
Net Changes	<u>\$ (190,468)</u>
December 31, 2024 Balances	<u>\$ 3,336,363</u>

Sensitivity of the total OPEB liability to changes in the discount rate

	<u>1% Decrease (3.28%)</u>	<u>Current Discount Rate (4.28%)</u>	<u>1% Increase (5.28%)</u>
Plan's total OPEB liability	\$ 3,577,967	\$ 3,336,363	\$ 3,118,795

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Plan's total OPEB liability	\$ 3,145,505	\$ 3,336,363	\$ 3,549,119

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended December 31, 2024, the County recognized an OPEB expense (income) of \$1,070,546. At December 31, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 266,633
Change of assumptions	<u>62,846</u>	<u>406,559</u>
Total	\$ 62,846	\$ 673,192

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 7: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2025	(230,013)
2026	(259,439)
2027	(120,894)

In addition to providing pension benefits, the County provides medical, dental and prescription drug insurance benefits for retirees while contributing a portion of the expenses. Such post-employment benefits are an included value in the exchange of salaries and benefits for services rendered. An employee's total compensation package includes not only the salaries and benefits received during service, but all compensation and benefits received for their services during postemployment. The County provides an experience rated Bridge Coverage plan for retirees under the age of 65. In addition, the County provides a Medicare Supplement plan option for their Medicare eligible retirees. There were 115 retirees receiving health care benefits at December 31, 2024.

NOTE 8: LONG-TERM OBLIGATIONS

A summary of changes in long-term debt obligations for 2024 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities</u>					
Loans payable	\$ 4,126,782	\$ -	\$ (412,151)	\$ 3,714,631	\$ 427,617
Total long term liabilities	4,126,782	-	(412,151)	3,714,631	427,617

In June of 2018 the County entered into a lease purchase agreement with Motorola Solutions for 911 equipment for the County. The agreement was subsequently repaid with a USDA loan in the amount of \$1,725,500, which the County will repay in monthly installments until the final maturity in 2029. The loan bears a fixed interest rate of 3.875%.

In 2021 the County entered into a second loan agreement with USDA for \$63,000, for various upgrades of the courthouse. The loan bears interest at 2.25% and matures in 2031.

In June of 2019 the County entered into a lease purchase agreement with ABM Facilities for Equipment and upgrades to the County Courthouse in the amount of \$3,881,936. The note bears interest at 3.63% and matures in July of 2034.

COUNTY OF WARREN, PENNSYLVANIA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2024

NOTE 8: LONG-TERM OBLIGATIONS (CONTINUED)

Future debt service payments are as follows:

<u>Governmental Activities</u>	done by FH 6/12	<u>05250.00</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
Year Ended December 31	<u>Requirements</u>	<u>Requirements</u>	<u>Requirements</u>
2025	\$ 427,617	\$ 161,265	\$ 588,882
2026	443,412	146,333	589,745
2027	460,129	130,833	590,962
2028	477,695	114,750	592,445
2029-2033	1,571,778	215,326	1,787,104
2034	<u>334,000</u>	<u>9,121</u>	<u>343,121</u>
Total	<u>\$ 3,714,631</u>	<u>\$ 777,628</u>	<u>\$ 4,492,259</u>

The General Fund makes all payments on the outstanding debt.

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 8: LONG-TERM OBLIGATIONS (CONTINUED)

Leases

In 2022 the County adopted the provisions of Governmental Accounting Standards Board Statement No. 87, "Leases". In conjunction with the adoption of this standard, the County recognized an initial lease obligation, and a corresponding right of use asset in the amounts listed below.

	<u>Beginning Balance</u>	<u>Lease Additions</u>	<u>Lease Payments</u>	<u>Ending Balance</u>	<u>Due within 1 Year</u>
Governmental Activities	\$ 80,872	\$ -	\$ 46,010	\$ 34,862	\$ 30,796

Governmental Activities

Year Ended December 31	<u>Principal Requirements</u>	<u>Interest Requirements</u>	<u>Total Debt Service Requirements</u>
2025	\$ 30,796	\$ 444	\$ 31,240
2026	<u>4,066</u>	<u>9</u>	<u>4,075</u>
Total	<u>\$ 34,862</u>	<u>\$ 5,208</u>	<u>\$ 158,540</u>

The County leases vehicles for various County agencies and departments from external parties. The leases mature in 2026, and have interest rates ranging from 2.5% to 4.8%. The initial value of the lease liability for vehicles as of January 1, 2022, was \$223,307, of which \$34,862 was outstanding as of December 31, 2024. A corresponding right of use asset was initially recorded in the amount of \$223,307, and there was \$146,690 of accumulated amortization as of December 31, 2024.

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 8: LONG-TERM OBLIGATIONS (CONTINUED)

Component UnitRouse Estate

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

	<u>Balance as of December 31, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance as of December 31, 2025</u>	<u>Amounts Due Within One Year</u>
Construction and Mortgage Refinance	\$ 4,839,270	\$ -	\$ (377,603)	\$ 4,461,667	\$ 350,378
Total Long-Term Debt	<u>\$ 4,839,270</u>	<u>\$ -</u>	<u>\$ (377,603)</u>	<u>4,461,667</u>	<u>\$ 350,378</u>
			Less deferred financing costs	<u>(32,371)</u>	
			Long-term debt, net	<u>\$ 4,429,296</u>	
	<u>Year Ended December 31</u>	<u>Principal Payments</u>			
	2025	\$	350,378		
	2026		352,414		
	2027		354,545		
	2028		356,775		
	2029		1,018,530		
	Thereafter		<u>2,029,025</u>		
	Total		<u>\$ 4,461,667</u>		

NOTE 9: 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 fund as of December 31, 2024, are as follows:

<u>Governmental Fund Types</u>	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 811,097	\$ 328,546
Children & Youth Fund	320,496	403,167
Mental Health Fund	27,104	91,728
Intellectual Disabilities Fund	24,961	272,323
Other Non-Major Governmental Fund Type	<u>5,502</u>	<u>93,396</u>
Total Interfund Balances	<u>\$ 1,189,160</u>	<u>\$ 1,189,160</u>

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

COUNTY OF WARREN, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 10: INTERFUND OPERATING TRANSFERS

Interfund operating transfers are as follows:

<u>Governmental Fund Types</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 1,750,000	\$ 1,032,907
Children & Youth Fund	900,275	-
Mental Health Fund	83,716	-
Intellectual Disabilities Fund	33,834	-
COVID-19 Fund	-	1,750,000
Other Non-Major Governmental Funds	15,082	-
Total Interfund Transfers	<u>\$ 2,782,907</u>	<u>\$ 2,782,907</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 11: 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>Restricted Funds:</u>	
	These funds are restricted by County Code to Promote Tourism	40,977
	These funds are restricted by the Help America Vote Act	<u>36,344</u>
		77,321
	<u>Assigned Funds:</u>	
	These funds are assigned for Human Services	587,307
	These funds are assigned for future capital projects	<u>1,900,000</u>
		2,487,307
Non-Major Governmental Funds	<u>Restricted Funds:</u>	
	These funds are restricted for purposes of General Government	1,085,580
	These funds are restricted for purposes of Public Safety	170,752
	These funds are restricted for purposes of Public Works	227,315
	These funds are restricted for purposes of Conservation and Development	<u>103,755</u>
		1,587,402

NOTE 12: 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 15: SUBSEQUENT EVENTS

The County has evaluated subsequent events through December 23, 2025, which is the date the financial statements were available to be issued.

**REQUIRED
SUPPLEMENTAL
INFORMATION**

COUNTY OF WARREN, PENNSYLVANIA
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues				
Taxes	\$ 11,645,500	\$ 11,645,500	\$ 12,330,402	\$ 684,902
Licenses and permits	25,000	25,000	21,725	(3,275)
Intergovernmental grants	2,230,780	2,230,780	2,754,075	523,295
Charges for services	1,464,798	1,464,798	1,703,956	239,158
Fines and forfeitures	145,500	145,500	146,756	1,256
Interest and investment income	60,000	60,000	38,571	(21,429)
Miscellaneous	10,000	10,000	-	(10,000)
Total Revenues	<u>15,581,578</u>	<u>15,581,578</u>	<u>16,995,485</u>	<u>1,413,907</u>
Expenditures				
Current operating:				
General government	9,447,568	9,447,568	8,862,692	584,876
Public safety	4,372,458	4,372,458	4,374,091	(1,633)
Public works	396,491	396,491	346,629	49,862
Human services	408,903	408,903	589,131	(180,228)
Culture and recreation	355,500	355,500	624,068	(268,568)
Conservation and development	275,660	275,660	230,867	44,793
Debt service (Interest)	127,500	127,500	700,621	(573,121)
Total Expenditures	<u>15,384,080</u>	<u>15,384,080</u>	<u>15,728,099</u>	<u>(344,019)</u>
Excess (deficiency) of revenues over expenditures	<u>197,498</u>	<u>197,498</u>	<u>1,267,386</u>	<u>1,069,888</u>
Other financing sources (uses)				
Proceeds from capital lease	-	-	-	-
Transfers in	-	-	1,750,000	1,750,000
Transfers out	(1,347,228)	(1,347,228)	(1,032,907)	314,321
Total other financing sources (uses)	<u>(1,347,228)</u>	<u>(1,347,228)</u>	<u>717,093</u>	<u>2,064,321</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses				
	<u>\$ (1,149,730)</u>	<u>\$ (1,149,730)</u>	<u>\$ 1,984,479</u>	<u>\$ 3,134,209</u>

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Actuarially determined contribution	\$ 206,224	\$ 360,606	\$ 396,367	\$ 274,950	\$ 504,745	\$ 436,127	\$ 462,371
Contributions in relation to the actuarially determined contribution	<u>206,224</u>	<u>360,606</u>	<u>396,367</u>	<u>274,950</u>	<u>504,745</u>	<u>436,127</u>	<u>462,371</u>
Contribution deficiency (excess)	<u>\$ -</u>						
Covered - employee payroll	\$ 7,467,688	\$ 7,916,393	\$ 7,998,822	\$ 8,171,627	\$ 8,656,199	\$ 8,846,258	\$ 8,629,018
Contributions as a percentage of covered - employee payroll	2.76%	4.56%	4.96%	3.36%	5.83%	4.93%	5.36%

Notes to Schedule

Valuation date: January 1, 2015 January 1, 2016 January 1, 2017 January 1, 2018 January 1, 2019 January 1, 2020 January 1, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Recognition Period
Remaining amortization period	15 years
Asset valuation method	Fair-Market Value
Inflation	2.31%
Salary increases	2.50%
Investment rate of return	7.50% net of pension plan investment expense, including inflation
Retirement age	15% at age 55; 3% at ages 56-59; 10% at ages 60-61; 25% at age 62; 15% at ages 63-64; 100% at age 65
Mortality	PubG-2010(B) mortality with separate tables for employees, primary retirees, disabled retirees, and contingent survivor tables for surviving beneficiaries.

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total pension liability							
Service Cost	\$ 946,408	\$ 984,272	\$ 1,046,006	\$ 1,071,177	\$ 1,102,159	\$ 1,222,890	\$ 1,240,173
Interest	2,337,162	2,449,208	2,547,276	2,642,362	2,722,968	2,825,909	2,954,476
Differences between expected and actual experience	(238,710)	(358,123)	(117,533)	3,863	(33,269)	(681,051)	(280,041)
Changes of assumptions	-	-	-	-	-	853,149	-
Benefits payments, including refunds of member contributions	(1,535,604)	(1,633,746)	(1,995,172)	(2,434,459)	(2,876,019)	(2,255,747)	(2,750,889)
Net change in total pension liability	1,509,256	1,441,611	1,480,577	1,282,943	915,839	1,965,150	1,163,719
Total pension liability - beginning	31,047,531	32,556,787	33,998,398	35,478,975	36,761,918	37,677,757	39,642,907
Total pension liability - ending (a)	<u>\$ 32,556,787</u>	<u>\$ 33,998,398</u>	<u>\$ 35,478,975</u>	<u>\$ 36,761,918</u>	<u>\$ 37,677,757</u>	<u>\$ 39,642,907</u>	<u>\$ 40,806,626</u>
Plan fiduciary net position							
Contributions - employer	\$ 206,224	\$ 360,606	\$ 396,367	\$ 274,950	\$ 504,745	\$ 436,127	\$ 462,371
Contributions - employee	642,114	671,855	711,263	726,808	758,149	846,333	856,704
Net investment income	(155,093)	2,211,639	4,367,578	(1,999,307)	5,846,832	4,028,043	4,806,311
Benefit payments, including refunds of employee contributions	(1,535,604)	(1,633,746)	(1,995,172)	(2,434,459)	(2,876,019)	(2,255,747)	(2,750,889)
Administrative expense	(149,347)	(12,600)	(11,750)	(13,850)	(15,300)	(19,765)	(16,495)
Net change in plan fiduciary position	(991,706)	1,597,754	3,468,286	(3,445,858)	4,218,407	3,034,991	3,358,002
Plan fiduciary net position - beginning	31,944,233	30,952,527	32,550,281	36,018,567	32,572,709	36,791,116	39,826,107
Plan fiduciary net position - ending (b)	<u>\$ 30,952,527</u>	<u>\$ 32,550,281</u>	<u>\$ 36,018,567</u>	<u>\$ 32,572,709</u>	<u>\$ 36,791,116</u>	<u>\$ 39,826,107</u>	<u>\$ 43,184,109</u>
County's net pension liability - ending (a) - (b)	<u>\$ 1,604,260</u>	<u>\$ 1,448,117</u>	<u>\$ (539,592)</u>	<u>\$ 4,189,209</u>	<u>\$ 886,641</u>	<u>\$ (183,200)</u>	<u>\$ (2,377,483)</u>
Plan fiduciary net position as a percentage of the total pension liability	95.07%	95.74%	101.52%	88.60%	97.65%	100.46%	105.83%
Covered - employee payroll	\$ 7,467,688	\$ 7,916,393	\$ 7,998,822	\$ 8,171,627	\$ 8,656,199	\$ 8,846,258	\$ 8,629,018
County net pension liability as a percentage of covered - employee payroll	21.48%	18.29%	-6.75%	51.27%	10.24%	-2.07%	-27.55%

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

	<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>	<u>2024</u>
Annual money-weighted rate of return, net of investment expense	-0.49%	7.22%	13.61%	-5.66%	18.41%	11.10%	12.29%	-12.05%	14.75%	9.29%

COUNTY OF WARREN, PENNSYLVANIA
 REQUIRED SUPPLEMENTAL INFORMATION
 SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2020</u>
Total OPEB liability				
Service Cost	\$ 174,446	\$ 81,253	\$ 71,974	\$ 79,411
Interest	422,902	245,246	182,901	116,819
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(2,514,275)	(1,154,829)	-	(799,901)
Changes of assumptions	623,684	82,128	538,951	(31,373)
Benefits payments, including refunds of member contributions	(274,113)	(384,796)	(360,434)	(357,594)
Net change in total OPEB liability	<u>(1,567,356)</u>	<u>(1,130,998)</u>	<u>433,392</u>	<u>(992,638)</u>
Total OPEB liability - beginning	<u>8,432,069</u>	<u>6,864,713</u>	<u>5,733,715</u>	<u>6,167,107</u>
Total OPEB liability - ending (a)	<u>\$ 6,864,713</u>	<u>\$ 5,733,715</u>	<u>\$ 6,167,107</u>	<u>\$ 5,174,469</u>
Covered - employee payroll	\$ 7,937,835	\$ 8,235,942	\$ 8,750,653	\$ 8,629,018
County net OPEB liability as a percentage of covered - employee payroll	86.48%	69.62%	70.48%	59.97%

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

**OTHER
SUPPLEMENTAL
INFORMATION**

COUNTY OF WARREN, PENNSYLVANIA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2024

<u>Assets</u>	<u>Debt Service Fund</u>	<u>Nonmajor Special Revenue Funds</u>	<u>Total Nonmajor Governmental Funds</u>
Cash and cash equivalents	\$ -	\$ 1,121,651	\$ 1,121,651
Accounts Receivable	-	368,581	368,581
Due from other governments	-	80,651	80,651
Due from other funds	-	12,902	12,902
Total assets	\$ -	\$ 1,583,785	\$ 1,583,785
<hr/>			
<u>Liabilities</u>			
Accounts payable	\$ -	\$ 279,496	\$ 279,496
Accrued liabilities	-	-	-
Unearned revenues	-	38,212	38,212
Due to other funds	-	124,755	124,755
Total liabilities	-	442,463	442,463
<hr/>			
<u>Fund Balance</u>			
Fund balance:			
Nonspendable	-	-	-
Restricted	-	1,403,658	1,403,658
Unassigned	-	(262,336)	(262,336)
Total fund balance	-	1,141,322	1,141,322
Total liabilities and fund balance	\$ -	\$ 1,583,785	\$ 1,583,785

COUNTY OF WARREN, PENNSYLVANIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	Debt Service Fund	Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
Revenues			
Real estate taxes	\$ -	\$ -	\$ -
Intergovernmental revenue	-	2,021,159	2,021,159
Charges for services	-	1,450,322	1,450,322
Interest and investment income	-	12,395	12,395
Other revenue	-	19,292	19,292
Total Revenues	<u>-</u>	<u>3,503,168</u>	<u>3,503,168</u>
Expenditures			
Current operating:			
General government	-	479,781	479,781
Public safety	-	1,580,774	1,580,774
Public works	-	187,019	187,019
Human services	-	947,743	947,743
Conservation and development	-	439,415	439,415
Debt service			
Principal	-	-	-
Interest	426	-	426
Total Expenditures	<u>426</u>	<u>3,634,732</u>	<u>3,635,158</u>
Excess (deficiency) of revenues over expenditures	<u>(426)</u>	<u>(131,564)</u>	<u>(131,990)</u>
Other financing sources (uses)			
Transfers in	-	15,082	15,082
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>15,082</u>	<u>15,082</u>
Net change in fund balance	(426)	(116,482)	(116,908)
Fund balance, beginning of year	<u>426</u>	<u>1,257,804</u>	<u>1,258,230</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ 1,141,322</u>	<u>\$ 1,141,322</u>

COUNTY OF WARREN, PENNSYLVANIA
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2024

	<u>E-911</u>	<u>Domestic Relations</u>	<u>Drug and Alcohol Fund</u>	<u>Human Services Development Fund</u>	<u>Act 13 Bridges</u>	<u>Act 13 Green Space</u>	<u>Total</u>
<hr/> Assets <hr/>							
Cash and cash equivalents	\$ -	\$ 411,599	\$ 55,381	\$ 13,994	\$ 194,924	\$ 34,984	\$ 1,121,651
Accounts Receivable	-	368,581	-	-	-	-	368,581
Due from other governments	-	4,435	76,216	-	-	-	80,651
Due from other funds	-	-	12,902	-	-	-	12,902
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ -</u>	<u>\$ 784,615</u>	<u>\$ 144,499</u>	<u>\$ 13,994</u>	<u>\$ 194,924</u>	<u>\$ 34,984</u>	<u>\$ 1,583,785</u>
<hr/> Liabilities <hr/>							
Accounts payable	100,482	\$ -	\$ 14,801	\$ 2,359	\$ -	\$ -	\$ 279,496
Unearned revenue	-	-	32,708	5,504	-	-	38,212
Due to other funds	-	-	96,990	6,131	-	-	124,755
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>100,482</u>	<u>-</u>	<u>144,499</u>	<u>13,994</u>	<u>-</u>	<u>-</u>	<u>442,463</u>
<hr/> Fund Balance <hr/>							
Fund balance:							
Restricted	-	784,615	-	-	194,924	34,984	1,403,658
Unassigned	(100,482)	-	-	-	-	-	(262,336)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balance	<u>(100,482)</u>	<u>784,615</u>	<u>-</u>	<u>-</u>	<u>194,924</u>	<u>34,984</u>	<u>1,141,322</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ 784,615</u>	<u>\$ 144,499</u>	<u>\$ 13,994</u>	<u>\$ 194,924</u>	<u>\$ 34,984</u>	<u>\$ 1,583,785</u>

COUNTY OF WARREN, PENNSYLVANIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT)
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	Liquid Fuels	DUI	Orphan Fund	Prothonotary	Records Improvement	Housing Trust	Small Communities	Hazmat
Revenues								
Intergovernmental	\$ 135,516	\$ -	\$ -	\$ -	\$ 6,684	\$ 25,956	\$ 338,708	\$ 59,066
Charges for services	-	137,907	6,820	8,183	31,944	-	-	24,005
Interest and investment income	543	2,738	-	-	1,593	-	-	-
Miscellaneous	-	-	-	-	-	-	1,569	-
Total Revenues	<u>136,059</u>	<u>140,645</u>	<u>6,820</u>	<u>8,183</u>	<u>40,221</u>	<u>25,956</u>	<u>340,277</u>	<u>83,071</u>
Expenditures								
Current operating:								
General government	-	-	5,003	283	121,270	-	-	-
Public safety	-	157,587	-	-	-	-	-	265,948
Public works	133,019	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Conservation and development	-	-	-	-	-	19,350	338,708	-
Total Expenditures	<u>133,019</u>	<u>157,587</u>	<u>5,003</u>	<u>283</u>	<u>121,270</u>	<u>19,350</u>	<u>338,708</u>	<u>265,948</u>
Excess (deficiency) of revenues over expenditures	<u>3,040</u>	<u>(16,942)</u>	<u>1,817</u>	<u>7,900</u>	<u>(81,049)</u>	<u>6,606</u>	<u>1,569</u>	<u>(182,877)</u>
Other financing sources (uses)								
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	<u>3,040</u>	<u>(16,942)</u>	<u>1,817</u>	<u>7,900</u>	<u>(81,049)</u>	<u>6,606</u>	<u>1,569</u>	<u>(182,877)</u>
Fund balance (deficit), beginning of year	<u>29,351</u>	<u>187,694</u>	<u>16,311</u>	<u>780</u>	<u>136,478</u>	<u>31,188</u>	<u>64,392</u>	<u>21,023</u>
Fund balance (deficit), end of year	<u>\$ 32,391</u>	<u>\$ 170,752</u>	<u>\$ 18,128</u>	<u>\$ 8,680</u>	<u>\$ 55,429</u>	<u>\$ 37,794</u>	<u>\$ 65,961</u>	<u>\$ (161,854)</u>

COUNTY OF WARREN, PENNSYLVANIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) (CONTINUED)
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	E-911	Domestic Relations	Drug and Alcohol Fund	Human Services Development Fund	Act 13 Bridges	Act 13 Green Space	Total
Revenues							
Intergovernmental	\$ -	\$ 468,710	863,284	\$ 50,000	\$ 45,693	\$ 27,542	\$ 2,021,159
Charges for services	1,241,463	-	-	-	-	-	1,450,322
Interest and investment income	-	5,867	1,433	221	-	-	12,395
Miscellaneous	-	-	17,723	-	-	-	19,292
Total Revenues	<u>1,241,463</u>	<u>474,577</u>	<u>882,440</u>	<u>50,221</u>	<u>45,693</u>	<u>27,542</u>	<u>3,503,168</u>
Expenditures							
Current operating:							
General government	-	353,225	-	-	-	-	479,781
Public safety	1,157,239	-	-	-	-	-	1,580,774
Public works	-	-	-	-	54,000	-	187,019
Human services	-	-	897,522	50,221	-	-	947,743
Conservation and development	-	-	-	-	-	81,357	439,415
Total Expenditures	<u>1,157,239</u>	<u>353,225</u>	<u>897,522</u>	<u>50,221</u>	<u>54,000</u>	<u>81,357</u>	<u>3,634,732</u>
Excess (deficiency) of revenues over expenditures	<u>84,224</u>	<u>121,352</u>	<u>(15,082)</u>	<u>-</u>	<u>(8,307)</u>	<u>(53,815)</u>	<u>(131,564)</u>
Other financing sources (uses)							
Transfers in	-	-	15,082	-	-	-	15,082
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>15,082</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,082</u>
Net change in fund balance	84,224	121,352	-	-	(8,307)	(53,815)	(116,482)
Fund balance (deficit), beginning of year	<u>(184,706)</u>	<u>663,263</u>	<u>-</u>	<u>-</u>	<u>203,231</u>	<u>88,799</u>	<u>1,257,804</u>
Fund balance (deficit), end of year	<u>\$ (100,482)</u>	<u>\$ 784,615</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 194,924</u>	<u>\$ 34,984</u>	<u>\$ 1,141,322</u>