

COUNTY OF ERIE

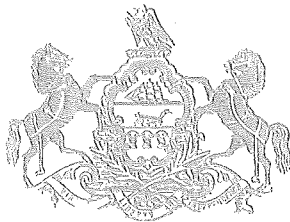
COUNTY CONTROLLER'S  
AUDIT REPORT



2024  
ANNUAL REPORT

DR. KYLE FOUST  
COUNTY CONTROLLER

DR. KYLE FOUST  
COUNTY CONTROLLER



MARK J. ORLOP  
MANAGER OF INTERNAL AUDITS

COUNTY CONTROLLER  
COUNTY OF ERIE

ERIE COUNTY COURTHOUSE  
140 WEST SIXTH STREET ROOM 107  
ERIE, PENNSYLVANIA 16501-1029  
814.451.6266  
CONTROLLER@ERIECOUNTYPA.GOV

**DATE: MARCH 31, 2025**

**TO: ERIE COUNTY COUNCIL**

The Office of the Erie County Controller has the responsibility to insure, by a process of sampling and/or selective post-audit, that all payments and obligations incurred by the County and each of its agencies, boards, commissions, departments and offices are in accordance with the law, the Home Rule Charter, contracts and/or established procedures. Any exceptions that have not been rectified, shall be reported to Erie County Council.

This report covers the examination of selected cash accounts and related records of the General, Special Revenue, Debt Service and Trust and Agency Accounts for the year ending December 31, 2024.

The examination was conducted in accordance with Auditing Procedures as described on Page 3.

Dr. Kyle W. Foust  
Erie County Controller

Mark J. Orlop  
Manager of Internal Audits

## INDEX

<u>SECTION</u>	<u>PAGE #</u>
AUDITING PROCEDURES	(3)
FINDINGS AND RECOMMENDATIONS	(4-26)
<u>Part 1: General observations and recommendations</u>	
Budget proposal – Information Required by the Administrative Code	4
Budget proposal – Differences in the Final Budget	5-6
Non-bargaining Pay Increases	6-7
Payment to Non-bargaining Employees that are at the Maximum of their Pay Grade	7-8
Electronic Bid Submission	8-9
Maintenance Department: Auto-promotion	9
Grants to Other Organizations	9-10
Gaming Fund Budget	10-11
Travel Advances and Expense Reports	11-12
Purchasing Department: Separation of Duties	12
Cell Phone Stipend	13
<u>Part 2: Previous findings: recommendations were partially implemented</u>	
Temporary Increase in Hours	14
Non-Bargaining Beeper Pay	15-16
Human Resources Code - Promotions	16-17
Anticipated Leave Time	17-18
<u>Part 3: Previous findings and recommendations from multiple reports</u>	
Temporary Employees	19
Out of Class Pay – Time Limit	20
Emergency Human Resources Guidelines	20-21
Overtime Usage	21
Contracted Employees	22
Purchase of Employee Clothing	22-23
Donation of Assets/Services	23-24
Human Resources Code – Lateral Transfers	24
Miscellaneous Purchases	24-25
Additions to Payroll	25-26
FINANCE DEPARTMENT OVERVIEW	(27-49)
General Fund Account Balances	28-29
General Fund Account Notes	30
Special Revenue Account Balances	31-32
Special Revenue Account Notes	33-35
Special Revenue Accounts Supplemental Information	36-38
Debt Service Fund Account Balances	39-40
Debt Service Fund Account Notes	41
Debt Service Fund Accounts Supplemental Information	42-43
Trust and Agency Fund Account Balances	44-45
Trust and Agency Fund Account Notes	46
Trust and Agency Fund Accounts Supplemental Information	47-49

## **AUDIT PROCEDURES**

### **Cash Accounts**

The following audit procedures have been applied to the cash accounts contained within this report:

- Bank statements were reconciled through December 31, 2024.
- Total deposits per the bank statements for the year ending December 31, 2024 were compared to total receipts.
- Total disbursements per the bank statements for the year ending December 31, 2024 were compared to total disbursements.

### **Disbursements**

Domestic Relations, E-911, Emergency Management, the General Fund, Planning and Public Health disbursements were tested for legality of claim, existence of proper documentation and proper account coding. Legality of claim includes examination of purchase orders, where appropriate, review of proper approval, examination of invoices for mathematical accuracy and comparison of disbursements with budgeted amounts.

### **Payroll**

The Controller's Office receives notification of the hiring and termination of employees and payroll rate changes from the Human Resources Department. The gross pay of the first pay period for new employees and the last pay period of terminated employees are examined to ensure an accurate payroll. The authorization for payroll rate changes and retroactive pay are examined to ensure their accuracy against the payroll register.

# 2024 GENERAL OBSERVATIONS AND RECOMMENDATIONS

## Part 1

The following findings and recommendations for improvement are a result of this year's auditing:

### **Budget proposal: Information Required by the Administrative Code**

#### *Finding(s)*

1. Article IV Section 3B of the Administrative Code requires the County Executive to submit a proposed budget to County Council ninety-days (90) prior to the beginning of the fiscal year.
2. Article IV Section 3B also lists the minimum required supporting information that shall be included in the Administration's budget proposal. This information includes prior year actual revenue and expenses, current year budget, current year actuals for the first six-months (6), and a projection of final current year revenues and expenses for each department.
3. Historically, the proposed budget has included these items and other supporting information including two (2) prior years of actual revenue and expenses, an annualized projection based on the first six-month (6) actuals, a preliminary budget, department request, and changes to the department's request the Administration made in their final budget proposal.
4. In recent years, some of the supplemental information has been omitted from the proposed budget. The 2025 proposal did not include a current year projection for each department's final revenues and expenditures.
5. Contrary to the requirements listed in the Administrative Code, the 2025 budget instructions posted on MyEC specifically stated not to enter data for the 2024 projection because the column is no longer used.

#### *Recommendation(s)*

1. The Controller's Office recommends that the Director of Finance ensure all supporting information required by the Administrative Code be included in the proposed budget sent to County Council each year.

## **Budget proposal: Differences in the Final Budget**

### *Finding(s)*

1. While reviewing the final budget, we found several instances where the proposed budget sent to County Council on October 1, 2024 was subsequently changed in the final budget without appropriate County Council action.
  - a. The total proposed wage and fringe lines were reduced by \$628,912 in the Sheriff's Office, \$40,805 in Adult Probation, and \$43,214 in the Clerk of Records.
  - b. Professional Fees for the County Solicitor was increased from \$288,011 to \$294,200.
2. On February 26, 2025, the issues outlined above were brought to the attention of the Director of Finance by the Controller's Office. The Finance Director explained the differences as follows:
  - a. The professional fee increase was to account for a 3% increase for solicitor fees omitted from the budget.
  - b. The wage and fringe changes were to correct an error in the budget that caused the total wages to not match the total of the individual positions listed in the people pages. This affected the corresponding fringes as well.
3. Ordinance 89, 2024 approved a Solicitor wage increase but did not include an appropriation. To appropriate the wages, a separate ordinance is required for them to be included in the final budget.
  - a. Errors and omissions in the budget process are an annual occurrence and they need to be corrected. However, once submitted to County Council, the proposed budget can only be changed by the established legislative process outlined in the Home Rule Charter and Administrative Code, i.e. through County Council action.
    - i. If the errors were discovered before County Council passed the budget, then action sheets should have been created and voted upon by County Council to make the necessary corrections.
    - ii. If the errors were discovered after the budget was passed, then a separate ordinance should have been sent to County Council to make the necessary corrections.

- iii. Budget proposals submitted by the Administration that receive four (4) affirmative votes by members of County Council are final and cannot be changed absent further legislative action.

1. *Point of emphasis: We did not find a record of County Council taking action to correct the proposed budget in the instances cited above.*

4. Article VIII Section 4 of the Home Rule Charter requires the proposed budget be made available for public inspection and for County Council to hold public meetings on the proposal. Since adjustments to the budget were done without County Council action sheets, or via a separate ordinance, they were never made available for public inspection or received a public hearing.

*Recommendation(s)*

1. The Controller's Office recommends that an ordinance be submitted to County Council so that the budget changes noted in this report can be presented at a public hearing, in accordance with the Home Rule Charter.

**Non-bargaining Pay Increases**

*Finding(s)*

1. Each year County Council adopts a non-bargaining pay plan. Historically, there is an exhibit with the ordinance that summarizes the pay plan provisions of the Human Resources Code. One (1) of the provisions included in subsequent ordinances pertaining to the non-bargaining pay plan is from Section 9 of the Human Resources Code. Section 9 of the Human Resources Code requires employees to be employed for six-months (6) in order to be eligible to receive a general pay increase.
2. On December 10, 2024, County Council passed Ordinance 85 to approve the 2025 non-bargaining pay plan. Exhibit A for Ordinance 85 did not include the Section 9 provision of the Human Resources Code.
  - a. Twenty-one (21) employees that had less than six-months (6) of service on January 1, 2025 received an inappropriate pay increase at the beginning of the year.
    - i. *Point(s) of emphasis: Ordinance 85 did not state, and therefore did not inform County Council, that the Administration intended to bypass/waive Section 9 of the Human Resources Code.*
    - ii. *To amend or waive any part of any County ordinance must be done via ordinance through the established legislative process in the Home Rule Charter and Administrative Code.*

1. *Simply omitting the language from the exhibit does not constitute a waiver of the prior ordinance.*
2. *Verbally informing County Council of intended action does not meet the requirements needed to waive parts of an established ordinance.*

- b. Nine (9) of the employees that received raises were still in their ninety-day (90) probationary period.
- c. Five (5) of the twenty-one (21) had only been hired in December of 2024. Section 9 of the Human Resources Code requires an employee to have an evaluation to receive a raise.
- d. Section 12 of the Human Resources Code requires probationary employees to be evaluated at the end of their probationary period, thus these employees would not have the required evaluation on file. Ordinance 85 of 2024 reinforces the requirement for an evaluation. It does not waive it.

*Recommendation(s)*

1. The Controller's Office recommends the Administration submit an amended ordinance to have County Council specifically waive the six-month (6) waiting period for these particular raises.
2. If the waiver is not granted, the overpaid wages should be recovered.

**Payment to Non-bargaining Employees that are at the Maximum of their Pay Grade**

*Finding(s)*

1. Non-bargaining employees that are at the maximum of their pay grade receive the annual amount of the general pay increase in the form of two (2) payments. Ordinance 4, 1998 established the practice of paying half of the increase after July 1 and the balance after December 1. This is still the stated policy in the most recent Human Resources Code passed by Ordinance 176 of 2022.
2. However, since 2018, the first (1) payment has been made in January and the second (2) payment has been made in July to the affected employees.
3. Via Ordinance 65 of 2017, County Council approved a revised Human Resources Code, Position Classification plan, and the 2018 non-bargaining pay plan. The pay plan states that the payments will occur in January and July.



- a. The Human Resources Code was not amended to reflect a change in policy. Given this contradiction, it is unclear if County Council intended to approve a change to the long-standing policy. Even if that was the intent, the Code was not amended to reflect County Council's intent.

*Recommendation(s)*

1. If the intention was to change this practice, the Controller's Office recommends the Human Resource Director request that County Council amend the Human Resources Code to the current practice.
2. If County Council does not amend the Human Resources Code, the Controller's Office recommends the annual payment should occur in July and December for non-bargaining employees.

**Electronic Bid Submission**

*Finding(s)*

1. Each year, several bidders have their bid/RFP proposals rejected for entirely avoidable reasons. Some of the reasons include the proposal not being submitted in a timely manner, the lack of a bid bond, or other missing information. While it is solely the responsibility of the bidder to follow the submission guidelines, fewer bids reduces competition and, potentially, savings to the taxpayers. Further, it wastes valuable time and resources on the part of both the Purchasing Department and the Controller's Office.
  - a. Bids submitted electronically can only be submitted during the assigned timeframe.
  - b. Electronic bid software automatically prevents incomplete bids from being submitted.
2. There are several electronic bid services that could help limit these issues. These services usually receive a fee from the bidders, so there is no cost to the County.
  - a. *Point of emphasis: An overview of the electronic bidding process and its potential benefits was communicated by the Controller's Office to all members of County Council, the Directors of Administration and Finance, and Purchasing Department in November of 2024.*

*Recommendation(s)*

1. The Controller's Office recommends County Council amend the Purchasing Code to allow electronic bid submission as many counties across Pennsylvania have done.

2. Once the Purchasing Code is amended, the Administration should send out an RFP to select a vendor that best meets the County's needs.

### **Maintenance Department: Auto-promotion**

#### *Finding(s)*

1. In January of 2025, an operations employee received an auto-promotion by obtaining a new certification. The employee was moved from an AC09 to an AC11 and received a 12% increase in pay.
2. Although the auto-promotions were discussed during contract negotiations, no formal agreement to this policy was included in the approved union contract.

#### *Recommendation(s)*

1. The Controller's Office recommends the Human Resource Director formalize a Memorandum of Agreement (MOA) with the appropriate bargaining unit and have it approved by County Council.

### **Grants to Other Organizations**

#### *Previous Finding(s)*

1. During the budget process, County Council passed General Fund Action Sheets #31, #63, and #64 to increase the Grants to Other Organizations expenses by a total of \$105,400. These action sheets did not include an appropriation of revenue or reduction of other expense lines to offset the additional expenses. Thus, the revenues and expenses for Grants to Other Organizations would not have balanced.
2. The final budget shows a reduction to the EMTA Grant from \$515,386 to \$409,986 to offset the increases added by County Council. Although the County Executive has the authority to reduce budget line items under certain circumstances, this particular reduction was not included in the vetoes and reductions sent to County Council during the budget process. Therefore, they were not conducted through public meetings and hearings. Even if it had been included, the final budget does not reflect the contractually obligated amount of \$515,386 due to EMTA for 2025.
3. To pay the agreed upon amount to EMTA and all the other agreements within the Grants to Other Organizations budget, there will need to be a supplemental appropriation to balance this budget.

### *Recommendation(s)*

1. When considering budget action sheets, the Controller's Office recommends County Council identify all revenue and expense lines affected by the proposed change to ensure a balanced budget.
2. The Controller's Office advises that any changes to the budget satisfy the public hearing requirement regarding such changes as spelled out in the Home Rule Charter.

### **Gaming Fund Budget**

#### *Finding(s)*

1. The 2025 Final Budget reports changes made by County Council that are not supported by action sheets County Council passed during the budget process.
2. The proposed budget showed two (2) transfers of \$2,141,976 from the Gaming Fund; one (1) to the General Fund and one (1) to Grants to Other Organizations. The proposed budget showed both revenues but there was only one (1) transfer out of the Gaming Fund.
3. After the budget proposal was submitted to County Council, the Administration sent a list of adjustments to correct errors and omissions that were discovered in their proposal. This list included an adjustment to increase the Gaming Fund Balance appropriated from \$4,263,256 to \$5,800,000, an increase of \$1,536,744.
4. Municipal Projects funding was reduced by the Administration from \$2,000,000 to \$1,394,768, a decrease of \$605,232. These two (2) changes total the \$2,141,976 needed to fund the second transfer to the General Fund for a total of \$4,283,952.
  - a. During the budget process, County Council did not consider the changes outlined in Finding #3. Instead, they passed General Fund Action Sheet #67 to remove the transfer to the General Fund. County Council passed Gaming Fund Action Sheets #2 and #3 to remove the \$2,500,000 EMS Program and \$2,000,000 for Municipal Projects expenses and Action Sheet #5 to eliminate \$4,263,256 in fund balance appropriation to Gaming.
  - b. The Gaming Fund, as it stands, is out of balance by \$236,744.
  - c. An increase in expenses or an appropriation to the Gaming Fund balance is needed to balance this budget.
5. The County Executive vetoed County Council's changes to the budget. Because of the vetoes, the budget was not changed to the budget County Council passed. It also did not default to the original proposal.

- a. The Final Budget posted on the County website shows the Gaming Fund budget as the original proposal PLUS the Administration's suggested changes.
6. As a result of the ongoing veto disputes regarding the budget, employees, departments, vendors and taxpayers cannot be certain as to what constitutes the final County budget.
7. Regardless of the outcome of the pending lawsuits, the budget the Administration is operating under is neither their original proposal nor the approved County Council budget.

*Recommendation(s)*

1. The Controller's Office recommends a new ordinance be passed immediately to clarify and balance the Gaming Fund budget. This ordinance would satisfy the public hearing requirement of changes to the budget spelled out in the Home Rule Charter.

**Travel Advances and Expense Reports**

*Previous Finding(s)*

1. The County Travel Policy allows employees to request cash advances for anticipated expenses incurred while traveling on County business. Employees that receive an advance must submit an expense report within seventy-two (72) hours of returning to their job. If the actual expenses incurred by the employee are less than the advanced amount, the unused funds must be returned to the County. The policy prohibits employees that have not submitted previous expense reports from receiving additional advances. During 2024, there were one hundred and thirty-eight (138) travel advance requests from the General Fund.
2. Of the 138 travel advance requests, four (4) were voided. However, forty-eight (48) employees did not submit an expense report to settle their advance. Without the expense reports, we cannot accurately account for all travel advance expenditures.
3. Among the eighty-six (86) employees who did submit an expense report, twenty-one (21) were submitted after the 72-hour deadline. Six (6) of the 21 were submitted more than a week after the required deadline. One (1) expense report was submitted twenty-seven (27) days late.
4. We found fifteen (15) employees received an advance despite not submitting an expense report for prior travel.

*Recommendation(s)*

1. When employees do not submit their expense report within the required 72-hour timeframe, the Controller's Office recommends they be contacted by the Finance Director or a suitable designee of the Finance Department to ensure prompt submission.
2. Before approving a travel advance, the Finance Director should verify the employee does not have any outstanding expense reports. If there is an outstanding expense report, the most recent request should be denied until all reports are satisfactorily completed.
3. The Finance Director, or suitable designee, should contact any employee who currently has a past due expense report to ensure they are submitted immediately.

**Purchasing Department: Separation of Duties**

*Previous Finding(s)*

1. In July of 2023, the Director of the Purchasing Department retired, which resulted in a vacancy in the two-person (2) department. The Buyer was promoted to Manager and a new Buyer was hired in August 2023. However, the new Buyer left the County in July of 2024 and was replaced in September 2024.
2. During the transition noted above, the Manager was making credit card purchases, reconciling the monthly statement, and signing off on the monthly credit card payments on the Accounts Payable forms. This practice continued after the new Buyer was hired.

*Recommendation(s)*

1. To appropriately segregate the credit card duties, the Controller's Office recommends the Purchasing Manager reconcile monthly credit card statements and sign off on the Accounts Payable forms. The actual credit card purchases should be delegated to the Buyer.
  - a. Since the retirement of the Director of Purchasing in July of 2023, these duties have only been segregated for one (1) month, June 2024.

## **Cell Phone Stipend**

### *Previous Finding(s)*

1. The County provides a monthly \$20 stipend (paid on a quarterly basis) to employees who use their personal cell phone as part of their required job duties. Employees that leave the County are issued a prorated payment based on their termination date. This has been the long-standing practice but we could not locate a formal policy that established the practice.
2. In 2024, phone stipends totaling \$340 were paid to four (4) terminated employees, including one (1) that left employment in 2023.

### *Recommendation(s)*

1. The Controller's office recommends that the Human Resource Director create and distribute a formal cell phone stipend policy, and then ensure every County manager and director is in compliance.
  - a. The policy should establish which positions are eligible for the stipend, a process to authorize and add the stipend, and a process to remove the stipend.
  - b. The policy should also clarify how a prorated stipend is determined and paid out in any terminated employees' last paycheck.

## PREVIOUS FINDINGS AND RECOMMENDATIONS

### Part 2

The following findings and recommendations for improvement reported in last year's Audit Report have been partially implemented.

#### **Temporary Increase in Hours**

##### *Previous Finding(s)*

1. During 2020, many employees had their regular work-week temporarily increased from 37.5 hours to 40 hours. This was done to compensate employees that were working extra hours as a result of the Covid-19 pandemic. At that time, there were thirteen (13) employees that were temporarily working extra hours. The Human Resources Code does not address temporary increases in hours and the Human Resources Department has not issued a separate policy to regulate temporary hours.

##### *Recommendation(s)*

1. The Director of Human Resources should create a policy for any temporary increase in hours. This policy should establish who is eligible for increased hours and the criteria for justifying the increase in hours.
2. The policy should establish a timeframe for how long the temporary increase in hours can last and require County Council approval to continue the temporary hours beyond the established limit.

##### *Developments since the Original Finding(s)*

1. The Director of Human Resources is in the process of reviewing and updating the Human Resources Code. The use of temporary increases in hours will be addressed when the Human Resources Code is revised.
2. Currently, three (3) employees are temporarily at 40 hours and have been so for more than six-months (6).

## **Non-Bargaining Beeper Pay**

### *Previous Finding(s)*

1. Prior to the release of the new Employee Handbook in March of 2021, the County had a beeper pay policy. Under that policy, non-bargaining employees were not eligible for beeper pay. In all cases, if a department head wanted to institute beeper pay, they had to send a written request to the Director of Human Resources. This request needed the approval of the Personnel Action Review Committee (PARC). County Council eliminated all reference to the PARC from the Human Resources Code in 2007. To the Controller's Office's knowledge, all beeper pay granted to non-bargaining employees since the elimination of the PARC has been at the sole discretion of the Director of Human Resources. The revised handbook does not currently include a beeper pay policy for non-bargaining employees.
2. In 2021, thirty-seven (37) non-bargaining employees received beeper pay in the cumulative amount of \$289,246. Of those 37 employees, eighteen (18) were in supervisory roles. Since the County does not have an established beeper pay scale for non-bargaining employees, there was a wide variance in the amount of beeper pay earned. Payments per employee ranged from \$318 to \$11,411 for the year. Some non-bargaining employees seemed to earn beeper pay in a manner established with the bargaining unit most closely associated with their department. Other non-bargaining employees received a set amount per call. We were unable to determine how many of these arrangements began prior to the elimination of the PARC. We also could not verify that the Director of Human Resources approved all of the arrangements instituted after the PARC was eliminated.

### *Recommendation(s)*

1. We recommend the Director of Human Resources verify that all current beeper pay arrangements have been previously approved. Any unapproved arrangements should be stopped.
2. Exempt employees are currently earning beeper pay when, generally, this practice is prohibited. We recommend that the Director of Human Resources reestablish a formal beeper pay policy that encompasses the following: who is/is not eligible, an articulated application and approval process, and a beeper pay scale to ensure equitable treatment of all non-bargaining employees.

### *Developments since the Original Finding(s)*

1. The Director of Human Resources is in the process of reviewing current practices and is developing a uniform policy to be included in the updated Employee Handbook that will be issued within the year. The total Non-Bargaining beeper pay for 2022 was \$127,341.95.



2. The June 2023 Handbook requires department heads to submit a written request to the Director of Human Resources and the Director of Administration to obtain on call pay for non-bargaining employees. We recommend that the Handbook be further updated to establish who is eligible, articulate an appropriate approval process, and establish a pay scale. The total non-bargaining beeper pay for 2023 was \$124,870.33 and for 2024 was \$138,719.81.

### **Human Resources Code – Promotions**

#### *Previous Findings(s)*

1. The Human Resources Code defines a promotion as an “Assignment of an employee from one class to another which has a higher maximum rate of pay”. Section 9 of the Human Resources Code establishes the pay policy for promotional transfers as 6% per grade with a maximum of 18% or the minimum of the grade, if greater. Section 9 also allows for the starting rate of a newly hired employee to be increased up to 6% of the minimum rate of the classification on the pay plan “for valid and persuasive reasons”. This can result in a newly hired employee being paid higher than a current employee that was promoted internally.
2. For this reason, the additional 6% has been granted to some employees that were promoted internally even though it is not specifically permitted by the Human Resources Code. For example, an employee was hired in February of 2023 at the minimum for an NB10. This employee was not given an additional increase for their experience at their time of hire. In April of 2023, this employee was promoted to an NB11 and, instead of receiving just a 6% increase; they received an additional 3% increase. In total, their wage was raised 9%, placing them above the minimum rate for their “experience and education”. In September 2023, this same employee was promoted to an NB14, which should have entitled them to an 18% increase, but the employee received an additional amount to bring their rate to 6% above the starting rate of an NB14.

#### *Recommendation(s)*

1. The Controller’s Office recommends the Human Resources department discontinue the practice of giving of 6% promotional increases. We further recommend that County Council amend the Human Resources Code to clarify if the additional 6% for a newly hired employee should also be applied to internal promotions. From the perspective of the Controller’s Office, since it is not clearly stated in the Human Resources Code and no criteria has been established, these types of increases are not equitably applied.

2. If County Council amends the Human Resources Code to allow the additional 6% for promotions, we recommend language be included that establishes criteria, defines what are appropriate “valid and persuasive reasons,” and states whether this procedure will be applied every time an employee is promoted.

*Developments since the Original Finding(s)*

1. We continue to recommend that the Human Resources Code be updated to address this issue.

**Anticipated Leave Time**

*Previous Findings(s)*

1. The Employee Handbook and multiple bargaining contracts allow employees to use leave time they have not earned. Department heads have the discretion to allow the use of unearned time so its practical application is varied. The practice has resulted in employees terminating their employment having been paid for leave time they did not earn. When this occurs, both the Employee Handbook and union contracts require employees to reimburse the County for their overused leave time. The County attempts to recoup what is owed from their last pay. If unsuccessful, the County sends the employee a letter to request reimbursement for the overused time.
2. During 2023, there were sixteen (16) employees that overused leave time and left the County without properly reimbursing the County. At this time, the County is owed approximately \$12,000 from these employees. One of these employees owes the County \$3,775.34 for overusing their leave time.
3. During 2024, there were nineteen (19) employees that overused leave time and left the County without properly reimbursing the County. At this time, the County is owed approximately \$10,000.00 from these employees. One of these employees owes the County \$3,414.63 for overusing their leave time.

*Recommendation(s)*

1. The Controller’s Office recommends that, to limit the County’s exposure to this issue, department heads should limit the amount of unearned leave time to three (3) days and then transition the employee to an unpaid status.
2. The County should consider legal action against any employee that has used in excess of \$1,000 of unearned leave time and has not reimbursed the County within six-months (6).

*Developments since the Original Finding(s)*

1. During 2024, there were nineteen (19) employees that overused leave time and left the County without properly reimbursing the County. At this time, the County is owed approximately \$10,000.00 from these employees. One of these employees owes the County \$3,414.63 for overusing their leave time.

# PREVIOUS FINDINGS AND RECOMMENDATIONS

## FROM MULTIPLE REPORTS

### Part 3

Prior Audit Reports contained findings and recommendations for issues outlined in this section that the Controller's Office believed to be significant. These items have been discussed in multiple reports at length but remain unresolved. We continue to recommend that the Administration implement our recommendations. However, in subsequent Audit Reports, these issues will not be addressed unless action is taken that requires further comment.

#### **Temporary Employees**

##### *Previous Finding(s)*

1. Two (2) County departments used the services of two (2) different temp agencies to meet staffing needs. We could not find a provision in the Human Resources Code that allows for the use of third party vendors to fill staffing vacancies. Employees hired by a third party vendor are not properly vetted through the hiring process as outlined in the Human Resources Code, thus they cannot be properly certified by the Director of Human Resources.

##### *Recommendation(s)*

1. The Director of Human Resources should end the practice of the using temp agencies to fill vacancies or ask County Council to amend the Human Resources Code to allow the practice.

##### *Developments since the Original Finding(s)*

1. Although the Human Resources Code has not been amended, temp agencies have not been used to fill vacancies since the original finding.
2. We continue to recommend that the Human Resources Code be updated to address this issue.

## **Out of Class Pay – Time Limit**

### *Previous Finding(s)*

1. During the Covid-19 pandemic, some employees were granted a temporary hourly pay increase for out of class work. Several of these employees received the out of class pay beyond the six-month (6) period allowed in the Human Resources Code.

### *Recommendation(s)*

1. The Director of Human Resources should request that County Council amend the Human Resources Code to require County Council approval of any out of class pay that extends beyond a total of six-months (6).

### *Developments since the Original Finding(s)*

1. The Human Resources Code was not amended. The updated Employee Handbook requires out of class assignments to be reapproved by the Director of Human Resources after six-months (6).
2. We continue to recommend that any assignment lasting more than six-months (6) be approved by County Council.

## **Emergency Human Resources Guidelines**

### *Previous Finding(s)*

1. The issues of out of class pay, temporary hours and *per diem* rates were highlighted by the need of the County to provide services to the public during the Covid-19 pandemic. The Human Resources Code does not address emergency Human Resources procedures.

### *Recommendation(s)*

1. The Director of Human Resources should develop a set of emergency Human Resources guidelines.
2. Given the budgetary impact these temporary changes can have, these guidelines should be presented to County Council for approval; either as a separate policy or as an amendment to the Human Resources Code.

### *Developments since the Original Finding(s)*

1. The Director of Human Resources considered including emergency Human Resources guidelines as part of the updated Human Resources Code, but no updates were made to the Human Resources Code.

2. We continue to recommend that the Human Resources Code be updated to address this issue.

### **Overtime Usage**

#### *Previous Finding(s)*

1. During 2021, several departments experienced staffing shortages that lead to an increase in the amount of overtime earned. The Edmund L. Thomas Center, the Prison and Public Safety were the most affected.

#### *Recommendation(s)*

1. All three (3) of these departments had a shortage of temporary staff that led to full time staff members working more overtime. Every effort should be made to expand the list of eligible *per diem* employees to reduce overtime.
2. We recommend that the Director of Human Resources address mandatory overtime and incremental time off in the next round of contract negotiations with the bargaining employees of the Edmund L. Thomas Center.

#### *Developments since the Original Finding(s)*

1. The Director of Human Resources renegotiated overtime language with some of the union contracts during 2023.
2. Although the new contracts may help reduce some of the overtime costs, The Prison, Public Safety, and ELT remain understaffed which requires overtime to fill staffing needs.

## **Contracted Employees**

### *Previous Finding(s)*

1. During a 2021 review of the 1099's issued for fiscal year 2020, we found one (1) former employee that was later hired as a contractor to continue a project they worked on as an employee. Because this contractor continued doing the same work that was assigned to them as an employee, this contractor should have remained a W-2 employee. By treating this employee as a 1099 contractor, the County was delinquent in collecting IRS mandated federal income taxes.

### *Recommendation(s)*

1. Any department head planning to use contracted employees should notify Human Resources before such employees are officially hired. At that time, the Director of Human Resources should verify that none of these employees would, in fact, qualify as a W-2 status employee.
2. All terminated employees who wish to be retained by the County for services that were completed during employment must be done so in accordance with the County's *per diem* Policy.

### *Developments since the Original Finding(s)*

1. Although a policy has not been created, the Director of Human Resources brought the issue to the attention of department heads at a Director's meeting.
2. We continue to recommend a formal policy be created.

## **Purchase of Employee Clothing**

### *Previous Finding(s)*

1. Historically, the County has purchased clothing for union employees in accordance with the terms of their bargaining agreements. The affected departments have a Clothing and Safety Supplies line in their budget and request funding for these purchases every year during the budget process.
2. Over the past several years, there has been clothing purchased for non-bargaining employees in many departments including the County Executive's suite and County Council.
3. If a department has no Clothing Line item in their budget, it can easily be argued the County should not be purchasing clothing for employees in that department.

*Recommendation(s)*

1. The Controller's Office recommends the County create criteria to determine which department's employees are eligible for County provided clothing.
2. The criteria should include what type of clothing is eligible to be purchased and a justification for the need to purchase the clothing with County funds.
3. Any department that meets the criteria to purchase clothing should have a Clothing Line item added to their budget to process and track future expenditures.
4. Clothing that is purchased with County funds but deemed not required for work needs to follow the taxable clothing policy.

*Developments since the original finding*

1. Although a policy was not created, we did not find any clothing purchases from departments that do not have a clothing line in their budget.
2. We continue to recommend the County create a policy to establish which employees are eligible for County provided clothing.

**Donation of Assets/Services**

*Previous Finding(s)*

1. Currently, any asset donated to the County that is valued at \$1,000 or more needs the approval of County Council before it can be accepted. There is no specific mention of the donation of services such as a bus or the use of a facility for training purposes. The types of donations were accepted for the County Executive's Leadership Program.

*Recommendation(s)*

1. The fixed asset donation policy should be amended/expanded by County Council to include the donation of services.
2. If the donated service is valued at more than \$1,000, it should require the approval of County Council.
3. For any accepted asset or service that is valued at less than \$1,000, each should be documented and reported to County Council and the Controller's Office in a timely manner, i.e. each month or each quarter.



*Developments since the original finding*

1. Although a policy was not created, we did not find any instances where a service was donated to the County.
2. We continue to recommend that a policy be created to address this issue.

**Human Resources Code – Lateral Transfers**

*Previous Finding(s)*

1. The Human Resources Code clearly states that an employee that transfers to a job with the same pay grade will maintain their current rate.
2. In January 2024, an employee was given a 6% increase when they transferred to a new position that was the same as their current grade.

*Recommendation(s)*

1. The Controller's Office recommends the Human Resources Department discontinue the practice of giving any lateral transfer increases.
2. If this practice is to continue, we recommend that County Council amend the Human Resources Code that formally states these types of increases are allowable.

*Developments since the Original Finding(s)*

1. We continue to recommend that the Human Resources Code be updated to address this issue.

**Miscellaneous Purchases**

*Previous Finding(s)*

1. The County has a policy that limits the use of County funds for purchases. For instance, refreshments may only be purchased for special meetings dealing with "broad and vital issues that are of a valid concern of County government". The policy also states, "Government funds may not be used to recognize employee contributions for County services".

2. In 2023, County funds were used to purchase cake for a contracted employee that retired, to buy flowers for an employee whose relative passed away, assorted candy, and to pay a locksmith when an employee locked their keys in their car on a County trip. These items were paid, but not reimbursed, through various budget lines, such as office supplies, all other supplies, and advertising and association fees.

*Recommendation(s)*

1. The Controller's Office recommends the Administration review with department heads that certain expenses are not allowable and closely monitor line items. If these types of expenses occur in the future, the Administration should ensure the County is properly reimbursed.

*Developments since the Original Finding(s)*

1. Miscellaneous purchases still occur and the Controller's Office will address them with the appropriate department as they are identified in 2025.

**Additions to Payroll**

*Previous Finding(s)*

1. Over the past several years, new positions have been created, existing positions have been upgraded and raises above what is allowed in the pay plan have been granted. These increases have a significant impact on the budget.
2. The adjustments have been justified by a need to increase wages to attract and retain employees. The departments with the greatest staffing shortages are in need of employees in union positions. However, the majority of these increases went to non-bargaining positions.

*Recommendation(s)*

1. Each upgrade above the pay plan in one area gives justification for another department head in another area to recommend the same thing.
2. These increases will continue to grow the County's payroll beyond the 3% annual pension increase assumption. This will have an impact on the County's long-term pension liability and required contribution.
3. County Council and the Administration should consider excluding position upgrades from the budget process to identify the impact of each upgrade individually.

4. Reclassifying positions creates a top-heavy pay scale that continues to grow as each upgrade sets the precedent for another similar position to be upgraded.

*Developments since the Original Finding(s)*

1. A new non-bargaining pay plan was instituted in 2023 to, hopefully, reign in these concerns. It is recommended that all elected officials and department heads work within the parameters of the pay plan for the reasons stated above.
2. These increases will continue as long as County Council and the Administration approve them.

# **FINANCE DEPARTMENT**

## **OVERVIEW**

**GENERAL FUND**  
**ACCOUNT BALANCES**

**FINANCE DEPARTMENT**  
**GENERAL FUND ACCOUNT BALANCES**

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

	Cash and Temporary Investments at Beginning of <u>Year</u>	<u>Cash Receipts</u>	Cash <u>Disbursements</u>	Cash and Temporary Investments at <u>End of Year</u>
General Account	\$31,296,205	\$191,901,414	\$187,037,081	\$36,160,538
County Records Improvement Account	\$493,907	\$48,441	\$0	\$542,348

\* See Accompanying Notes to Financial Statements

**NOTES TO GENERAL FUND ACCOUNTS**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

**NOTE 1 - GENERAL ACCOUNT**

The General Account is maintained to track all financial transactions not properly accounted for in another fund.

The General Account is under budgetary control required by law. Each year, County Council must approve the budget. The annual budget is a comprehensive financial plan for the fiscal year that incorporates the estimates of proposed expenditures and the revenues required to finance them.

**NOTE 2 - COUNTY RECORDS IMPROVEMENT ACCOUNT**

Pursuant to House Bill (HB) 196 of 1998, the County has established a County Records Improvement Account. This Bill stated that a fee in the amount of \$2.00 will be charged and collected for each document recorded. This fee shall be split equally between the County Records Improvement Account, included as part of this report, and a separate account within the Office of the Recorder of Deeds.

Pursuant to HB 1923 of 2002, the fee charged and collected for each document recorded was increased to \$5.00. The \$5.00 fee will now allocate \$2.00 to the County Records Improvement Account and \$3.00 to the appropriate account within the Office of the Recorder of Deeds. Funds shall be expended in accordance with a Comprehensive Records Management Plan based on the goal of standardizing and equalizing the capabilities of all County offices consistent with their need to receive, manage and provide information to the public as efficiently as possible.

**SPECIAL REVENUE  
ACCOUNT BALANCES**



**FINANCE DEPARTMENT  
SPECIAL REVENUE ACCOUNT BALANCES**

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2024**

	Cash and Temporary Investments at Beginning of <u>Year</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Cash and Temporary Investments at End of <u>Year</u>
MH/ID Account	\$9,816,444	\$34,956,683	\$35,592,653	\$9,180,474
Drug & Alcohol Account	\$1,157,812	\$13,597,584	\$13,890,230	\$865,166
Children & Youth Account	\$1,060,985	\$87,712,810	\$89,316,319	(\$542,524)
Domestic Relations Account	\$446	\$5,075,996	\$5,035,790	\$40,652
Liquid Fuels Account	\$280,119	\$656,510	\$576,900	\$359,729
Public Health & Safety Account	\$43,153	\$9,345,851	\$9,736,048	(\$347,044)
Library Account	(\$861,913)	\$8,618,310	\$8,224,367	(\$467,970)
Planning Account	\$3,746,087	\$6,268,074	\$5,239,896	\$4,774,265
E-911 Account	\$803,068	\$8,543,407	\$8,012,708	\$1,333,767
Emergency Management Account	\$39,162	\$370,005	\$412,207	(\$3,040)
Employee Fringe Benefit Account	(\$423,739)	\$22,843,141	\$22,848,558	(\$429,156)
Gaming Funds Account	\$5,409,689	\$14,525,848	\$14,894,201	\$5,041,336
Keep Erie County Beautiful Account	\$670	\$0	\$440	\$230
Supervision Fees Account	\$692,290	\$4,353,818	\$4,178,431	\$867,677
Health Choices Account	\$35,372,397	\$125,398,868	\$135,254,646	\$25,516,619
American Rescue Plan Account	\$11,930,222	\$164,744	\$3,721,031	\$8,373,935
Whole Home Repair Account	\$2,408,726	\$34,369	\$455,993	\$1,987,102
Local \$5 Use Fee Account	\$5,173,187	\$1,224,330	\$1,009,711	\$5,387,806
Public Health Infrastructure Account	\$2,738,781	\$41,824	\$0	\$2,780,605

\* See Accompanying Notes to Financial Statements

**NOTES TO SPECIAL REVENUE ACCOUNTS**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

**NOTE 1        -        MH/ID ACCOUNT**

The MH/ID Account tracks the State and County funds that are passed through to local agency providers for MH/ID activities. This fund also includes the Administration of adult services and in-home health services.

**NOTE 2        -        DRUG AND ALCOHOL ACCOUNT**

The Drug and Alcohol Account tracks State and County funds that are passed through to local agency providers for appropriate identification and treatment programs.

**NOTE 3        -        CHILDREN AND YOUTH ACCOUNT**

The Children and Youth Account utilizes both Act 148 and County funds to provide caseworkers for Child Protective Services. This account also tracks the funds used to administer the County's day care programs and the juvenile detention center. Furthermore, this account tracks the funds used to administer Act 148, Title IV-A, Title IV-E and County funds used to pay for the court ordered placement of dependent and delinquent children in protective and correctional institutions.

**NOTE 4        -        DOMESTIC RELATIONS ACCOUNT**

The Domestic Relations Account tracks the cash received from defendants under court order and the subsequent disbursement of those funds to the appropriate designated party; either the State or plaintiff. These accounts are maintained by Domestic Relations personnel responsible to the Judges of the Court of Common Pleas.

**NOTE 5        -        LIQUID FUELS ACCOUNT**

The Liquid Fuels Account tracks the funds received from the Commonwealth that are then passed through to local municipalities for road and bridge maintenance.

**NOTE 6        -        PUBLIC HEALTH AND SAFETY ACCOUNT**

The Public Health Account tracks the funds provided by Act 315, Act 12, other various grants and dedicated County funds used to administer personal health services such as clinics, environmental protection services and other health and safety related programs.

**NOTE 7 - LIBRARY ACCOUNT**

The Library Account tracks the funding which primarily comes from the County but includes additional grants from the Commonwealth of Pennsylvania and certain local municipalities. Within this account, several branch libraries are operated throughout the County and bookmobile service is provided.

**NOTE 8 - PLANNING ACCOUNT**

The Planning Account tracks the funding the County's Planning Department receives from various State and Federal agencies including Community Development Block Grants, Coastal Zone Management, Pennsylvania Department of Transportation and the County of Erie.

**NOTE 9 - E-911 ACCOUNT**

The E-911 Account was established to account for the activities of E-911 expenses and revenues as approved by County government.

**NOTE 10 - EMERGENCY MANAGEMENT ACCOUNT**

The Emergency Management Account was established to separate Emergency Management funds from Public Health funds. Funds are provided by PEMA, other grants and the County. The funds are used to administer Emergency Management services.

**NOTE 11 - EMPLOYEE FRINGE BENEFIT ACCOUNT**

The Employee Fringe Benefit Account was established by Ordinance Number 144-2005 as an Internal Service Fund to account for County-wide employee fringe benefits.

**NOTE 12 - GAMING FUNDS ACCOUNT**

During 2013, the Restricted Gaming Fund was closed. Gaming Funds received from the Commonwealth are now deposited in the Unrestricted Gaming Funds Account. Half of these funds are then transferred to the Erie County Gaming Revenue Authority to be used for municipal grants for health, safety and economic development projects. The remaining balance of the Unrestricted Funds can be used at the County's discretion.

**NOTE 13 - KEEP ERIE COUNTY BEAUTIFUL ACCOUNT**

This account was established by a grant from Keep America Beautiful. The funds are used to improve and beautify Erie County.

**NOTE 14 - SUPERVISION FEES ACCOUNT**

The Supervision Fee Account was established pursuant to Act 35 of 1991 for the purpose of segregating County Offender Supervision Fees imposed by the sentencing Judge of the Court of Common Pleas. These funds can only be disbursed at the discretion of the President Judge.

**NOTE 15 - HEALTH CHOICES ACCOUNT**

The Health Choices Account tracks the funds that are passed through to Community Care Behavioral Health, which serves as the County's managed care organization to provide Medical Assistance funding for mental health, drug and alcohol and childrens' services programs.

**NOTE 16 - AMERICAN RESCUE PLAN ACT ACCOUNT**

The American Rescue Plan Act Account was established to track the expenditures of the American Rescue Plan Act funds received by the County.

**NOTE 17 - WHOLE HOME REPAIR ACCOUNT**

The Whole Home Repair Account was established to track the expenditures of the DCED Whole Home Repair Grant received by the County. These grant funds are to be used for housing repair programs and construction trade training.

**NOTE 18 - LOCAL \$5 USE FEE ACCOUNT**

The Local \$5 Use Fee Account was established to track the revenue and expenses of the \$5 Local Use Fee received by the County for vehicle registrations. These funds are to be used for bridge repair.

**NOTE 19 - PUBLIC HEALTH INFRASTRUCTURE ACCOUNT**

The Public Health Infrastructure Account was established to track the revenue and expenses of the Public Health Infrastructure Grant received by the County. These funds are to be used to maintain Public Health staffing levels.

**SPECIAL REVENUE ACCOUNTS  
SUPPLEMENTAL INFORMATION**

## LIQUID FUELS ACCOUNT BALANCES

### DETAILED SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDING DECEMBER 31, 2024

Cash at Beginning of Year		\$280,119
---------------------------	--	-----------

#### RECEIPTS

Commonwealth of Pennsylvania	\$654,858	
Interest	<u>\$1,652</u>	
		<u>\$656,510</u>
		\$936,629

#### DISBURSEMENTS

Various County Municipalities	\$576,900	
		<u>\$576,900</u>

Cash at End of Year		<u>\$359,729</u>
---------------------	--	------------------

## **GAMING FUNDS ACCOUNT BALANCES**

### **DETAILED SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDING DECEMBER 31, 2024**

Cash at Beginning of Year		\$5,409,689
---------------------------	--	-------------

#### **RECEIPTS**

Commonwealth of PA	\$14,523,051	
Interest Earnings	<u>\$2,797</u>	
		<u>\$14,525,848</u>
		\$19,935,537

#### **DISBURSEMENTS**

Transfer to Other Organizations	\$11,987	
Transfer to Land Bank	\$1,000,000	
Transfer to ECGRA	\$6,085,373	
Transfer to Community College	\$4,000,000	
Transfer to General Fund	\$2,996,841	
Transfer to Planning	<u>\$800,000</u>	
		<u>\$14,894,201</u>
Cash at End of Year		<u>\$5,041,336</u>

**DEBT SERVICE FUND**  
**ACCOUNT BALANCES**



**FINANCE DEPARTMENT  
DEBT SERVICE FUND ACCOUNT BALANCES**

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2024**

Cash and Investments at Beginning of Year	\$2,503,394
Receipts	\$7,041,040
Disbursements	<u>\$6,982,188</u>
Cash and Investments at End of Year	<u>\$2,562,246</u>

\* See Accompanying Notes to Financial Statements

**NOTES TO DEBT SERVICE FUND ACCOUNTS**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

**NOTE 1 - DEBT SERVICE FUND ACCOUNT**

The Debt Service Fund Account is used to retire County debt obligations.

**NOTE 2 - GENERAL OBLIGATION BONDS**

The County issued 2015 General Obligation Bonds totaling \$17,380,000. The bonds mature in varying amounts annually through 2030. The bonds were issued to fund the Public Safety Radio Project. As of December 31, 2024, the balance of the 2015 issue is \$8,455,000.

The County issued 2017 General Obligation Bonds totaling \$20,220,000. The bonds mature in varying amounts annually through 2025. The bonds were issued to advance refund a 2007 Bond issue that has been retired. As of December 31, 2024, the balance of the 2017 issue was \$5,115,000.

**DEBT SERVICE FUND ACCOUNTS  
SUPPLEMENTAL INFORMATION**

## DEBT SERVICE FUND ACCOUNT BALANCES

### DETAILED SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDING DECEMBER 31, 2024

Cash and Investments at Beginning of Year		\$2,503,394
---	--	-------------

#### RECEIPTS

Interest Earnings	\$59,677	
-------------------	----------	--

Transfer from General Fund	\$5,369,250	
----------------------------	-------------	--

Transfer from Emergency Management Account	\$0	
--	-----	--

Transfer from 911 Account	<u>\$1,612,113</u>	
---------------------------	--------------------	--

		<u>\$7,041,040</u>
--	--	--------------------

		\$9,544,434
--	--	-------------

#### DISBURSEMENTS

Principal & Interest on 2015 General Obligation Bonds	\$1,611,206	
---	-------------	--

Principal & Interest on 2017 General Obligation Bonds	\$5,369,250	
---	-------------	--

Professional Fees (Trustee)	<u>\$1,732</u>	
-----------------------------	----------------	--

		<u>\$6,982,188</u>
--	--	--------------------

Cash and Investments at End of Year		<u>\$2,562,246</u>
-------------------------------------	--	--------------------

**TRUST AND AGENCY FUND  
ACCOUNT BALANCES**

## TRUST AND AGENCY FUND ACCOUNTS BALANCES

### STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDING DECEMBER 31, 2024

	Cash at Beginning of Year	Cash Receipts	Cash Disbursements	Cash at End of Year
State Account	\$12,244	\$152,050	\$155,928	\$8,366
Retirement Account	\$1,009,587	\$23,878,568	\$23,975,117	\$913,038

\* See Accompanying Notes to Financial Statements

## **NOTES TO TRUST AND AGENCY FUND ACCOUNTS**

### **FOR THE YEAR ENDING DECEMBER 31, 2024**

#### **NOTE 1 - STATE ACCOUNT**

The State Account is maintained to track funds collected from the issuance of State licenses, permits, etc. The various types of licenses and permits issued by the Revenue Department include dog, fishing, bingo, small games of chance and hunting licenses from which the County receives a commission. The amount of the commission varies with type of license or permit issued.

#### **NOTE 2 - RETIREMENT ACCOUNT**

The County of Erie Employees' Retirement Plan is in effect for all eligible employees and is administered by three members of County Council, the Director of Finance and the County Controller. The plan is contributory whereby the County and the employees contribute to provide retirement benefits. The County is obligated to contribute sufficient funds to assure payment of all promised benefits.

**TRUST AND AGENCY FUND ACCOUNTS**  
**SUPPLEMENTAL INFORMATION**



## STATE ACCOUNT BALANCES

### DETAILED SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDING DECEMBER 31, 2024

Cash at Beginning of Year		\$12,244
---------------------------	--	----------

#### RECEIPTS

Dog Licenses	\$81,760	
Fishing Licenses	\$2,384	
Hunting Licenses	\$7,461	
Bingo Licenses	\$7,090	
Commissions	\$16,168	
Small Games of Chance Licenses	\$36,800	
Pistol Permits	\$283	
NSF Check Fees/Misc.	<u>\$104</u>	
		<u>\$152,050</u>

\$164,294

#### DISBURSEMENTS

Commonwealth of Pennsylvania	\$94,184	
Erie County General Fund:		
Commissions	\$15,838	
Bingo Licenses	\$6,940	
Pistol Permits	\$378	
NSF Check Fees/Misc.	\$138	
Small Games of Chance Licenses	<u>\$38,450</u>	
		<u>\$155,928</u>

Cash at End of Year		<u>\$8,366</u>
---------------------	--	----------------

## RETIREMENT CLEARING ACCOUNT BALANCES

### DETAILED SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDING DECEMBER 31, 2024

Cash & Stock at Beginning of Year			\$1,009,587
<b>RECEIPTS</b>			
Members Contributions		\$5,068,461	
Erie County Contribution		\$8,393,547	
Interest		\$70,420	
Net Withdrawal from Money Managers		\$10,312,679	
Loss Recovery		\$13,224	
Increase in Value of Stock		(\$49)	
Prior Period Voids		<u>\$20,286</u>	
Total Receipts			<u>\$23,878,568</u>
			<u>\$24,888,155</u>
<b>DISBURSEMENTS</b>			
Retirees Net Benefits		\$20,017,979	
Death Benefits		\$129,843	
Member Withdrawals		\$536,732	
Investment Expense		\$489,404	
Administrative Expense		\$245,082	
Deductions from Retirees Pay:			
Hospitalization	\$318,160		
State Tax	\$8,680		
Federal Withholding	<u>\$2,229,237</u>	<u>\$2,556,077</u>	<u>\$23,975,117</u>
Cash and Stock at End of Year			<u>\$913,038</u>
Cash		\$912,924	
Stock – 2 Shares of Nabors Industries Ltd		<u>\$114</u>	
Total		<u>\$913,038</u>	