

# ATTESTATION ENGAGEMENT

---

Bucks County  
Pennsylvania  
09-000

Liquid Fuels, Act 44, and Act 89  
Tax Funds, and County Fee  
for Local Use Fund  
For the Period  
January 1, 2013 to December 31, 2017

---

September 2021



Commonwealth of Pennsylvania  
Department of the Auditor General

Timothy L. DeFoor • Auditor General



Commonwealth of Pennsylvania  
Department of the Auditor General  
Harrisburg, PA 17120-0018  
Facebook: Pennsylvania Auditor General  
Twitter: @PAAuditorGen  
www.PaAuditor.gov

TIMOTHY L. DEFOOR  
AUDITOR GENERAL

### Independent Auditor's Report

The Honorable Yassmin Gramian, P.E.  
Secretary  
Department of Transportation  
Harrisburg, PA 17120

We examined the accompanying Forms MS-991 With Adjustments for the Liquid Fuels Tax Fund, the Reports of Act 44 and Act 89 Tax Funds With Adjustments, and the Reports of County Fee for Local Use Funds With Adjustments of Bucks County for the period January 1, 2013 to December 31, 2017 (Forms). The county's management is responsible for presenting the Forms in accordance with the criteria described in the Background section of this report and the Department of Transportation's *Publication 9*. Our responsibility is to express an opinion on the Forms based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Forms are presented in accordance with the criteria described above, in all material respects. An examination involves performing procedures to obtain evidence about the Forms. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material misstatement of the Forms whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are mandated by Section 403 of *The Fiscal Code*, 72 P.S. § 403, to audit each county's Liquid Fuels, Act 44, Act 89 Tax Funds and the County Fee for Local Use Fund to ensure that funds received are expended in accordance with applicable laws and regulations. *Government Auditing Standards* issued by the Comptroller General of the United States include attestation engagements as a separate type of audit. An attestation engagement performed pursuant to *Government Auditing Standards* involves additional standards that exceed the standards provided by the American Institute of Certified Public Accountants. Accordingly, this attestation engagement complies with both *Government Auditing Standards* and Section 403 of *The Fiscal Code*.

## Independent Auditor's Report (Continued)

As discussed in Finding No. 1, the adjustments included on the Forms MS-991 With Adjustments and the Report of Act 44 Tax Fund with Adjustments are made by the Department of the Auditor General.

As discussed in the Findings And Recommendations and Summary Of Prior Examination Recommendations sections of this report:

- The county expended \$54,582.15 more than the Liquid Fuels Tax Fund balance for the year ended December 31, 2013 (see Finding No. 2).
- The county expended \$18,050.03 in excess of the approved amount on construction project No. 17-09000-001.
- In our prior report, we recommended that the Department of Transportation review our examination finding to determine if the county should reimburse \$1,878,646.46 to its Liquid Fuels Tax Fund. This amount consists of \$1,850,342.46 for failure to obtain project approvals and \$28,304.00 for expending more than the Liquid Fuels Tax Fund balance. The Department of Transportation directed the county reimburse \$414,832.41 of the \$1,878,646.46 to its Liquid Fuels Tax Fund. We noted that the county reimbursed this amount to its Liquid Fuels Tax Fund on February 26, 2018, which was subsequent to the examination period.

In our opinion, except for the bulleted matters discussed above, the Forms present, in all material respects, the information required by the Pennsylvania Department of Transportation for the Liquid Fuels Tax Fund, Act 44 Tax Fund, Act 89 Tax Fund, and County Fee for Local Use Fund of Bucks County for the period January 1, 2013 to December 31, 2017, in accordance with the criteria described in the Background section of this report and the Department of Transportation's *Publication 9*.

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the Forms; and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the Forms. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on whether the Forms are presented in accordance with the criteria described above and not for the purpose of expressing an opinion on internal control over reporting on the Forms or on compliance and other matters; accordingly, we express no such opinions.

## Independent Auditor's Report (Continued)

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

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

- Failure To Properly Prepare Forms MS-991 And Reports Of County Fee For Local Use - Recurring.

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

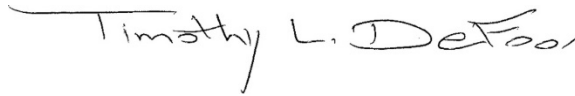
- County Expended More Than The Liquid Fuels Tax Fund Balance - Recurring.
- Liquid Fuels Money Over Expended On Project.

The examination finding for failure to properly prepare Forms MS-991 and Reports of County Fee For Local Use Funds contained in this report cite conditions that existed in the operation of the county during the previous engagement and were not corrected during the current examination period. The county should strive to comply with the recommendations noted in this report.

Independent Auditor's Report (Continued)

The purpose of this report is to determine whether the county's Liquid Fuels Tax Fund, Act 44 Tax Fund, Act 89 Tax Fund, and County Fee for Local Use Fund money is spent in accordance with the laws and regulations identified in the Background section of this report and the Department of Transportation's *Publication 9*. This report is not suitable for any other purpose.

We appreciate the courtesy extended by Bucks County to us during the course of our examination. If you have any questions, please feel free to contact the Bureau of County Audits at 717-787-1363.

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a long horizontal line extending to the left of the first letter.

August 9, 2021

Timothy L. DeFoor  
Auditor General

# CONTENTS

	<u>Page</u>
Background.....	1
Financial Section:	
2013 Form MS-991 With Adjustments .....	11
2014 Form MS-991 With Adjustments .....	13
2015 Form MS-991 With Adjustments .....	15
2016 Form MS-991 With Adjustments .....	17
2017 Form MS-991 With Adjustments .....	19
2013 Report Of Act 44 Tax Fund With Adjustments.....	21
2014 Report Of Act 44 Tax Fund With Adjustments.....	22
2015 Report Of Act 44 Tax Fund With Adjustments.....	23
2016 Report Of Act 44 Tax Fund With Adjustments.....	24
2017 Report Of Act 44 Tax Fund With Adjustments.....	25
2014 Report Of Act 89 Tax Fund With Adjustments.....	26
2015 Report Of Act 89 Tax Fund With Adjustments.....	27
2016 Report Of Act 89 Tax Fund With Adjustments.....	28
2017 Report Of Act 89 Tax Fund With Adjustments.....	29
2016 Report Of County Fee For Local Use Funds With Adjustments.....	30
2017 Report Of County Fee For Local Use Funds With Adjustments.....	31
Auditor Description Of Select Transactions.....	32

CONTENTS (Continued)

	<u>Page</u>
Findings And Recommendations:	
Finding No. 1 - Failure To Properly Prepare Forms MS-991 And Reports Of County Fee For Local Use - Recurring.....	34
Finding No. 2 - County Expended More Than The Liquid Fuels Tax Fund Balance - Recurring.....	38
Finding No. 3 - Liquid Fuels Money Over Expended On Project.....	40
Summary Of Prior Examination Recommendations.....	42
Summary Of Exit Conference.....	43
Report Distribution .....	44

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

Background

*The Vehicle Code* makes provisions and provides funding for the County Liquid Fuels, Act 44, Act 89, and County Fee for Local Use Programs. The Pennsylvania Department of Transportation has regulatory administration and oversight of the funds supporting these county programs. Counties are required to comply with those provisions and to report annually.

*The Vehicle Code* imposes a state tax on liquid fuels and fuels used or sold and delivered by distributors within the Commonwealth (75 Pa. C.S. § 9004(a)). One-half cent of the tax collected on each gallon of liquid fuels is deposited in the Commonwealth's Liquid Fuels Tax Fund. *The Vehicle Code* further provides for the disposition and use of this tax, including the allocations to counties in June and December of each year to fund construction, reconstruction, maintenance and repair of county roads, streets and bridges. The allocation to the respective counties is made in the ratio that the average amount returned to each county during the three preceding years bears to the average amount returned to all counties during the three preceding years (75 Pa C.S. § 9010).

*The Vehicle Code*, as amended by Act 44 of 2007 (July 18, 2007, P.L.169) and Act 89 of 2013 (November 25, 2013, P.L. 169), provides the Pennsylvania Department of Transportation with oversight authority of the Act 44 funds distributed to the counties from the Commonwealth's Motor License Fund (75 Pa. C.S. § 8915.6(b)(2) and as of July 1, 2014 § 9301(b)). The annual distribution to counties is determined based upon the ratio of square footage of deck area of a county's county-owned bridges to the total square footage of deck area of county-owned bridges throughout the Commonwealth. The reporting of the square footage of deck area of a county's county-owned bridges is required as part of the National Bridge Inspection Standards Program.

*The Vehicle Code*, as amended by Act 89 of 2013 (November 25, 2013, P.L. 974, No.89) provides for semi-annual allocations to all counties that own public bridges (75 Pa. C.S. § 9502(a)(2)(iv)). These allocations are made on the first business day of June and December each year. The Commonwealth allocates the funds available through Act 89 to counties based upon the ratio of square footage of deck area of a county's county-owned bridges to the total square footage of deck area of county-owned bridges throughout the Commonwealth. The reporting of the square footage of deck area of a county's county-owned bridges is required as part of the National Bridge Inspection Standards Program.

*The Vehicle Code*, as amended by Act 89 of 2013 (November 25, 2013, P.L. 974, No.89), permits counties to impose a \$5 fee for local use on nonexempt vehicles registered to an address located in the county (75 Pa. C.S. § 1935 (b)). This fee is collected by the Department of Transportation and is distributed to counties that impose the fee on the first business day of June and December each year.



BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

Background (Continued)

*Criteria*

A. *The Vehicle Code* prescribes criteria for liquid fuels program funds (75 Pa C.S. § 9010). The Pennsylvania Department of Transportation's *Publication 9* provides more specific policies and procedures to counties for the administration and reporting of the liquid fuels program funds. In the event of any discrepancies between the two, the legislation governs.

(1) Funds received by the counties must be deposited in a special fund designated as the County Liquid Fuels Tax Fund and no other money may be deposited and commingled. Money should be invested to earn interest until expended.

- For purposes of payments under (2), below, the county may borrow and place in the special fund money not in excess of the liquid fuels tax funds to be received during the current calendar year.

(2) Payments from the special fund may be used for:

- Construction, reconstruction, maintenance and repair of roads, highways, bridges and curb ramps from a road or highway to provide for access by individuals with disabilities consistent with Federal and State law;
- Property damages and compensation of viewers for services in eminent domain proceedings involving roads, highways, and bridges;
- Construction, reconstruction, operation and maintenance of publicly owned ferryboat operations;
- Interest and principal payments on road, bridge, or publicly owned ferryboat operation bonds or sinking fund charges;
- Acquisition, maintenance, repair and operation of traffic signs and signals;
- Erection and maintenance of stop and go signal lights, blinkers and other like traffic control devices;

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

Background (Continued)

- Indirect costs, including benefit costs, overhead and other administrative charges for those county employees directly engaged in eligible projects, not to exceed 10 percent of the yearly allocation to the county; and
  - Individual vehicle liability insurance for equipment purchased under the fund, not to exceed 10 percent of the yearly allocation to the county.
- (3) Counties may not make expenditures from the special fund for new construction on roads, bridges, curb ramps, or publicly owned ferryboat operations without the approval of the plans for construction by the Pennsylvania Department of Transportation. And, counties may not allocate money from the special fund to political subdivisions within the county until the application and the contracts or plans for the proposed expenditures have been made on a form prescribed by the Pennsylvania Department of Transportation.
- (4) Counties may encumber current funds for future road and bridge construction, reconstruction, and maintenance projects including viable municipal projects. Counties must redistribute any unencumbered balance in the special fund to political subdivisions if the unencumbered balance is more than the county's receipts during the preceding twelve month period.
- (5) Counties must submit a report to the Pennsylvania Department of Transportation by January 31 for the period ending December 31 on prescribed Form MS-991, The Report of County Liquid Fuels Tax Fund, showing the receipts and expenditures of the money received by the county from the Commonwealth. Upon failure to file the report or instances of any non-compliant payments, allocations, or expenditures, the Pennsylvania Department of Transportation may withhold further funding until the delinquent report is filed, the money is allocated, or the expenditures for the prior 12 months are approved.
- B. *The Vehicle Code*, as amended by Act 44 of 2007 (July 18, 2007, P.L. 169) and Act 89 of 2013 (November 25, 2013, P.L. 169), prescribes the Pennsylvania Department of Transportation with oversight authority of the Act 44 funds distributed to the counties from the Commonwealth's Motor License Fund. The County's Act 44 Tax Fund is used to account for the distribution made to the county from the Department of Transportation and the payments made for construction and maintenance of county-owned bridges.

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

Background (Continued)

(1) Funds received by the counties must be deposited in a special fund designated as the County Act 44 Fund and no other money may be deposited and commingled. (Note: Act 44 and Act 89 Funds may be deposited in a single account. However, the county must account for these funds independently for auditing). Money should be invested to earn interest until expended.

- For purposes of payments under (2), below, the county may borrow and place in the special fund money not in excess of the liquid fuels tax funds to be received during the current calendar year.

(2) Payments from the special fund may be used for:

- Construction, reconstruction, maintenance, and repair of public bridges for which the county is legally responsible.
- Interest and principal payments on bridge loans and bonds or sinking fund charges for such bonds becoming due within that current calendar year.
- County Engineer's salary and benefit costs for bridge work (that portion of the total calculated to be relevant to bridge work only).
- Engineering fees related to bridge work (fees in excess of 10% of the total contract price must be documented and justified to the satisfaction of the District Municipal Services Office).
- Liability insurance for bridge equipment and vehicles when the named beneficiary is the entity's Act 44 Fund.
- Inspection costs associated with bridges.
- Purchase of right-of-way for bridge construction, reconstruction, or maintenance.

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

Background (Continued)

- (3) For bridge maintenance/preservation activities, the county must confer with a District Municipal Services Representative to determine if Department of Transportation approval is required. All rehabilitations, replacements or any other work that affects the carrying capacity of the structure or the waterway areas requires the approval of the Department of Transportation.
  - (4) In order to receive Act 44 funds as scheduled, each county must submit an annual report showing the receipts and expenditures for the preceding 12 months. The use of the funds must be in compliance with the Act. Failure to do so may result in the county's not receiving allocations until such deficiencies are resolved.
- C. *The Vehicle Code*, as amended by Act 89 of 2013 (November 25, 2013, P.L. 169), prescribes the Pennsylvania Department of Transportation with oversight authority of the Act 89 funds distributed to the counties from the Department of Transportation. The County's Act 89 Tax Fund is used to account for the distribution made to the county from the Department of Transportation and the payments made for construction and maintenance of county-owned bridges.
- (1) Funds received by the counties must be deposited in a special fund designated as the County Act 89 Fund and no other money may be deposited and commingled. (Note: Act 89 and Act 44 Funds may be deposited in a single account. However, the county must account for these funds independently for auditing). Money should be invested to earn interest until expended.
    - For purposes of payments under (2), below, the county may borrow and place in the special fund money not in excess of the liquid fuels tax funds to be received during the current calendar year.
  - (2) Payments from the special fund may be used for:
    - Construction, reconstruction, maintenance, and repair of public bridges for which the county is legally responsible.
    - Interest and principal payments on bridge loans and bonds or sinking fund charges for such bonds becoming due within that current calendar year.

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

Background (Continued)

- County Engineer's salary and benefit costs for bridge work (that portion of the total calculated to be relevant to bridge work only).
  - Engineering fees related to bridge work (fees in excess of 10% of the total contract price must be documented and justified to the satisfaction of the District Municipal Services Office).
  - Liability insurance for bridge equipment and vehicles when the named beneficiary is the entity's Act 89 Fund.
  - Inspection costs associated with bridges.
  - Purchase of right-of-way for bridge construction, reconstruction, or maintenance.
- (3) For bridge maintenance/preservation activities, the county must confer with a District Municipal Services Representative to determine if Department of Transportation approval is required. All rehabilitations, replacements or any other work that affects the carrying capacity of the structure or the waterway areas requires the approval of the Department of Transportation.
- (4) In order to receive Act 89 funds as scheduled, each county must submit an annual report showing the receipts and expenditures for the preceding 12 months. The use of the funds must be in compliance with the Act. Failure to do so may result in the county's not receiving allocations until such deficiencies are resolved.
- D. *The Vehicle Code*, as amended by Act 89 of 2013 (November 25, 2013, P.L. 169), prescribes the Pennsylvania Department of Transportation with oversight authority of the County Fee for Local Use funds distributed to the counties from the Department of Transportation. The County Fee for Local Use Fund is used to account for the distribution made to the county from the Department of Transportation and the payments made for construction and maintenance of county-owned bridges.
- (1) Funds received by the counties must be deposited in a special fund. No other money may be deposited and commingled in this fund. Money should be invested to earn interest until expended.

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

Background (Continued)

(2) Payments from the special fund may be used for:

- Construction, reconstruction, maintenance, and repair of public roads/streets, or bridges for which the county is legally responsible including a roadway open to the use of the public for vehicular traffic on the grounds of a college or university, public or private school, or public or historical park.
- Curb ramps from to provide for access by individuals with disabilities in accordance with the Americans with Disabilities Act (ADA) and Department of Transportation Standards;
- Property damages and compensation of viewers for services in eminent domain proceedings involving roads, highways, and bridges;
- Ferry boat operations, where applicable.
- Acquisition, maintenance, repair and operation of traffic signs and signals;
- Erection and maintenance of stop and go signal lights, blinkers and other like traffic control devices;
- Indirect costs, including benefit costs, overhead and other administrative charges for those county employees directly engaged in eligible projects, not to exceed 10 percent of the yearly allocation to the county; and
- Transportation related safety studies or safety projects on public highways.
- The construction of sound walls if included in a highway project as a mitigation measure for environmental purposes and all warrants are met.
- Other expenditures determined, on a case-by-case basis, to be consistent with the requirements and restrictions of Article 8, Section 11 of the Pennsylvania Constitution.

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

Background (Continued)

- (3) Counties may not make expenditures from the special fund for new construction on roads, bridges, curb ramps, or publicly owned ferryboat operations without the approval of the plans for construction by the Pennsylvania Department of Transportation.
- (4) Each county that has adopted a fee for local use ordinance must submit a set of annual reports showing the receipts and expenditures of all fee for local use funds received from the Commonwealth on forms supplied by the Center for Program Development and Management.

*Basis Of Presentation*

In accordance with reporting requirements prescribed by the Pennsylvania Department of Transportation, the Form MS-991 With Adjustments and, the Reports of Act 44 and Act 89 Tax Funds With Adjustments, and the Report of County Fee For Local Use Funds do not constitute complete financial presentations of the county's assets, liabilities, expenses, and fund balance but include the receipts, expenditures, and fund balances of the County Liquid Fuels Tax Fund, the County Act 44 Tax Fund, the County Act 89 Tax Fund, and the County Fee For Local Use Fund, respectively.

The Pennsylvania Department of Transportation prescribes that the county report the following on the Form MS-991, *Report of County Liquid Fuels Tax Fund*:

- A. The balance in the County Liquid Fuels Tax Fund at the beginning of the report calendar year.
- B. Receipts which must be itemized and include the County's Liquid Fuels Tax Fund allocations, interest, reimbursable agreements, and miscellaneous items such as loans, sale of salvageable material, and damage claims to road or bridge property.
- C. Accounts receivable (to be realized within 60 days of the year end).
- D. Total Liquid Fuels Tax funds available for expenditure and encumbrances.
- E. Expenditures for county-owned roads, highways, and bridges.
- F. Accounts payable (accrued wages, accrued payroll taxes, and accounts payable vendors to be realized within 60 days of the year end)

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

Background (Continued)

- G. The balance in the fund at the close of the report calendar year.
- H. Encumbered and unencumbered balances on hand at the close of the report calendar year.

The Pennsylvania Department of Transportation prescribes that the county report the following on the Reports Of Act 44 Tax Fund and Act 89 Tax Fund:

- A. The balance in the County Act 44 and Act 89 Tax Fund at the beginning of the report calendar year.
- B. Receipts which must be itemized and include the County's Act 44 and Act 89 allocations, interest, reimbursable agreements, and miscellaneous items such as loans, sale of salvageable material, and damage claims to road or bridge property.
- C. Total Act 44 and Act 89 funds available for expenditure.
- D. Expenditures for county-owned bridges.
- E. The balance in the fund at the close of the report calendar year.

The Pennsylvania Department of Transportation prescribes that the county report the following on the Reports of County Fee for Local Use Funds:

- A. The balance in the County Fee for Local Use Fund at the beginning of the report calendar year.
- B. Receipts which must be itemized and include the County's Fee for Local Use Fund allocations, interest, reimbursable agreements, and miscellaneous items such as loans, sale of salvageable material, and damage claims to road or bridge property.
- C. Total County Fee for Local Use funds available for expenditure.
- D. Expenditures.
- E. The balance in the fund at the close of the report calendar year.



BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

Background (Continued)

*Basis Of Accounting*

The accompanying Form MS-991 With Adjustments, Report of Act 44 Tax Fund With Adjustments, Report of Act 89 Tax Fund With Adjustments, and Report of County Fee For Local Use Funds With Adjustments are prepared in accordance with reporting requirements prescribed by the Pennsylvania Department of Transportation. Under this method, revenues are recognized when received and expenditures are recorded when paid.

BUCKS COUNTY  
LIQUID FUELS TAX FUND  
2013 FORM MS-991 WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Actual balance in county Liquid Fuels Tax Fund on January 1, 2013	\$ 82,928.87	\$ -	\$ 82,928.87
<u>Receipts:</u>			
Liquid Fuels Tax Funds received from Commonwealth	415,522.79	-	415,522.79
Interest	45.02	-	45.02
Reimbursable agreements	43,454.02	23,388.03	66,842.05
Miscellaneous	80.00	(80.00)	-
	459,101.83	23,308.03	482,409.86
Total receipts			
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	542,030.70	23,308.03	565,338.73
<u>Expenditures:</u>			
Administrative	-	-	-
Minor equipment purchases	-	-	-
County aid payments	-	-	-
Major equipment expenditures	-	-	-
Street cleaning and gutters	-	-	-
Winter maintenance services	-	-	-
Traffic control devices	-	-	-
Street lighting	-	-	-
Storm sewers and drains	-	-	-
Repairs of tools and machinery	-	-	-
Maintenance and repairs - roads and bridges	485,524.94	(233,866.06)	251,658.88
Highway construction and rebuilding projects	-	366,722.00	366,722.00
Miscellaneous	1,540.00	-	1,540.00
	487,064.94	132,855.94	619,920.88
Total expenditures			
Remaining funds available as of December 31, 2013	\$ 54,965.76	\$ (109,547.91)	\$ (54,582.15)

BUCKS COUNTY  
LIQUID FUELS TAX FUND  
2013 FORM MS-991 WITH ADJUSTMENTS

2013 Form MS-991 With Adjustments (Continued)

	Reported	Adjustments	Adjusted Amount
<u>Approved future year receipts and expenditures</u>			
Accounts receivable	\$ -	\$ -	\$ -
Accounts payable	-	-	-
Unpaid encumbrances	-	-	-
Unpaid county aid grants	-	-	-
Total approved future year receipts and expenditures	-	-	-
Year end balance available for future Fuels Tax Fund on December 31, 2013	\$ 54,965.76	\$ (109,547.91)	\$ (54,582.15)

BUCKS COUNTY  
LIQUID FUELS TAX FUND  
2014 FORM MS-991 WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Actual balance in county Liquid Fuels Tax Fund on January 1, 2014	\$ 54,965.76	\$ (109,547.91)	\$ (54,582.15)
<u>Receipts:</u>			
Liquid Fuels Tax Funds received from Commonwealth	385,137.61	-	385,137.61
Interest	65.97	-	65.97
Reimbursable agreements	-	2,485.73	2,485.73
Miscellaneous	80.00	-	80.00
Total receipts	<u>385,283.58</u>	<u>2,485.73</u>	<u>387,769.31</u>
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	<u>440,249.34</u>	<u>(107,062.18)</u>	<u>333,187.16</u>
<u>Expenditures:</u>			
Administrative	-	-	-
Minor equipment purchases	-	-	-
County aid payments	-	-	-
Major equipment expenditures	-	-	-
Street cleaning and gutters	-	-	-
Winter maintenance services	-	-	-
Traffic control devices	-	-	-
Street lighting	-	-	-
Storm sewers and drains	-	-	-
Repairs of tools and machinery	-	-	-
Maintenance and repairs - roads and bridges	135,308.45	(21,035.75)	114,272.70
Highway construction and rebuilding projects	-	21,035.75	21,035.75
Miscellaneous	-	-	-
Total expenditures	<u>135,308.45</u>	<u>-</u>	<u>135,308.45</u>
Remaining funds available as of December 31, 2014	<u>\$ 304,940.89</u>	<u>\$ (107,062.18)</u>	<u>\$ 197,878.71</u>

BUCKS COUNTY  
LIQUID FUELS TAX FUND  
2014 FORM MS-991 WITH ADJUSTMENTS

2014 Form MS-991 With Adjustments (Continued)

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
<u>Approved future year receipts and expenditures</u>			
Accounts receivable	\$ -	\$ -	\$ -
Accounts payable	-	-	-
Unpaid encumbrances	-	-	-
Unpaid county aid grants	-	-	-
	<hr/>	<hr/>	<hr/>
Total approved future year receipts and expenditures	<hr/> -	<hr/> -	<hr/> -
Year end balance available for future years as of December 31, 2014	<u>\$ 304,940.89</u>	<u>\$ (107,062.18)</u>	<u>\$ 197,878.71</u>

BUCKS COUNTY  
LIQUID FUELS TAX FUND  
2015 FORM MS-991 WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Actual balance in county Liquid Fuels Tax Fund on January 1, 2015	\$ 304,940.88	\$ (107,062.17)	\$ 197,878.71
<u>Receipts:</u>			
Liquid Fuels Tax Funds received from Commonwealth	337,675.12	-	337,675.12
Interest	339.00	-	339.00
Reimbursable agreements	-	-	-
Miscellaneous	80.00	-	80.00
Total receipts	<u>338,094.12</u>	<u>-</u>	<u>338,094.12</u>
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	<u>643,035.00</u>	<u>(107,062.17)</u>	<u>535,972.83</u>
<u>Expenditures:</u>			
Administrative	-	-	-
Minor equipment purchases	-	-	-
County aid payments	-	-	-
Major equipment expenditures	-	-	-
Street cleaning and gutters	-	-	-
Winter maintenance services	-	-	-
Traffic control devices	-	-	-
Street lighting	-	-	-
Storm sewers and drains	-	-	-
Repairs of tools and machinery	-	-	-
Maintenance and repairs - roads and bridges	438,360.44	114.08	438,474.52
Highway construction and rebuilding projects	-	-	-
Miscellaneous	2,174.24	-	2,174.24
Total expenditures	<u>440,534.68</u>	<u>114.08</u>	<u>440,648.76</u>
Remaining funds available as of December 31, 2015	<u>\$ 202,500.32</u>	<u>\$ (107,176.25)</u>	<u>\$ 95,324.07</u>

BUCKS COUNTY  
LIQUID FUELS TAX FUND  
2015 FORM MS-991 WITH ADJUSTMENTS

2015 Form MS-991 With Adjustments (Continued)

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
<u>Approved future year receipts and expenditures</u>			
Accounts receivable	\$ -	\$ -	\$ -
Accounts payable	-	-	-
Unpaid encumbrances	-	-	-
Unpaid county aid grants	-	-	-
Total approved future year receipts and expenditures	-	-	-
 Year end balance available for future years as of December 31, 2015	 <u>\$ 202,500.32</u>	 <u>\$ (107,176.25)</u>	 <u>\$ 95,324.07</u>

BUCKS COUNTY  
LIQUID FUELS TAX FUND  
2016 FORM MS-991 WITH ADJUSTMENTS

	Reported	Adjustments	Adjusted Amount
Actual balance in county Liquid Fuels Tax Fund on January 1, 2016	\$ 202,500.32	\$ (107,176.25)	\$ 95,324.07
<u>Receipts:</u>			
Liquid Fuels Tax Funds received from Commonwealth	368,307.56	-	368,307.56
Interest	3,931.97	-	3,931.97
Reimbursable agreements	-	-	-
Miscellaneous	80.00	208,683.00	208,763.00
	372,319.53	208,683.00	581,002.53
Total receipts			
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	574,819.85	101,506.75	676,326.60
<u>Expenditures:</u>			
Administrative	-	-	-
Minor equipment purchases	-	-	-
County aid payments	-	-	-
Major equipment expenditures	-	-	-
Street cleaning and gutters	-	-	-
Winter maintenance services	-	-	-
Traffic control devices	-	-	-
Street lighting	-	-	-
Storm sewers and drains	-	-	-
Repairs of tools and machinery	-	-	-
Maintenance and repairs - roads and bridges	46,416.19	-	46,416.19
Highway construction and rebuilding projects	-	-	-
Miscellaneous	-	208,683.00	208,683.00
	46,416.19	208,683.00	255,099.19
Total expenditures			
Remaining funds available as of December 31, 2016	\$ 528,403.66	\$ (107,176.25)	\$ 421,227.41



BUCKS COUNTY  
LIQUID FUELS TAX FUND  
2016 FORM MS-991 WITH ADJUSTMENTS

2016 Form MS-991 With Adjustments (Continued)

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
<u>Approved future year receipts and expenditures</u>			
Accounts receivable	\$ -	\$ -	\$ -
Accounts payable	-	-	-
Unpaid encumbrances	-	-	-
Unpaid county aid grants	-	-	-
Total approved future year receipts and expenditures	-	-	-
 Year end balance available for future years as of December 31, 2016	 <u>\$ 528,403.66</u>	 <u>\$ (107,176.25)</u>	 <u>\$ 421,227.41</u>

BUCKS COUNTY  
LIQUID FUELS TAX FUND  
2017 FORM MS-991 WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Actual balance in county Liquid Fuels Tax Fund on January 1, 2017	\$ 528,403.66	\$ (107,176.25)	\$ 421,227.41
<u>Receipts:</u>			
Liquid Fuels Tax Funds received from Commonwealth	382,300.98	-	382,300.98
Interest	11,942.33	-	11,942.33
Reimbursable agreements	-	-	-
Miscellaneous	80.00	-	80.00
Total receipts	<u>394,323.31</u>	<u>-</u>	<u>394,323.31</u>
Total Liquid Fuels Tax Funds available for expenditures and encumbrances	<u>922,726.97</u>	<u>(107,176.25)</u>	<u>815,550.72</u>
<u>Expenditures:</u>			
Administrative	323.68	-	323.68
Minor equipment purchases	-	-	-
County aid payments	-	-	-
Major equipment expenditures	-	-	-
Street cleaning and gutters	-	-	-
Winter maintenance services	-	-	-
Traffic control devices	-	-	-
Street lighting	-	-	-
Storm sewers and drains	-	-	-
Repairs of tools and machinery	-	-	-
Maintenance and repairs - roads and bridges	56,443.49	-	56,443.49
Highway construction and rebuilding projects	-	-	-
Miscellaneous	2,907.91	-	2,907.91
Total expenditures	<u>59,675.08</u>	<u>-</u>	<u>59,675.08</u>
Remaining funds available as of December 31, 2017	<u>\$ 863,051.89</u>	<u>\$ (107,176.25)</u>	<u>\$ 755,875.64</u>

BUCKS COUNTY  
LIQUID FUELS TAX FUND  
2017 FORM MS-991 WITH ADJUSTMENTS

2017 Form MS-991 With Adjustments (Continued)

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
<u>Approved future year receipts and expenditures</u>			
Accounts receivable	\$ -	\$ -	\$ -
Accounts payable	-	-	-
Unpaid encumbrances	-	-	-
Unpaid county aid grants	-	-	-
Total approved future year receipts and expenditures	-	-	-
 Year end balance available for future years as of December 31, 2017	 <u>\$ 863,051.89</u>	 <u>\$ (107,176.25)</u>	 <u>\$ 755,875.64</u>

BUCKS COUNTY  
2013 REPORT OF ACT 44 TAX FUND  
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2013	\$ 267,758.54	\$ -	\$ 267,758.54
<u>Receipts:</u>			
Act 44 Funds	139,638.08	-	139,638.08
Interest	-	-	-
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>139,638.08</u>	<u>-</u>	<u>139,638.08</u>
Total funds available	<u>407,396.62</u>	<u>-</u>	<u>407,396.62</u>
<u>Expenditures:</u>			
Construction	-	-	-
Maintenance and repair	-	-	-
Miscellaneous	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2013	<u><u>\$ 407,396.62</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 407,396.62</u></u>

BUCKS COUNTY  
2014 REPORT OF ACT 44 TAX FUND  
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2014	\$ 407,396.62	\$ -	\$ 407,396.62
<u>Receipts:</u>			
Act 44 Funds	138,425.17	-	138,425.17
Interest	-	-	-
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>138,425.17</u>	<u>-</u>	<u>138,425.17</u>
Total funds available	<u>545,821.79</u>	<u>-</u>	<u>545,821.79</u>
<u>Expenditures:</u>			
Construction	-	-	-
Maintenance and repair	-	-	-
Miscellaneous	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2014	<u><u>\$ 545,821.79</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 545,821.79</u></u>

BUCKS COUNTY  
2015 REPORT OF ACT 44 TAX FUND  
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2015	\$ 545,821.79	\$ -	\$ 545,821.79
<u>Receipts:</u>			
Act 44 Funds	136,699.93	-	136,699.93
Interest	-	-	-
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>136,699.93</u>	<u>-</u>	<u>136,699.93</u>
Total funds available	<u>682,521.72</u>	<u>-</u>	<u>682,521.72</u>
<u>Expenditures:</u>			
Construction	-	-	-
Maintenance and repair	-	-	-
Miscellaneous	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2015	<u><u>\$ 682,521.72</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 682,521.72</u></u>

BUCKS COUNTY  
2016 REPORT OF ACT 44 TAX FUND  
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2016	\$ 682,521.72	\$ -	\$ 682,521.72
<u>Receipts:</u>			
Act 44 Funds	135,416.94	-	135,416.94
Interest	-	-	-
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>135,416.94</u>	<u>-</u>	<u>135,416.94</u>
Total funds available	<u>817,938.66</u>	<u>-</u>	<u>817,938.66</u>
<u>Expenditures:</u>			
Construction	-	-	-
Maintenance and repair	-	-	-
Miscellaneous	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2016	<u><u>\$ 817,938.66</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 817,938.66</u></u>

BUCKS COUNTY  
2017 REPORT OF ACT 44 TAX FUND  
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2017	\$ 817,938.66	\$ -	\$ 817,938.66
<u>Receipts:</u>			
Act 44 Funds	133,398.46	-	133,398.46
Interest	-	-	-
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>133,398.46</u>	<u>-</u>	<u>133,398.46</u>
Total funds available	<u>951,337.12</u>	<u>-</u>	<u>951,337.12</u>
<u>Expenditures:</u>			
Construction	4,661.23	-	4,661.23
Maintenance and repair	-	-	-
Miscellaneous	-	-	-
Total expenditures	<u>4,661.23</u>	<u>-</u>	<u>4,661.23</u>
Balance, December 31, 2017	<u><u>\$ 946,675.89</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 946,675.89</u></u>



BUCKS COUNTY  
2014 REPORT OF ACT 89 TAX FUND  
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2014	\$ -	\$ -	\$ -
<u>Receipts:</u>			
Act 89 Funds	97,894.28	-	97,894.28
Interest	-	-	-
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>97,894.28</u>	<u>-</u>	<u>97,894.28</u>
Total funds available	<u>97,894.28</u>	<u>-</u>	<u>97,894.28</u>
<u>Expenditures:</u>			
Construction	-	-	-
Maintenance and repair	-	-	-
Miscellaneous	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2014	<u><u>\$ 97,894.28</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 97,894.28</u></u>

BUCKS COUNTY  
2015 REPORT OF ACT 89 TAX FUND  
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2015	\$ 97,894.28	\$ -	\$ 97,894.28
<u>Receipts:</u>			
Act 89 Funds	216,530.19	-	216,530.19
Interest	-	-	-
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>216,530.19</u>	<u>-</u>	<u>216,530.19</u>
Total funds available	<u>314,424.47</u>	<u>-</u>	<u>314,424.47</u>
<u>Expenditures:</u>			
Construction	-	-	-
Maintenance and repair	-	-	-
Miscellaneous	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2015	<u><u>\$ 314,424.47</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 314,424.47</u></u>

BUCKS COUNTY  
2016 REPORT OF ACT 89 TAX FUND  
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2016	\$ 314,424.47	\$ -	\$ 314,424.47
<u>Receipts:</u>			
Act 89 Funds	237,251.72	-	237,251.72
Interest	-	-	-
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>237,251.72</u>	<u>-</u>	<u>237,251.72</u>
Total funds available	<u>551,676.19</u>	<u>-</u>	<u>551,676.19</u>
<u>Expenditures:</u>			
Construction	-	-	-
Maintenance and repair	-	-	-
Miscellaneous	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2016	<u><u>\$ 551,676.19</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 551,676.19</u></u>

BUCKS COUNTY  
2017 REPORT OF ACT 89 TAX FUND  
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2017	\$ 551,676.19	\$ -	\$ 551,676.19
<u>Receipts:</u>			
Act 89 Funds	253,406.32	-	253,406.32
Interest	1,638.97	-	1,638.97
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>255,045.29</u>	<u>-</u>	<u>255,045.29</u>
Total funds available	<u>806,721.48</u>	<u>-</u>	<u>806,721.48</u>
<u>Expenditures:</u>			
Construction	87,631.66	-	87,631.66
Maintenance and repair	-	-	-
Miscellaneous	-	-	-
Total expenditures	<u>87,631.66</u>	<u>-</u>	<u>87,631.66</u>
Balance, December 31, 2017	<u><u>\$ 719,089.82</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 719,089.82</u></u>

BUCKS COUNTY  
2016 REPORT OF COUNTY FEE FOR LOCAL USE FUNDS  
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2016	\$ -	\$ -	\$ -
<u>Receipts:</u>			
Local Use Funds	1,812,597.00	-	1,812,597.00
Interest	-	-	-
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>1,812,597.00</u>	<u>-</u>	<u>1,812,597.00</u>
Total funds available	<u>1,812,597.00</u>	<u>-</u>	<u>1,812,597.00</u>
<u>Expenditures:</u>			
County-Owned road maintenance	-	-	-
County-Owned road construction	-	-	-
County-Owned bridge maintenance	-	-	-
County-Owned bridge construction	119,191.89	118,683.75	237,875.64
Administrative expenditures	-	-	-
Miscellaneous	-	-	-
Grants to political subdivisions	-	-	-
Total expenditures	<u>119,191.89</u>	<u>118,683.75</u>	<u>237,875.64</u>
Balance, December 31, 2016	<u>\$ 1,693,405.11</u>	<u>\$ (118,683.75)</u>	<u>\$ 1,574,721.36</u>

BUCKS COUNTY  
2017 REPORT OF COUNTY FEE FOR LOCAL USE FUNDS  
WITH ADJUSTMENTS

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Balance, January 1, 2017	\$ 1,693,405.11	\$ (118,683.75)	\$ 1,574,721.36
<u>Receipts:</u>			
Local Use Funds	3,096,995.00	-	3,096,995.00
Interest	-	-	-
Reimbursable agreements	-	-	-
Miscellaneous	-	-	-
Total receipts	<u>3,096,995.00</u>	<u>-</u>	<u>3,096,995.00</u>
Total funds available	<u>4,790,400.11</u>	<u>(118,683.75)</u>	<u>4,671,716.36</u>
<u>Expenditures:</u>			
County-Owned road maintenance	-	-	-
County-Owned road construction	-	-	-
County-Owned bridge maintenance	700,495.75	280,498.85	980,994.60
County-Owned bridge construction	-	-	-
Administrative expenditures	-	-	-
Miscellaneous	-	-	-
Grants to political subdivisions	-	-	-
Total expenditures	<u>700,495.75</u>	<u>280,498.85</u>	<u>980,994.60</u>
Balance, December 31, 2017	<u><u>\$ 4,089,904.36</u></u>	<u><u>\$ (399,182.60)</u></u>	<u><u>\$ 3,690,721.76</u></u>

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,  
AND COUNTY FEE FOR LOCAL USE FUND  
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

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

Reimbursable Agreements

During our examination, we noted that the county entered into various reimbursable agreements with the Department of Transportation. During our current examination period, the county received \$66,842.05 during 2013 and \$2,485.73 during 2014 as a result of these agreements.

Miscellaneous Receipts

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

<u>Source</u>	<u>Description</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Commonwealth of Pennsylvania	Turnback allocation	\$80.00	\$80.00	\$ 80.00	\$80.00
General Fund	Transfer in error	-	-	208,683.00	-
Totals		<u>\$80.00</u>	<u>\$80.00</u>	<u>\$208,763.00</u>	<u>\$80.00</u>

Miscellaneous Expenditures

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

<u>Payee</u>	<u>Description</u>	<u>2013</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Vendor	Uniform rental	\$1,540.00	\$2,174.00	\$ -	\$2,304.49
Financial Institution	Service charges	-	-	-	603.42
General Fund	Correction of transfer in error	-	-	208,683.00	-
Totals		<u>\$1,540.00</u>	<u>\$2,174.00</u>	<u>\$208,683.00</u>	<u>\$2,907.91</u>

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89 TAX FUNDS,  
AND COUNTY FEE FOR LOCAL USE FUND  
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

Transfer In Error

On June 6, 2016, the county transferred \$208,683.00 from its General Fund to its Liquid Fuels Tax Fund in error. On November 30, 2016, the county transferred this amount from its Liquid Fuels Tax Fund to its General Fund to correct the transfer in error.



BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

**Finding No. 1 - Failure To Properly Prepare Forms MS-991 And Reports Of County Fee For Local Use - Recurring**

We cited the county for numerous errors made in the preparation of the county's 2008-2012 Forms MS-991 for the period ending December 31, 2012. However, our current examination disclosed that there were numerous errors made in the preparation of the county's 2013, 2014, 2015, 2016, and 2017 Forms MS-991, and 2016 and 2017 Reports of County Fee for Local Use Funds. These errors resulted in the following adjustments:

2013 Form MS-991

- An adjustment of \$23,388.03 was made to "Reimbursable agreements" because bridge inspection reimbursements were understated.
- An adjustment of \$(80.00) was made to "Miscellaneous" receipts because there were no miscellaneous receipts.
- An adjustment of \$(233,866.06) was made to "Maintenance and repair - roads and bridges" because expenditures for highway construction and rebuilding projects were misclassified.
- An adjustment of \$366,722.00 was made to "Highway construction and rebuilding projects" because expenditures of \$132,855.94 were not reported and expenditures of \$233,866.06 were misclassified as maintenance and repair - road and bridges.

2014 Form MS-991

- An adjustment of \$(109,547.91) was made to "Balance, January 1, 2014" to reflect the adjustment made to the fund balance in 2013.
- An adjustment of \$2,485.73 was made to "Reimbursable agreements" because bridge inspection reimbursements were understated.
- Adjustments were made to "Maintenance and repairs - roads and bridges" and "Highway construction and rebuilding projects" because expenditures of \$21,035.75 were misclassified.

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

**Finding No. 1 - Failure To Properly Prepare Forms MS-991 And Reports Of County Fee For  
Local Use - Recurring (Continued)**

2015 Form MS-991

- An adjustment of \$(107,062.17) was made to “Balance, January 1, 2015” to reflect the adjustment made to the fund balance in 2014.
- An adjustment of \$114.08 was made to “Maintenance and repairs - roads and bridges” because these expenditures were understated.

2016 Form MS-991

- An adjustment of \$(107,176.25) was made to “Balance, January 1, 2016” to reflect the adjustment made to the fund balance in 2015.
- An adjustment of \$208,683.00 was made to “Miscellaneous” receipts because a transfer in error was not reported.
- An adjustment of \$208,683.00 was made to “Miscellaneous” expenditures because a correction of a transfer in error was not reported.

2017 Form MS-991

- An adjustment of \$(107,176.25) was made to “Balance, January 1, 2017” to reflect the adjustment made to the fund balance in 2016.

2016 Reports Of County Fee For Local Use Funds

- An adjustment was made to “County owned bridge construction” because expenditures of \$118,683.75 were understated.

2017 Reports Of County Fee For Local Use Funds

- An adjustment of \$(118,683.75) was made to “Balance, January 1, 2017” to reflect the adjustment made to the fund balance in 2016.
- An adjustment was made to “County owned bridge maintenance” because expenditures of \$280,498.85 were understated.

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

**Finding No. 1 - Failure To Properly Prepare Forms MS-991 And Reports Of County Fee For Local Use - Recurring (Continued)**

Good internal controls ensure that the county completes its Form MS-991 accurately and completely. The failure to properly complete Form MS-991 increases the risk that errors or misappropriations may occur and remain undetected.

Additionally, the county failed to timely file its Forms MS-991, Reports of Act 44 and Act 89 Tax Funds, and Reports of County Fee for Local Use Funds (Forms) until December 2019 after all counties received a letter from Department of Transportation stating the allocations will be withheld when the required forms are not filed. The Department of Transportation's *Publication 9* requires counties to file the required Forms by January 31 for the prior year. The failure of the county to file the forms timely resulted in a significant delay in the completion of our examination.

Recommendations

We again recommend that the county ensure that its Forms MS-991 and Reports Of County Fee For Local Use Funds are complete and accurate. We also recommend that the county file the Forms by the January 31 deadline.

Management's Response

The deputy controller stated:

As a result of the prior audit (2008-2012), the county implemented procedures to report the Liquid Fuels transactions on a monthly basis to insure the reports will be timely and accurate. However, the adjustments to the opening balance and transactions were not known/resolved until the audit was issued and discussed and finalized with the Pennsylvania Department of Transportation (PennDOT). The county worked with the Pennsylvania Department of Transportation to address and resolve the findings. The county understands the importance of obtaining the proper approval from PennDOT as required by *Publication 9*.

Auditor's Conclusion

The adjustments made to Forms MS-991 were made because various expenditures and receipts were misclassified or not reported. The county officials should ensure that its Forms MS-991 and Reports Of County Fee For Local Use Funds are complete and accurate and that all Forms are filed by the deadline.

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

**Finding No. 2 - County Expended More Than The Liquid Fuels Tax Fund Balance -  
Recurring**

We cited the county for expending more than the Liquid Fuels Tax Fund balance for the period ending December 31, 2012. Our current examination disclosed that the county's Liquid Fuels Tax Fund account balance as of December 31, 2013 was a negative \$54,582.15. Liquid Fuels Tax Fund money is deposited into a concentration account and is commingled with other county funds. The county maintains accounting records that identify the account balance for all funds deposited into the concentration account. The accounting records for the concentration account revealed a negative account balance of \$54,582.15 as of December 31, 2013, for the Liquid Fuels Tax Fund.

The Department of Transportation's *Publication 9*, Chapter 1, Section 1.11, states that:

A county's handling of its County Liquid Fuels Tax Fund is normally on a year-to-year basis. However, in an emergency, and with the prior approval of the Municipal Services district office, a county may obligate itself for the expenditure of its estimated receipts from the State Liquid Fuels Tax Fund for a period of two years. The county will then receive a credit for such expenditures against such subsequent receipts. Except for this, no county may carryover a credit balance against future receipts from the state from one year to the next.

The county did not have the approval from the Department of Transportation to obligate itself for the expenditure of its estimated receipts.

The failure to follow the Department of Transportation's *Publication 9* could result in the county having to reimburse \$54,582.15 to its Liquid Fuels Tax Fund.

This condition occurred because although the accounting records revealed a negative account balance for the Liquid Fuels Tax Fund, there was enough money in the concentration account to cover the 2013 Liquid Fuels Tax Fund expenditures. This condition did not occur in 2014, 2015, 2016, and 2017.

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

**Finding No. 2 - County Expended More Than The Liquid Fuels Tax Fund Balance -  
Recurring (Continued)**

Recommendations

We recommend that the county reimburse \$54,582.15 to its Liquid Fuels Tax Fund upon official notification by the Department of Transportation.

We again recommend that the county continue to expend no more than the Liquid Fuels Tax Fund balance in a calendar year.

Management's Response

The deputy controller stated:

As a result of the prior audit, the county opened a separate bank account in September 2017 for Act 44 and Act 89 funds. Prior to opening the new bank account in September 2017, all Liquid Fuels, Act 44, and Act 89 funds were maintained in one PLGIT bank account. All weekly vendor checks were disbursed from the General Fund bank account and subsequently reimbursed from the shared PLGIT bank account. At that time, the cash in the account and the interfund payable were not segregated into Liquid Fuels, Act 44, and Act 89 balances. The payable recorded in the weekly interfund for payment of the vendor invoices was transferred from the shared account. The county now tracks the balance of Act 44 and Act 89 funds. This should eliminate the finding in the future.

Auditor's Conclusion

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

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

**Finding No. 3 - Liquid Fuels Money Over Expended On Project**

Our examination disclosed that the county expended \$1,000,067.52 of Liquid Fuels Tax Fund money on construction project No. 17-09000-001. However, the amount of Liquid Fuels Tax Fund money approved by the Department of Transportation to be expended from the Liquid Fuels Tax Fund for this project was \$982,017.49. The difference of \$18,050.03 should have been paid directly from the General Fund.

The Department of Transportation's Regulations do not permit a county to expend Liquid Fuels Tax Fund money in excess of the amount approved on Municipal Services Completion Report Form MS-999.

The failure to comply with the Department of Transportation's Regulations could result in the municipality having to reimburse \$18,050.03 to its Liquid Fuels Tax Fund.

The county exceeded the approved amount for this project because they did not maintain a running total of expenditures being disbursed on this project.

**Recommendations**

We recommend that the municipality reimburse \$18,050.03 to its Liquid Fuels Tax Fund upon official notification by the Department of Transportation.

We further recommend that, in the future, the municipality expend only the approved amount of Liquid Fuels Tax Fund money on road construction projects.

**Management's Response**

The deputy controller stated:

In 2016 and 2017, the county general services department was coding bridge engineering and advertising invoices to Bridge #263 and Bridge #352 although Project Approvals were not yet received. This resulted in over-expended project totals. As a result of the prior audit, the county began to review all Project Completion totals to insure proper expenditures.

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

**Finding No. 3 - Liquid Fuels Money Over Expended On Project (Continued)**

Auditor's Conclusion

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



BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
SUMMARY OF PRIOR EXAMINATION RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

Summary Of Prior Examination Recommendations

In our prior report, we recommended that the Department of Transportation review our examination finding to determine if the county should reimburse \$1,878,646.46 to its Liquid Fuels Tax Fund. This amount consists of \$1,850,342.46 for failure to obtain project approvals and \$28,304.00 for expending more than the Liquid Fuels Tax Fund balance.

During our current examination, we reviewed a letter dated February 5, 2018, from the Department of Transportation informing the county to reimburse \$414,832.41 of the \$1,878,646.46 to its Liquid Fuels Tax Fund. We noted that the county reimbursed this amount to its Liquid Fuels Tax Fund on February 26, 2018, which was subsequent to the examination period.

In our prior report, we also recommended that:

- The county ensure that its Forms MS-991 and Reports of Act 44 Tax Fund are complete and accurate.
- The county establish and implement procedures to assure that before the county expends money on a project, it applies for and obtains prior approval of the project, and when the project is completed, it obtains approval for the completed project.
- The county expend no more than the Liquid Fuels Tax Fund balance in a calendar year.

During our current examination, we noted that the county's Forms MS-991 were not prepared accurately (see Finding No. 1), however, the county's Reports of Act 44 Tax Fund were complete and accurate. The county complied with the second bulleted recommendation but did not comply with our third bulleted recommendation until 2014 (see Finding No. 2).

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
SUMMARY OF EXIT CONFERENCE  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

An exit conference was held June 8, 2021. Those participating were:

BUCKS COUNTY

Mrs. Kimberly S. Doran, Deputy Controller

Ms. Jennifer Piro, Accountant II

DEPARTMENT OF THE AUDITOR GENERAL

Mr. Fred Casella, Auditor

The results of the examination were presented and discussed in their entirety.

BUCKS COUNTY  
LIQUID FUELS, ACT 44, AND ACT 89  
TAX FUNDS, AND COUNTY FEE  
FOR LOCAL USE FUND  
REPORT DISTRIBUTION  
FOR THE PERIOD  
JANUARY 1, 2013 TO DECEMBER 31, 2017

This report was initially distributed to:

**The Honorable Yassmin Gramian, P.E.**  
Secretary  
Department of Transportation

**Bucks County**  
55 East Court Street  
5th Floor  
Doylestown, PA 18901

**The Honorable Diane M. Ellis-Marseglia**  
Chairperson of the Board of Commissioners

**Mrs. Kimberly S. Doran**  
Deputy Controller

This report is a matter of public record and is available online at [www.PaAuditor.gov](http://www.PaAuditor.gov). Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: [news@PaAuditor.gov](mailto:news@PaAuditor.gov).