

ATTESTATION ENGAGEMENT

Township of Lumber
Cameron County, Pennsylvania
12-203

Liquid Fuels Tax Fund
For the Period
January 1, 2017 to December 31, 2021

March 2023



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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TIMOTHY L. DEFOOR
AUDITOR GENERAL

Independent Auditor's Report

Michael Carroll
Acting Secretary
Department of Transportation
Harrisburg, PA 17120

We examined the accompanying Forms MS-965 With Adjustments for the Liquid Fuels Tax Fund of the Township of Lumber, Cameron County, for the period January 1, 2017 to December 31, 2021. The municipality's management is responsible for presenting the Forms MS-965 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 MS-965 With Adjustments 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 MS-965 are presented in accordance with the criteria described above, in all material respects. An examination involves performing procedures to obtain evidence about the Forms MS-965. 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 MS-965, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

As described in the Auditor Description Of Select Transactions section of this report, the adjustments included on the Forms MS-965 With Adjustments are made by the Department of the Auditor General.

Independent Auditor's Report (Continued)

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

- The municipality did not maintain documentation to support transfers to the General Fund of \$12,800.39 during 2017. Additionally, in 2017, the municipality expended \$250.00 for payroll expenditures without maintaining documentation (see Finding No. 1).
- The 2021 Liquid Fuels Tax Fund allocation of \$62,579.33 was not received until May 13, 2022, which was subsequent to our examination period. Additionally, the 2018 Turnback Allocation of \$6,880.00 was never deposited into the Liquid Fuels Tax Fund (see Finding No. 2).
- The municipality expended \$20,990.00 during 2017 from the Liquid Fuels Tax Fund for bridge repair without advertising for bids (see Finding No. 4).
- As a result of findings in our report for the period January 1, 2013 to December 31, 2016, the Department of Transportation determined that the municipality was required to reimburse \$157,863.56 to its Liquid Fuels Tax Fund. As of December 31, 2021, the municipality had reimbursed \$78,931.80 to its Liquid Fuels Tax Fund, leaving a balance due of \$78,931.76 (see Summary Of Prior Examination Recommendations).

In our opinion, except for the bulleted matters discussed above, the Forms MS-965 With Adjustments present, in all material respects, the information required by the Pennsylvania Department of Transportation for the Liquid Fuels Tax Fund of the Township of Lumber, Cameron County, for the period January 1, 2017 to December 31, 2021, 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 MS-965, 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 MS-965. 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 MS-965 are presented in accordance with the criteria described above and not for the purpose of expressing an opinion on the internal control over reporting on the Forms MS-965 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 MS-965 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 MS-965 will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency below to be a material weakness:

- Documentation Supporting Transfers Was Not Available For Examination - Recurring.

As part of obtaining reasonable assurance about whether the Forms MS-965 are free from material misstatement, we performed tests of the Township of Lumber, Cameron 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 MS-965. 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*:

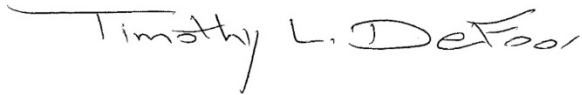
- Late Receipt Of And Untimely Deposit Allocations - Recurring.
- Failure To Obtain Project Approval.
- Noncompliance With Advertising And Bidding Requirements.

The examination finding for late receipt and untimely deposit of allocations contained in this report cites conditions that existed in the operation of the municipality during the previous engagement period and was not corrected during the current examination period. The municipality should strive to comply with the recommendations in this report.

Independent Auditor's Report (Continued)

The purpose of this report is to determine whether the municipality's Liquid Fuels Tax 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 the Township of Lumber, Cameron 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.

Timothy L. DeFoor
Auditor General
March 15, 2023

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TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Background

The Liquid Fuels Tax Municipal Allocation Law, Act 655 of 1956, as amended, see also 72 P.S. § 2615.5, et sec., provides municipalities other than counties (i.e., townships, boroughs, cities, towns, home rule, and optional plan governments) with an annual allocation of liquid fuels taxes from the state's Motor License Fund to be used for the maintenance and repair of streets, roads, and bridges for which the municipality is responsible. The allocation of these funds to municipalities is based upon: (1) 50 percent on the municipality's proportion of local road mileage to the total local road mileage in the state; and (2) 50 percent on the proportion of a municipality's population to the total population in the state.

Title 75 Pa.C.S. § 9511 of the Pennsylvania Vehicle Code provides municipalities with annual maintenance payments to be received from the Motor License Fund for functionally local highways that were transferred to a municipality from the Commonwealth of Pennsylvania.

Each municipality must deposit the allocation of Liquid Fuels Tax funds and annual maintenance payments that it receives into a special fund called either the Municipal Liquid Fuels Tax Fund or State Fund. A municipality may not deposit any other monies into this fund except when the municipality does not have enough money in the special fund to meet the payments called for by its current annual budget for road and bridge purposes. In such a case, the municipality may borrow money or transfer money from its General Fund to its Liquid Fuels Tax Fund.

The Department of Transportation has been given the regulatory authority for the administration of these funds. Department of Transportation's *Publication 9* includes the policies and procedures for the administration of Act 655, as amended, and the Liquid Fuels Tax Fund money. However, if there is a difference between *Publication 9* and any legislation, the legislation shall govern.

To qualify for the annual allocation of Liquid Fuels Tax funds, *Publication 9* indicates that each municipality shall:

1. Submit annual reports (MS-965, Actual Use Report, MS-965P, Project and Miscellaneous Receipts, and MS-965S, Record of Checks).
2. Make deposits and payments or expenditures in compliance with Act 655 of 1956, as amended. Failure to do so may result in not receiving allocations from PennDOT until all discrepancies are resolved. *Publication 9*, Section 2.6, includes information about investing Liquid Fuels Tax monies, using loan or bond proceeds, and types of receipts into the Liquid Fuels Tax Fund.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Background (Continued)

3. Submit the Pennsylvania Department of Community and Economic Development’s (DCED) Report of Elected and Appointed Officials by January 31st and the Survey of Financial Condition By March 15th.
4. Ensure resolution of all Contractor Responsibility Program (CRP) holds and blocks imposed by the Department of Revenue and the Department of Labor and Industry.
5. Ensure resolution of all reimbursements required as a result of audits performed by the Department of the Auditor General or monitoring reviews performed by the Department of Transportation’s Financial Consultants.

Criteria

The criteria for the Form MS-965 With Adjustment are described below.

Section 1 of Form MS-965 With Adjustments provides a summary of Liquid Fuels Tax Fund expenditures by category. Categories requiring explanation include:

- Major equipment purchases are purchases of road machinery and road equipment with varying yearly costs in excess of the amounts indicated below:

2017	2018	2019	2020	2021
\$10,700.00	\$10,900.00	\$11,100.00	\$11,300.00	\$11,500.00

- Minor equipment purchases are purchases of road machinery and road equipment with varying yearly costs that are less than or equal to the amounts indicated below:

2017	2018	2019	2020	2021
\$10,700.00	\$10,900.00	\$11,100.00	\$11,300.00	\$11,500.00

- Agility projects are exchanges of services with the Department of Transportation.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Background (Continued)

Section 2 of Form MS-965 With Adjustments provides information on the fund balance. Categories requiring explanation include:

- The state allocation is available from the Department of Transportation in March of each year. The amount the municipality receives is based half on its population and half on its road mileage.
- Municipalities that transferred roads from the Commonwealth of Pennsylvania to the municipality through the Highway Transfer Program receive annual turnback allocations in March of each year from the Department of Transportation. Turnback allocations are based on the mileage of the roads transferred.
- Expenditures include the total transferred from Section 1.

Section 3 of Form MS-965 With Adjustments determines if the municipality expended Liquid Fuels Tax Fund money in excess of the permissible amount for equipment and the balance that the municipality may carry forward for the purchase of equipment to the subsequent year.

Department of Transportation *Publication 9* requires that the amount expended for equipment purchases in a given year not exceed the sum of the equipment balance carried forward from the previous year and 20 percent of the current year's Liquid Fuels Tax Fund allocation and, if applicable, 20 percent of the turnback allocation plus other Department of Transportation approved adjustments.

If the municipality spent in excess of the amount listed on Line 4, the excess must be reimbursed to the Liquid Fuels Tax Fund.

The equipment balance to be carried forward for the subsequent year is the lesser of the amount on Line 6 or the ending fund balance on Line 6 of Section 2, but not less than zero.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Background (Continued)

Basis of Presentation

The financial activities of the municipality are accounted for in separate funds. The Liquid Fuels Tax Fund is used to account for state aid revenues from the Pennsylvania Department of Transportation used primarily for building and improving local roads and bridges. The Form MS-965 has been prepared in accordance with reporting requirements prescribed by the Pennsylvania Department of Transportation as a result of the Fuels Tax Act 655, dated 1956 and as amended, which does not constitute a complete presentation of the entity's assets, liabilities, expenses, and fund balance. Accordingly, the presentation of Form MS-965 With Adjustments is restricted to the Liquid Fuels Tax Fund, which represents a segment of the entity.

Basis Of Accounting

The accompanying Form MS-965 With Adjustments is 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.

General Fixed Assets

General fixed assets are recognized as expenditures at the time of purchase. No depreciation has been provided on the heavy equipment used to maintain and repair roads and bridges.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2017 FORM MS-965 – SECTION 1
WITH ADJUSTMENTS

<u>Expenditure Summary</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Minor equipment purchases	\$ -	\$ -	\$ -
Computer/Computer related training	589.95	-	589.95
Major equipment purchases	8,561.55	-	8,561.55
Agility projects	-	-	-
Cleaning streets and gutters	-	-	-
Winter maintenance services	225.70	-	225.70
Traffic control devices	935.28	-	935.28
Street lighting	-	-	-
Storm sewers and drains	-	-	-
Repairs of tools and machinery	15,582.71	-	15,582.71
Maintenance and repair of roads and bridges	28,282.50	-	28,282.50
Highway construction and rebuilding projects	-	-	-
Miscellaneous	12,975.39	-	12,975.39
 Total (To Section 2, Line 5)	 <u>\$ 67,153.08</u>	 <u>\$ -</u>	 <u>\$ 67,153.08</u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2017 FORM MS-965 – SECTION 2
WITH ADJUSTMENTS

<u>Fund Balance</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
1. Balance, January 1, 2017	\$ 69,466.27	\$ -	\$ 69,466.27
Receipts:			
2. State allocation	65,412.36	-	65,412.36
2a. Turnback allocation	6,880.00	-	6,880.00
2b. Interest on investments	112.63	-	112.63
2c. Miscellaneous	-	-	-
3. Total receipts	<u>72,404.99</u>	<u>-</u>	<u>72,404.99</u>
4. Total funds available	<u>141,871.26</u>	<u>-</u>	<u>141,871.26</u>
5. Expenditures (Section 1)	<u>67,153.08</u>	<u>-</u>	<u>67,153.08</u>
6. Balance, December 31, 2017	<u><u>\$ 74,718.18</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 74,718.18</u></u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2017 FORM MS-965 – SECTION 3
WITH ADJUSTMENTS

<u>Equipment Balance</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
1. Prior year equipment balance	\$ 66,988.31	\$ -	\$ 66,988.31
2. Add: Current year equipment allocation (20% of Lines 2 + 2a, Section 2)	14,458.47	-	14,458.47
3. PENNDOT approved adjustments	-	-	-
4. Total funds available for equipment acquisition	81,446.78	-	81,446.78
5. Less: Major equipment expenditures	8,561.55	-	8,561.55
6. Remainder	<u>72,885.23</u>	<u>-</u>	<u>72,885.23</u>
7. Equipment balance available for subsequent year (Lesser of Line 6 or Section 2 balance, but not less than zero)	<u>\$ 72,885.23</u>	<u>\$ -</u>	<u>\$ 72,885.23</u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2018 FORM MS-965 – SECTION 1
WITH ADJUSTMENTS

<u>Expenditure Summary</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Minor equipment purchases	\$ -	\$ -	\$ -
Computer/Computer related training	-	-	-
Major equipment purchases	8,609.48	-	8,609.48
Agility projects	-	-	-
Cleaning streets and gutters	-	-	-
Winter maintenance services	12,446.74	-	12,446.74
Traffic control devices	679.40	-	679.40
Street lighting	-	-	-
Storm sewers and drains	-	2,843.20	2,843.20
Repairs of tools and machinery	13,219.25	-	13,219.25
Maintenance and repair of roads and bridges	49,475.20	(2,741.30)	46,733.90
Highway construction and rebuilding projects	-	-	-
Miscellaneous	146.90	(101.90)	45.00
 Total (To Section 2, Line 5)	 <u>\$ 84,576.97</u>	 <u>\$ -</u>	 <u>\$ 84,576.97</u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2018 FORM MS-965 – SECTION 2
WITH ADJUSTMENTS

<u>Fund Balance</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
1. Balance, January 1, 2018	\$ 74,718.18	\$ -	\$ 74,718.18
Receipts:			
2. State allocation	62,823.44	6,880.00	69,703.44
2a. Turnback allocation	6,880.00	(6,880.00)	-
2b. Interest on investments	76.47	-	76.47
2c. Miscellaneous	35.00	-	35.00
3. Total receipts	<u>69,814.91</u>	<u>-</u>	<u>69,814.91</u>
4. Total funds available	<u>144,533.09</u>	<u>-</u>	<u>144,533.09</u>
5. Expenditures (Section 1)	<u>84,576.97</u>	<u>-</u>	<u>84,576.97</u>
6. Balance, December 31, 2018	<u><u>\$ 59,956.12</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 59,956.12</u></u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2018 FORM MS-965 – SECTION 3
WITH ADJUSTMENTS

<u>Equipment Balance</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
1. Prior year equipment balance	\$ 72,885.23	\$ -	\$ 72,885.23
2. Add: Current year equipment allocation (20% of Lines 2 + 2a, Section 2)	13,940.69	-	13,940.69
3. PENNDOT approved adjustments	-	-	-
4. Total funds available for equipment acquisition	86,825.92	-	86,825.92
5. Less: Major equipment expenditures	8,609.48	-	8,609.48
6. Remainder	<u>78,216.44</u>	<u>-</u>	<u>78,216.44</u>
7. Equipment balance available for subsequent year (Lesser of Line 6 or Section 2 balance, but not less than zero)	<u>\$ 59,956.12</u>	<u>\$ -</u>	<u>\$ 59,956.12</u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2019 FORM MS-965 – SECTION 1
WITH ADJUSTMENTS

<u>Expenditure Summary</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Minor equipment purchases	\$ -	\$ -	\$ -
Computer/Computer related training	-	-	-
Major equipment purchases	-	-	-
Agility projects	-	-	-
Cleaning streets and gutters	-	-	-
Winter maintenance services	-	-	-
Traffic control devices	1,548.50	1,834.00	3,382.50
Street lighting	-	-	-
Storm sewers and drains	-	1,390.00	1,390.00
Repairs of tools and machinery	13,297.95	(1,834.00)	11,463.95
Maintenance and repair of roads and bridges	104,706.76	(1,390.00)	103,316.76
Highway construction and rebuilding projects	-	-	-
Miscellaneous	212.00	-	212.00
 Total (To Section 2, Line 5)	 <u>\$ 119,765.21</u>	 <u>\$ -</u>	 <u>\$ 119,765.21</u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2019 FORM MS-965 – SECTION 2
WITH ADJUSTMENTS

<u>Fund Balance</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
1. Balance, January 1, 2019	\$ 59,956.12	\$ -	\$ 59,956.12
Receipts:			
2. State allocation	-	-	-
2a. Turnback allocation	6,880.00	-	6,880.00
2b. Interest on investments	52.75	-	52.75
2c. Miscellaneous	82,172.57	-	82,172.57
3. Total receipts	89,105.32	-	89,105.32
4. Total funds available	149,061.44	-	149,061.44
5. Expenditures (Section 1)	119,765.21	-	119,765.21
6. Balance, December 31, 2019	<u>\$ 29,296.23</u>	<u>\$ -</u>	<u>\$ 29,296.23</u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2019 FORM MS-965 – SECTION 3
WITH ADJUSTMENTS

<u>Equipment Balance</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
1. Prior year equipment balance	\$ 59,956.12	\$ -	\$ 59,956.12
2. Add: Current year equipment allocation (20% of Lines 2 + 2a, Section 2)	1,376.00	-	1,376.00
3. PENNDOT approved adjustments	<u>-</u>	<u>-</u>	<u>-</u>
4. Total funds available for equipment acquisition	61,332.12	-	61,332.12
5. Less: Major equipment expenditures	<u>-</u>	<u>-</u>	<u>-</u>
6. Remainder	<u>61,332.12</u>	<u>-</u>	<u>61,332.12</u>
7. Equipment balance available for subsequent year (Lesser of Line 6 or Section 2 balance, but not less than zero)	<u>\$ 29,296.23</u>	<u>\$ -</u>	<u>\$ 29,296.23</u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2020 FORM MS-965 – SECTION 1
WITH ADJUSTMENTS

<u>Expenditure Summary</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Minor equipment purchases	\$ 667.20	\$ -	\$ 667.20
Computer/Computer related training	-	-	-
Major equipment purchases	-	-	-
Agility projects	-	-	-
Cleaning streets and gutters	-	-	-
Winter maintenance services	-	-	-
Traffic control devices	35.80	-	35.80
Street lighting	-	-	-
Storm sewers and drains	-	-	-
Repairs of tools and machinery	24,331.82	-	24,331.82
Maintenance and repair of roads and bridges	53,358.44	-	53,358.44
Highway construction and rebuilding projects	-	-	-
Miscellaneous	37.00	-	37.00
 Total (To Section 2, Line 5)	 <u>\$ 78,430.26</u>	 <u>\$ -</u>	 <u>\$ 78,430.26</u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2020 FORM MS-965 – SECTION 2
WITH ADJUSTMENTS

<u>Fund Balance</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
1. Balance, January 1, 2020	\$ 29,296.23	\$ -	\$ 29,296.23
Receipts:			
2. State allocation	70,007.12	-	70,007.12
2a. Turnback allocation	6,880.00	-	6,880.00
2b. Interest on investments	250.63	-	250.63
2c. Miscellaneous	10,750.00	-	10,750.00
3. Total receipts	87,887.75	-	87,887.75
4. Total funds available	117,183.98	-	117,183.98
5. Expenditures (Section 1)	78,430.26	-	78,430.26
6. Balance, December 31, 2020	<u>\$ 38,753.72</u>	<u>\$ -</u>	<u>\$ 38,753.72</u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2020 FORM MS-965 – SECTION 3
WITH ADJUSTMENTS

<u>Equipment Balance</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
1. Prior year equipment balance	\$ 29,296.23	\$ -	\$ 29,296.23
2. Add: Current year equipment allocation (20% of Lines 2 + 2a, Section 2)	15,377.42	-	15,377.42
3. PENNDOT approved adjustments	-	-	-
4. Total funds available for equipment acquisition	44,673.65	-	44,673.65
5. Less: Major equipment expenditures	-	-	-
6. Remainder	<u>44,673.65</u>	<u>-</u>	<u>44,673.65</u>
7. Equipment balance available for subsequent year (Lesser of Line 6 or Section 2 balance, but not less than zero)	<u>\$ 38,753.72</u>	<u>\$ -</u>	<u>\$ 38,753.72</u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2021 FORM MS-965 – SECTION 1
WITH ADJUSTMENTS

<u>Expenditure Summary</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
Minor equipment purchases	\$ -	\$ 7,464.00	\$ 7,464.00
Computer/Computer related training	-	-	-
Major equipment purchases	24,200.25	(7,464.00)	16,736.25
Agility projects	-	-	-
Cleaning streets and gutters	-	-	-
Winter maintenance services	-	-	-
Traffic control devices	-	-	-
Street lighting	-	-	-
Storm sewers and drains	-	-	-
Repairs of tools and machinery	18,027.24	(5.28)	18,021.96
Maintenance and repair of roads and bridges	66,973.22	37.00	67,010.22
Highway construction and rebuilding projects	-	-	-
Miscellaneous	10,079.40	(79.40)	10,000.00
 Total (To Section 2, Line 5)	 <u>\$ 119,280.11</u>	 <u>\$ (47.68)</u>	 <u>\$ 119,232.43</u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2021 FORM MS-965 – SECTION 2
WITH ADJUSTMENTS

<u>Fund Balance</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
1. Balance, January 1, 2021	\$ 38,753.72	\$ -	\$ 38,753.72
Receipts:			
2. State allocation	68,409.82	-	68,409.82
2a. Turnback allocation	6,880.00	-	6,880.00
2b. Interest on investments	76.94	-	76.94
2c. Miscellaneous	96,100.13	-	96,100.13
3. Total receipts	<u>171,466.89</u>	<u>-</u>	<u>171,466.89</u>
4. Total funds available	<u>210,220.61</u>	<u>-</u>	<u>210,220.61</u>
5. Expenditures (Section 1)	<u>119,280.11</u>	<u>(47.68)</u>	<u>119,232.43</u>
6. Balance, December 31, 2021	<u><u>\$ 90,940.50</u></u>	<u><u>\$ 47.68</u></u>	<u><u>\$ 90,988.18</u></u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
2021 FORM MS-965 – SECTION 3
WITH ADJUSTMENTS

<u>Equipment Balance</u>	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
1. Prior year equipment balance	\$ 38,753.72	\$ -	\$ 38,753.72
2. Add: Current year equipment allocation (20% of Lines 2 + 2a, Section 2)	15,057.96	-	15,057.96
3. PENNDOT approved adjustments	<u>-</u>	<u>-</u>	<u>-</u>
4. Total funds available for equipment acquisition	53,811.68	-	53,811.68
5. Less: Major equipment expenditures	<u>24,200.25</u>	<u>(7,464.00)</u>	<u>16,736.25</u>
6. Remainder	<u>29,611.43</u>	<u>7,464.00</u>	<u>37,075.43</u>
7. Equipment balance available for subsequent year (Lesser of Line 6 or Section 2 balance, but not less than zero)	<u>\$ 29,611.43</u>	<u>\$ 7,464.00</u>	<u>\$ 37,075.43</u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

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

Adjustments

2018 - Section 1

Adjustments were made to “Storm sewers and drains,” “Maintenance and repair of roads and bridges,” and “Miscellaneous” because expenditures of \$2,843.20 were misclassified.

2018 - Section 2

An adjustment of \$6,880.00 was made to “State allocation” and “Turnback allocation” because a portion of the state allocation was misclassified.

2019 - Section 1

Adjustments were made to “Traffic control devices” and “Repairs of tools and machinery” because expenditures of \$1,834.00 were misclassified.

Adjustments were made to “Storm sewers and drains” and “Maintenance and repair of roads and bridges” because expenditures of \$1,390.00 were misclassified.

2021 - Section 1

Adjustments were made to “Minor equipment purchases” and “Major equipment purchases” because expenditures of \$7,464.00 were misclassified.

An adjustment of \$(5.28) was made to “Repairs of tools and machinery” because check No. 2512 for \$47.68 was voided but was included as an expenditure and expenditures of \$42.40 were misclassified as miscellaneous.

An adjustment of \$37.00 was made to “Maintenance and repair of roads and bridges” because expenditures were misclassified as miscellaneous.

An adjustment of \$(79.40) was made to “Miscellaneous” because expenditures of \$42.40 for repairs of tools and machinery and \$37.00 for maintenance and repair of roads and bridges were misclassified.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Adjustments (Continued)

2021 - Section 3

An adjustment of \$(7,464.00) was made to “Major equipment expenditures” to reflect the adjustment made to major equipment purchases in 2021 - Section 1.

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>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Financial Institution	Refund for bank service charges	\$35.00	\$ 105.00	\$ -	\$ -
General Fund	Reimbursement (Summary Of Prior Examination Recommendations)	-	31,572.72	-	47,359.08
Dirt & Gravel Fund	Reimbursement (Finding No. 3)	-	50,494.85	-	-
Commonwealth of Pennsylvania	Deposits in error	-	-	10,000.00	44,650.26
General Fund	Grant	-	-	750.00	-
General Fund	Reimbursement for stone	-	-	-	4,090.79
Totals		<u>\$35.00</u>	<u>\$82,172.57</u>	<u>\$10,750.00</u>	<u>\$96,100.13</u>

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

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>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Financial Institution	Bank service charges	\$ 175.00	\$45.00	\$212.00	\$37.00	\$
General Fund	Undocumented transfers (Finding No. 1)	12,800.39	-	-	-	-
General Fund	Correction of deposit in error	-	-	-	-	10,000.00
Totals		<u>\$12,975.39</u>	<u>\$45.00</u>	<u>\$212.00</u>	<u>\$37.00</u>	<u>\$10,000.00</u>

Deposits In Error

On May 26, 2020, the municipality deposited \$10,000.00 of Act 13 Funds into its Liquid Fuels Tax Fund in error. On June 28, 2021, the municipality transferred this amount from its Liquid Fuels Tax Fund to its General Fund to correct the deposit in error.

Additionally, on April 5, 2021, the municipality deposited \$44,650.26 into its Liquid Fuels Tax Fund in error. On March 23, 2022, which was subsequent to the examination period, the municipality transferred this amount from its Liquid Fuels Tax Fund to its General Fund to correct the deposit in error.

Bank Loan

On May 29, 2013, the municipality purchased a 2013 Ford F-550 for \$69,911.00. The municipality made a down payment of \$31,911.00 from the General Fund. The municipality borrowed the remaining \$38,000.00 from Northwest Bank. The term of the loan was for five years at an interest rate of 4.0 percent. Principal and interest payments of \$8,561.55 are due annually. Prior years' principal and interest payments from the General Fund were \$21,863.33 and \$3,821.32, respectively.

During the current examination period, the municipality paid principal of \$16,136.67 and interest of \$1,034.36 from the Liquid Fuels Tax Fund. These amounts are reflected in major equipment purchases on the 2017 and 2018 Forms MS-965 - Section 1. The loan was paid-in-full on June 13, 2018.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

**Finding No. 1 - Documentation Supporting Transfers Was Not Available For Examination -
Recurring**

We cited the municipality for not maintaining documentation supporting expenditures in our prior examination report for the period January 1, 2013 to December 31, 2016. Our examination disclosed that during 2017, the municipality did not maintain invoices or payroll records to support transfers to the General Fund of \$12,800.39.

Additionally, our examination disclosed that in 2017, the municipality expended \$250.00 from the Liquid Fuels Tax Fund for payroll expenditures but did not maintain payroll records to support the expenditures.

Good internal control procedures ensure that there is documentation to support all expenditures.

The Liquid Fuels Tax Municipal Allocation Law, 72 P.S. § 2615.4, provides, in part, that monies herein allocated may be used only for construction, reconstruction, maintenance and repairs of such public roads or streets, including bridges, culverts and drainage structures, for which they are legally responsible. Also permitted are expenditures involving acquisition, maintenance, repairs and operation of street signs, traffic signs, traffic signal control systems, road equipment, and snow fences.

The Department of Transportation has been statutorily authorized to promulgate regulations concerning the administration of Liquid Fuels Tax Fund money and has determined that certain items, including expenditures made without supporting documentation, are outside the scope of permissible expenditures.

Without adequate documentation, we could not determine if the expenditures were permissible according to the Liquid Fuels Tax Municipal Allocation Law and the Department of Transportation's Regulations.

The failure to maintain documentation to support expenditures could result in the municipality having to reimburse \$13,050.39 to its Liquid Fuels Tax Fund.

We could not determine the cause of this condition because the secretary/treasurer was not employed by the municipality at the time these transactions occurred.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

**Finding No. 1 - Documentation Supporting Transfers Was Not Available For Examination -
Recurring (Continued)**

On November 10, 2021, the Department of Transportation approved a payment plan for the \$13,050.39 in addition to \$27,780.00 for other conditions (see Finding Nos. 2 and 4). The total to be reimbursed is \$40,920.39 in three annual installments of \$13,640.13 scheduled to begin December 31, 2021. As of December 31, 2021, no reimbursements had been made to the Liquid Fuels Tax Fund.

We did not note any instances subsequent to 2017 where the municipality failed to maintain documentation to support transfers.

Recommendations

We recommend that the municipality reimburse \$13,050.39 to its Liquid Fuels Tax Fund in accordance with the payment discussed above.

We recommend that the municipality ensure good internal control over expenditures by maintaining adequate documentation to support all expenditures.

Management's Response

The secretary/treasurer stated:

I was not secretary during this time. We are implementing additional training and control measures.

Auditor's Conclusion

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

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Finding No. 2 - Late Receipt And Untimely Deposit Of Allocations - Recurring

We cited the municipality for untimely deposit of allocations in our prior examination report for the period ending December 31, 2016. However, our current examination disclosed that:

- The 2017 Liquid Fuels Tax Fund allocation of \$65,412.36 was issued on July 20, 2017 but was not deposited into the Liquid Fuels Tax Fund until September 11, 2017.
- The 2018 Liquid Fuels Tax Fund allocation of \$69,703.44 was issued on August 8, 2018 but was not deposited into the Liquid Fuels Tax Fund until October 31, 2018.
- The 2019 Liquid Fuels Tax Fund allocation of \$70,007.12 was issued on February 13, 2020 but was not deposited into the Liquid Fuels Tax Fund until February 26, 2020.
- The 2020 Liquid Fuels Tax Fund allocation of \$68,409.82 was issued on May 10, 2021 but was not deposited the Liquid Fuels Tax Fund until May 25, 2021.
- The 2021 Liquid Fuels Tax Fund allocation of \$62,579.33 was electronically deposited in error by the Commonwealth of Pennsylvania to the General Fund on May 9, 2022. The township transferred the allocation from the General Fund to its Liquid Fuels Tax Fund on May 13, 2022, which was subsequent to our examination period.

These allocations should have been received by the first week in March of each year and should have been deposited immediately upon receipt.

These conditions occurred because the municipality failed to comply with the Department of Transportation's *Publication 9*, Chapter Two, Section 2.4, which states:

To qualify for the annual liquid fuels tax allocation, a municipality shall:

- Submit annual reports (MS-965, Actual Use Report, MS-965P, Project and Miscellaneous Receipts, and MS-965S, Record of Checks).
- Make deposits and payments or expenditures in compliance with the Act 655. Failure to do so may result in not receiving allocations from PENNDOT until all discrepancies are resolved.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Finding No. 2 - Late Receipt And Untimely Deposit Of Allocations - Recurring (Continued)

- Submit the Pennsylvania Department of Community and Economic Development's (DCED) Report of Elected and Appointed Officials by January 31st and the Survey of Financial Condition by March 15th.
- Ensure resolution of all Contractor Responsibility Program (CRP) holds and blocks imposed by the Department of Revenue and the Department of Labor and Industry.
- Ensure resolution of all reimbursements required as a result of audits performed by the Department of the Auditor General or monitoring reviews performed by the Department of Transportation's Financial Consultants.

Additionally, the 2017 Turnback allocation of \$6,880.00, which was issued on March 1, 2017, was not deposited into the Liquid Fuels Tax Fund until September 11, 2017. We further noted that the 2018 Turnback allocation of \$6,880.00, which was issued on March 1, 2018, was never deposited into the Liquid Fuels Tax Fund or the General Fund. We were notified by the Department of Transportation that the check for \$6,880.00 was cashed by the municipality. We were not able to determine if it was deposited into any other funds other than the Liquid Fuels Tax Fund.

These turnback allocations were made to the municipality in accordance with the *Vehicle Code*, 75 Pa. C.S.A. § 9511(4), which requires that "Annual maintenance payments . . . shall be deposited into the municipality's liquid fuels tax account. . . ."

Good internal control procedures require that all funds received be deposited immediately upon receipt. The failure to do so increases the risk that errors and misappropriations may occur and remain undetected.

Because the municipality failed to file documents and information timely and the allocations were not deposited timely, the municipality did not have use of the Liquid Fuels Tax Fund and Turnback allocations described above, the municipality did not have use of the allocations for long periods of time. Furthermore, had the allocations been received and deposited timely, money may have been available for investment purposes, potentially earning interest income which could have been used for road maintenance and repairs.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Finding No. 2 - Late Receipt And Untimely Deposit Of Allocations - Recurring (Continued)

On November 10, 2021, the Department of Transportation approved a payment plan for the \$6,880.00 in addition to \$34,040.39 for other conditions (see Finding Nos. 1 and 4). The total to be reimbursed is \$40,920.39 in three annual installments of \$13,640.13 scheduled to begin December 31, 2021. As of December 31, 2021, no reimbursements had been made to the Liquid Fuels Tax Fund.

Recommendations

We recommend that the municipality reimburse \$6,880.00 to its Liquid Fuels Tax Fund in accordance with the payment plan discussed above.

We further recommend that, in the future, the municipality complies with the Department of Transportation's *Publication 9* to ensure that the allocations are received during the first week in March as outlined above.

We again recommend that, in the future, the municipality deposit all allocations immediately upon receipt.

In addition, the municipal officials should consider using the electronic transfer of funds offered by the Department of Transportation.

Management's Response

The secretary/treasurer stated:

I was not secretary during this time. We are implementing additional training and control measures.

Auditor's Conclusion

This is a recurring finding. We strongly recommend that the municipality comply with our recommendations. During our next examination, we will determine if the municipality complied with our recommendations.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Finding No. 3 - Failure To Obtain Project Approval

Our examination disclosed that during 2019, the municipality expended \$50,494.85 for a Dirt and Gravel Road Project without obtaining the approval of the Department of Transportation. Before expending Liquid Fuels Tax Funds on a Dirt and Gravel Road Project, the municipality must obtain the approval of the Department of Transportation. However, the municipality did not file an application with the Department of Transportation for the project and also failed to submit specifications for approval.

The Department of Transportation's *Publication 9* contains the policies and procedures for the administration of the Liquid Fuels Tax Fund. *Publication 9*, Chapter Two, Section 2.7.2, states that nonpermissible expenditures include "Construction and reconstruction projects without prior PENNDOT approval."

Additionally, *Publication 9*, Chapter Two, Section 2.8, states, in part:

The following criteria is used to determine when a project is required for work on local roads utilizing Liquid Fuels Tax Funds, when construction, reconstruction and/or resurfacing work exceeds one inch or more in depth as well as other activities.

Other:	Dirt and Gravel Road Project
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On March 28, 2019, the municipality reimbursed \$50,494.85 to the Liquid Fuels Tax Fund.

We could not determine the cause of this condition because the secretary/treasurer was not employed by the municipality during 2019.

Recommendation

We recommend that before the municipality expends money on a project, it applies for and obtains prior approval for the project, and when the project is completed, it obtains approval of the completed work.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Finding No. 3 - Failure To Obtain Project Approval (Continued)

Management's Response

The secretary/treasurer stated:

I was not secretary during this time. We are implementing additional training and control measures.

Auditor's Conclusion

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

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Finding No. 4 - Noncompliance With Advertising And Bidding Requirements

Our examination disclosed that the township expended a total of \$20,990.00 during 2017 for bridge repair work without advertising for bids. These expenditures were as follows:

<u>Invoice Number</u>	<u>Invoice Date</u>	<u>Check Number</u>	<u>Check Date</u>	<u>Amount</u>
117-113	08/04/17	1713	08/22/17	\$ 9,340.00
117-139	10/06/17	1730	11/28/17	<u>11,650.00</u>
2017 Total				<u>\$20,990.00</u>

The above expenditures were not made in compliance with the advertising, bidding, and contract requirements of *The Second Class Township Code*, 53 P.S. § 68102(a), (also found at § 3102(a) of *The Second Class Township Code* as published by the Local Government Commission), which requires that purchases over \$18,500.00 during 2012 must be advertised, bid, and awarded by contract. The bidding threshold increased to purchases over \$19,700.00 for 2017, \$20,100.00 for 2018, \$20,600.00 for 2019, \$21,000.00 for 2020, and \$21,300.00 for 2021. *The Second Class Township Code*, 53 P.S. § 68104(a), (also found at § 3104(a) of *The Second Class Township Code* as published by the Local Government Commission) further states that advertising, bidding and contract requirements should not be evaded through piecemeal purchases.

The failure to comply with *The Second Class Township Code* could result in the township having to reimburse \$20,990.00 to its Liquid Fuels Tax Fund.

On November 10, 2021, the Department of Transportation approved a payment plan for the \$20,990.00 in addition to \$19,930.39 for other conditions (see Finding Nos. 1 and 2). The total to be reimbursed is \$40,920.39 in three annual installments of \$13,640.13 scheduled to begin December 31, 2021. As of December 31, 2021, no reimbursements have been made to the Liquid Fuels Tax Fund.

Recommendations

We recommend that the township reimburse \$20,990.00 to its Liquid Fuels Tax Fund in accordance with the payment plan discussed above.

We further recommend that, in the future, the township complies with *The Second Class Township Code* as noted in this finding.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Finding No. 4 - Noncompliance With Advertising And Bidding Requirements (Continued)

Management's Response

The secretary/treasurer stated:

I was not secretary during this time. We are implementing additional training and control measures.

Auditor's Conclusion

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

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
SUMMARY OF PRIOR EXAMINATION RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Summary Of Prior Examination Recommendations

In our prior report, we recommended that the Department of Transportation review our examination finding to determine if the municipality should reimburse \$201,870.99 to its Liquid Fuels Tax Fund. This amount consists of \$199,734.31 for undocumented expenditures and \$2,136.68 for nonpermissible expenditures.

During our current examination, we reviewed a letter dated December 17, 2018, from the Department of Transportation directing the municipality to reimburse \$157,863.56 of the \$201,870.99 to its Liquid Fuels Tax Fund.

Additionally, we reviewed a letter dated May 9, 2019, from the Department of Transportation approving a payment plan as follows:

Reimbursement Due Date	Amount	Date Reimbursed	Amount
12/31/19	\$ 31,572.72	12/31/19	\$31,572.72
12/31/20	31,572.71	04/29/21	20,000.00
12/31/21	31,572.71	07/01/21	11,572.72
12/31/22	31,572.71	11/01/21	15,786.36
12/31/23	31,572.71	-	-
	<u>\$157,863.56</u>		<u>\$78,931.80</u>

As of December 31, 2021, the balance due the Liquid Fuels Tax Fund was \$78,931.76.

In our prior report, we also recommended that the municipality:

- Ensure good internal controls over expenditures by maintaining adequate documentation to support all expenditures.
- The municipality deposit all allocations immediately upon receipt.
- Consider using the electronic transfer of funds offered by the Department of Transportation.
- Comply with the Liquid Fuels Tax Municipal Allocation Law and the Department of Transportation's Regulations regarding permissible expenditures.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
SUMMARY OF PRIOR EXAMINATION RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

Summary Of Prior Examination Recommendations (Continued)

- Transcribe and make minutes for council meetings available for public review within a reasonable period of time after each meeting.

During our current examination, we noted that the municipality did not comply with our first bulleted recommendation until 2018, did not comply with our second and third bulleted recommendations (see Finding Nos. 1 and 2), but complied with our fourth and fifth bulleted recommendations.

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
SUMMARY OF EXIT CONFERENCE
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

An exit conference was held March 15, 2023. Those participating were:

TOWNSHIP OF LUMBER

Ms. Kimberly Sue Sinnamond, Secretary/Treasurer

DEPARTMENT OF THE AUDITOR GENERAL

Mr. Joel Long, Auditor

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

TOWNSHIP OF LUMBER
CAMERON COUNTY
LIQUID FUELS TAX FUND
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2021

This report was initially distributed to:

Michael Carroll
Acting Secretary
Department of Transportation

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The Honorable Paul Benedict
Chairman of the Board of Supervisors

Ms. Kimberly Sue Sinnamond
Secretary/Treasurer

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