

County of Berks
Friendly Understandable Financial Statement (FUFS)
For the Year Ended December 31, 2015



Prepared by the Office of the Controller- Scott S. Poch, CPA Editor

Sandy Graffius, Controller

2015 Friendly Understandable Financial Statement (FUFs)



CONTROLLER'S GREETING

We realize we're really pushing the limit on releasing our 2015 FUFs but things are hopping in our Controller's office. Some of the things we're working on are: 1. Direct pay for VA families for their benefits. We are working with a local funeral home as the "test" site (Lutz Funeral Home) and they will help us work the bugs out of the process. Instead of the families receiving their county reimbursement for their veteran with a check from the county – the amount will be credited to their funeral bill. This will eliminate all those miscellaneous checks being cut. Depending on the time it takes to move through the system, families get their check several weeks later and have no idea what it's for. 2. We're going paperless with our data storage and invoices. As soon as a bill gets entered into the system, the women scan the backup documentation and it gets attached to the check. The paperwork gets shredded. This process saves lots of file cabinet space. 3. We are entering into a new system for our auditors. They audit all the tax collectors and MDJ's and we're going to start working to get everyone set up with online banking. This will eliminate them having to print out cancelled checks and bank statements. We WILL save the trees. I'm so proud of my staff – everyone steps up with ideas to streamline our department and the quality of our people is top notch.

Sincerely,

Sandy Graffius



TABLE OF CONTENTS	
Controller's Greeting	1
Berks County Services	3
Where We Work Out, National Historic Sites, Movie Theaters	4
Spotlight: Elections Services	5
Berks County Trivia	6
Where the Money Comes From	7
Where the Money Goes	8
Financial Overview	9
County Officials and Other Departments	10
Reporting Fraud	11



*Commissioners (from left to right):
Kevin S. Barnhardt, Mark C. Scott
and Christian Y. Leinbach*

BERKS COUNTY SERVICES

General Government- Administration

Includes services provided by the Commissioners, Controller, Treasurer, Recorder of Deeds, Budget, Election Services, Information Systems, Human Resources, Maintenance and others.

General Government- Judicial

Includes the Courts, and services provided by the District Attorney, Public Defender, Clerk of Courts, Prothonotary, Sheriff, District Justices, Coroner, Register of Wills and others.

Berks Heim (610) 376-4841 www.co.berks.pa.us/dept/BerksHeim

Provides quality, individualized, long term residential healthcare for the elderly of the County with emphasis on the social, emotional and physical well-being of residents.

Children and Youth (610) 478-6700 www.co.berks.pa.us/dept/CYS

Provides services to protect children and assure their physical and emotional well-being, as provided by law, and to preserve, strengthen and empower their families.

Area Agency on Aging (610) 478-6500 www.co.berks.pa.us/dept/Aging

Provides comprehensive and coordinated services to meet the needs of county residents age 60 and older, or those eligible physically disabled age 18 to 59.

Library System (610) 378-5260 www.berks.lib.pa.us

Consists of 23 libraries spread throughout the county. Berks County government provides approximately 45% of the funding and the Commonwealth provides roughly 32%. The remaining 23% of the budget is raised through donations and fundraisers.

Council on Chemical Abuse (610) 376-8669 www.councilonchemicalabuse.org

Supports drug and alcohol prevention and intervention for all Berks County residents, and treatment services for persons of low and moderate income.

Employment and Training (610) 988-1300 www.co.berks.pa.us/dept/Careerlink

Provides work force resources for job seekers and employers through Berks Career Link.

Parks & Recreation (610) 372-8939 www.co.berks.pa.us/dept/Parks

Provides recreational opportunities and educational programs for its 11 county-owned parks.



Where We Work Out



Body Zone



Valhalla



Flying Hills Fitness



YMCA- Sinking Spring



Body Works

National Historic Sites



Pagoda



Daniel Boone Homestead



Joanna Furnace



Conrad Weiser Homestead



Leesport Lock House

Movie Theaters



Fox Berkshire



Carmike Fairgrounds 10



Fox East



Reading Movies 11 & IMAX



Kutztown Strand

Spotlight: Elections Services



In Berks County there are 202 polling places. When registration grows over a certain number, new locations are added. This cuts down the lines at the high volume places. By law, if possible, schools or township buildings must be used. The buildings must be ADA (American Disabilities Act) Compliant. The Elections Department will install temporary ramps and other equipment at some places so no one is turned away.

There are various staff people provided by the County to service each voting location. These poll workers are paid between \$110 and \$120 for the day. The poll workers start at 6:00 AM and work until the poll closes their doors at 8:00 PM. Anyone in line at 8:00 PM is allowed to keep moving through to the voting machines. Constables from their voting districts are charged with “keeping the peace”. They rotate between their voting precincts. The County also provides Rovers who distribute paychecks to the workers and deal with any problems the election folks are having.

There is a Judge of Elections who is the team leader. There are two inspectors – one Republican and one Democrat. There is a Clerk of Elections that keeps track - counting the folks that vote. There is one machine inspector for every two machines. The county supplies interpreters at all City voting places as well as some of the precincts in Muhlenberg Township, Laureldale, West Reading and Mt. Penn Boroughs.

In 2016 – 13,100 new people signed up to vote in November. These applications must all be processed on a state wide registration program. Some men and women sign up twice. Registered voters are required to update their records when they move. County employees from all departments pitch in to get everyone registered. Three of my staff from the Controller’s office helped research and enter information.

Inside each voting machine is a cartridge storing the votes cast on that machine. At the end of the day, some of these cartridges are returned to the downtown Services Center and some to the North Campus in Bern Township. The cartridges are fed into a reader and the information is downloaded. It is then placed on the County website for people to watch up- to- the- minute returns.

Around 6:30 at night on Election Day one of the girls from Budget and I went into the Elections Office to be part of the process. There was food everywhere. Our IT Director was there with several of his techies to make sure the cartridges downloaded properly. A Common Pleas judge was on call all day to grant emergency legal permission for registered voters to complete an emergency absentee ballot.

Department Head Deb Olivieri said before verifying all the absentee ballots which has to be done a week after the actual election day, this was the largest percentage of voters ever voting in Berks County. 72% of registered voters showed up to cast their ballots. Congratulations to all of you who made your voices heard.



Let's Play Berks County Trivia!

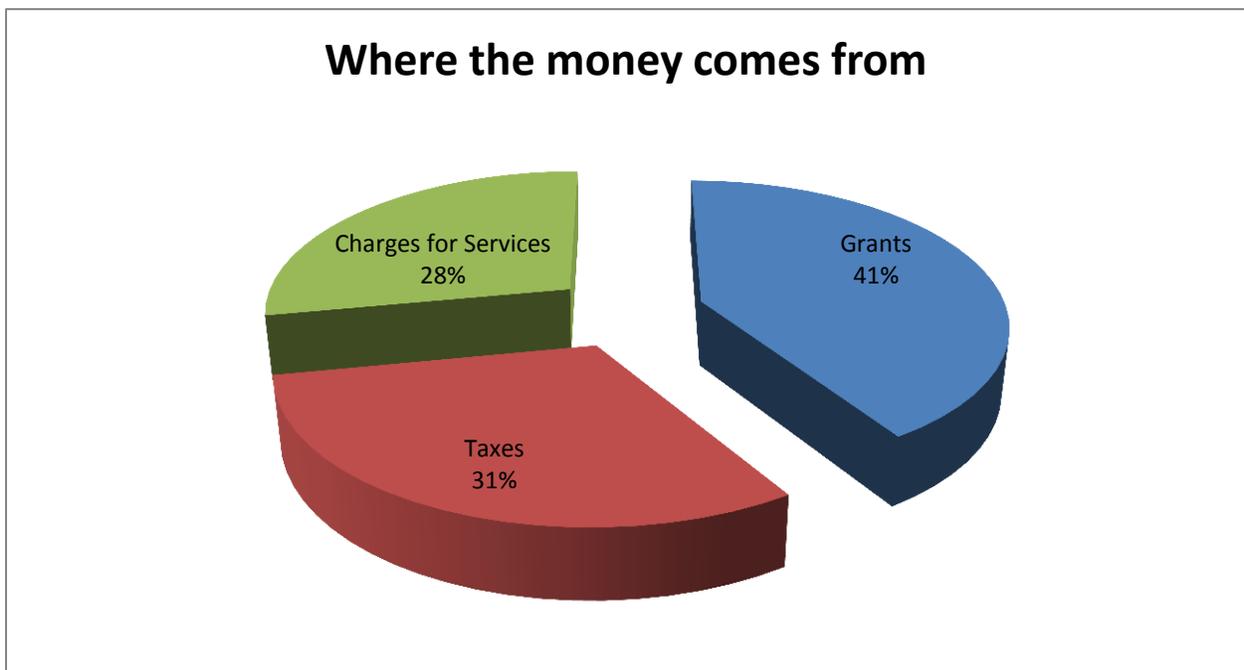
1. What can you do on 13th Street in Reading that you can't do any other place in the world?
2. What is underneath the basement of Pauline's Soups restaurant at 5th and Penn?
3. Where was the first Boscov's store located?
4. What restaurant first started its business out of a trolley car?
5. Name the shoe store that had the treasure chest just for kids?
6. Where was the Orange Car located?
7. What was the name of the bakery shop at 5th and Penn Street?
8. What was Haven on the Hill (going up towards the Pagoda)?
9. What was the dirtiest, yet very popular restaurant in Reading?
10. What funeral home is Stone Man Willie at?

Answers:

1. Attend kindergarten through college all on the same street
2. The first jail cells in Reading
3. 9th and Pike streets
4. Arners- 9th and Exeter streets
5. Buster Brown- 5th and Penn streets
6. River road and Front street
7. Schoffer's
8. A private club for doctors and lawyers
9. Crystal Restaurant (between 5th and 6th street)
10. Auman's funeral home

SOURCES OF REVENUES (where the money comes from)

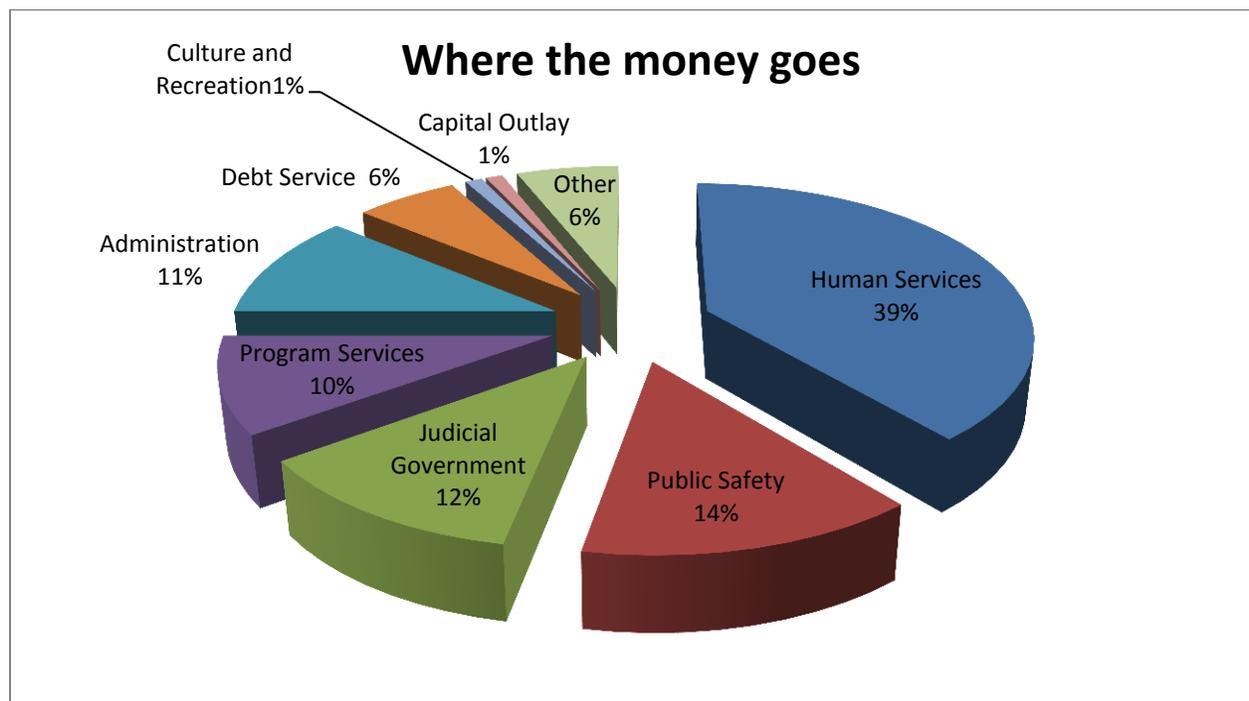
Revenues totaled \$451.9 million for 2015, while total expenses were \$444.5 million. Revenues were up \$12.5 million over the prior year, primarily due to increased expenses for the Departments. The state and federal government gets billed by the Departments and pays back the County for paying these bills up front. Expenses were down by \$6.7 million primarily due to larger repair costs for the various County-owned bridges and facilities improvements at the Prison. The County’s money comes from federal and state program grants (the largest segment at 41% of revenues), property and hotel taxes (at 31% of the total) and charges for services performed by operating departments of the County (the remaining 28%). With such a large dependence on federal and state grants to fund social programs, it leaves the County very susceptible to budget cuts at the federal and state levels. When this happens, it would then be up to the Commissioners to decide whether to provide for these programs out of future saved funds, increase taxes to pay for the programs, downsize the programs or eliminate selected ones entirely.



COUNTY EXPENSES (where the money goes)

As with most counties in Pennsylvania, the Human Services function is by far the single largest area of expense for Berks County (39% of total expenses). Expenditures in the area include Children and Youth Services, Health Choices, Mental Health/ Developmental Disabilities, Area Agency on Aging, Domestic Relations, Employment & Training, and Drug and Alcohol Prevention. Many of these expenditures are dictated by mandates (demands) coming down from federal and state governments beyond the County's control. The problem is, when the federal and state budgets are cut the county must come up with the money to fund these mandates. Judicial, Courts and Public Safety functions account for another 26% of total expenditures.

The Board of Commissioners has actual "control" over no more than 25% of the discretionary County expense budget. It is with this in mind that elected officials must constantly monitor local activities as well as those in Harrisburg and Washington. Decisions made outside of Berks County affect us greatly. That's why the County's elected officials are in regular contact with state lawmakers and government associations to stay informed about pending legislation and present local views of importance to federal and state decision makers.



FINANCIAL OVERVIEW

Berks County is fortunate to be on a sound financial footing as we report the results of operations for the calendar year 2015. Property tax rates remain unchanged at 7.372 mills. The County's overall net position (total assets plus deferred outflows of resources less total liabilities less deferred inflows of resources) for 2015 increased by \$27.2 million to \$250.1 million. It is necessary to remember that included in net position are capital assets (buildings and bridges) and restricted funds (funds set aside for special projects) that are not available for spending on daily operations.

Assets	<u>2015 (as filed)</u>	<u>2014 (restated)</u>	<u>2013 (restated)</u>
Cash and investments	\$ 98,044,112	\$ 178,602,038	\$ 189,326,367
Other current assets	<u>93,375,426</u>	<u>45,305,408</u>	<u>44,585,177</u>
Total current assets	191,419,538	223,907,446	233,911,544
Noncurrent assets	<u>398,871,401</u>	<u>363,058,170</u>	<u>346,578,693</u>
Total assets	<u>590,290,939</u>	<u>586,965,616</u>	<u>580,490,237</u>
Deferred outflows of resources	<u>45,072,770</u>	<u>8,391,884</u>	<u>389,718</u>
Liabilities:			
Current liabilities	89,478,556	65,804,740	60,361,261
Noncurrent liabilities	<u>282,941,026</u>	<u>292,452,366</u>	<u>311,411,227</u>
Total liabilities	372,419,582	358,257,106	371,772,488
Deferred inflows of resources	<u>12,810,218</u>	<u>14,173,662</u>	<u>14,326,061</u>
Net position	<u>\$ 250,133,909</u>	<u>\$ 222,926,732</u>	<u>\$ 194,781,406</u>

COUNTY OFFICIALS AT YOUR FINGERTIPS:

<u>OFFICE</u>	<u>OFFICIAL</u>	<u>PHONE</u>
Commissioner, Chair	Christian Y. Leinbach	(610) 478-6136
Commissioner	Kevin S. Barnhardt	(610) 478-6136
Commissioner	Mark C. Scott	(610) 478-6136
Controller	Sandra M. Graffius	(610) 478-6150
Clerk of Courts	James P. Troutman	(610) 478-6550
Coroner	Dennis J. Hess	(610) 478-3280
District Attorney	John T. Adams	(610) 478-6000
Prothonotary	Marianne R. Sutton	(610) 478-6970
Recorder of Deeds	Frederick C. Sheeler	(610) 478-3380
Register of Wills	Lawrence J. Medaglia Jr.	(610) 478-6600
Sheriff	Eric J. Weaknecht	(610) 478-6240
Treasurer	A. Dennis Adams	(610) 478-6640

OTHER DEPARTMENTS:

Agricultural Coordinator	(610) 898-5482
CareerLink	(610) 988-1300
Election Services	(610) 478-6490
Emergency Services	(610) 374-4800
Library System	(610) 378-5260
Parks & Recreation	(610) 372-8939
Purchasing	(610) 478-6168
Veterans Affairs	(610) 378-5601
Solid Waste Authority	(610) 478-6362

PENNSYLVANIA STATE HOTLINES:

Child Abuse	(800) 932-0313
Crisis & Suicide (Berks)	(610) 236-0530
Elder Abuse	(800) 490-8505
Welfare Fraud	(800) 932-0582

Fraud, Waste, and Misuse Hotline



NOTICE TO ALL COUNTY EMPLOYEES and the GENERAL PUBLIC

- Report Suspected Fraud and Theft
 - Information Is Confidential
 - Remain Anonymous

(610) 478-6118 Ext. 5111

(Secured and Monitored by The County of Berks Human Resources Department)

For additional information, please contact:



Sandy Graffius, Controller
County of Berks
610-478-6150 Ext. 6155
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