



County of Berks

Friendly Understandable Financial Statement (FUFS)

For the Year Ended December 31, 2024

Prepared by the Office of the Controller
Joseph E. Rudderow III, Controller

Dear Residents of Berks County,



It is truly an honor and privilege to serve the citizens of Berks County as your elected Controller and my goal is to serve with integrity, leading by example. I take great pride in leading our talented team of professionals who are committed to excellence in accounting, auditing, and accounts payable. They are dedicated team members who embrace continuing education, certifications, and professional career growth to ensure they have the necessary skills to improve efficiencies, with greater accountability and financial accuracy, while delivering transparency in County government.

We have CPAs and CGFMs on our accounting team providing the Controller's Office with the expertise necessary to compile and prepare annual financial statements prescribed by law. The Annual Comprehensive Financial Report (ACFR) is prepared by our accounting team and professionally reviewed for compliance by third party external auditors. The County of Berks currently uses Zelenkofske Axelrod LLC (ZA).

We have Certified Fraud Examiners (CFEs) on the auditing team which provide the Controller's Office with expertise in detecting fraud, waste, and abuse, while performing the required annual audits of the Tax Collectors, Magistral District Justices (MDJs) and the elected row offices. In addition, upon request, our CFEs/internal auditors will investigate claims or allegations of Waste, Fraud and Abuse (WFA) that are reported to the County of Berks.

The role of the Controller's Office is to be independent of County government, yet within County government. The Controller works with other elected officials and County employees but must remain independent on behalf of the taxpayer. The Controller is a row officer who is elected and answers directly to the public. It is very important that our audits and financial statements reflect an independent review of County finances. In addition, the Controller's Office oversees the Accounts Payable process and supervises the fiscal affairs of the County.

The FUFs (Friendly Understandable Financial Statement) is a report designed to be simple and easy to understand. The FUFs allows the public to have a broad overview of the finances of the County without all the details. The FUFs does not contain material disclosures, financial statements, notes, and schedules as it does not meet the Generally Accepted Accounting Principles that are found in the Annual Comprehensive Financial Report (ACFR) for governments. Both reports (FUFs and ACFR) are available electronically on the Controller's page of the County of Berks website; either scan the QR code (below) or enter <https://www.berkspa.gov/departments/controller> and select *Financial Statements* on the left-hand side.

Sincerely,

Joseph E. Rudderow III

Controller of Berks County



SCAN ME

Welcome to Berks County, Pennsylvania!



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Established in 1752, Berks County offers pleasant, historic communities that both residents and visitors are bound to remember. Between our beautiful parks and trails, professional sports teams, and thriving business district, we have something for anyone and everyone to enjoy.

This Friendly Understandable Financial Statement, or FUFs, outlines the County's financial health in a readily digestible format and is designed to complement the Annual Comprehensive Financial Report, or the ACFR. It also includes information regarding Berks County's elected officials and an overview of the many services Berks County offers. We hope this report helps you better understand what makes Berks County a special place to all those who build their lives here.



Elected Officials: Board of Commissioners & Row Officers



From left:

Dante Santoni, Jr.

Michael S. Rivera, Vice-Chair

Christian Y. Leinbach, Chair

- Constitutes the County's chief governing body and manages County finances and property.
- Approves the annual budget, fixes County tax rates and authorizes expenditures.
- Supervises the conduct of elections, the prison system, and the maintenance of County infrastructure.



Joseph E. Rudderow, III

Controller

- Reports on the County's financial condition and fiscal affairs.
- Audits County departments, tax collectors and Magisterial District Judges offices.
- Certifies all bills, claims and demands against the County.



Mitchell R. Darcourt

Treasurer

- Serves as custodian of County money.
- Collects real estate taxes, fees and receipts.
- Issues licenses for bingo, small games of chance, hunting, fishing, dog and pistol permits.



Fred Sheeler

Recorder of Deeds

- Records all County deeds, mortgages and real estate transactions along with Notary Public commissions, renewals and changes.
- Collects real estate transfer taxes and affordable housing fees.



John T. Adams

District Attorney

- Chief law enforcement officer of the County.
- Protects citizens by ensuring all laws of the Commonwealth of PA are upheld.
- Works with law enforcement to keep Berks County safe and secure.



Mandy Miller

Acting Sheriff

- Serves civil and criminal process documents and enforces both the Pennsylvania Crimes Code and Motor Vehicle Code.
- Protects citizens by ensuring all laws of the Commonwealth of PA are upheld.
- Organized into 6 divisions: Civil, Court, Patrol, Central Booking, K-9 and Warrants.



John A. Fielding, III

Coroner

- Investigates sudden, unexplained and unnatural deaths that occur in Berks County.
- Investigates approximately 4,200 deaths each year with approximately 90% being of natural causes.



Beth A. Jones

Clerk of Courts

- Prepares and maintains the records for the Criminal division of the Court of Common Pleas.
- Administers oaths and affirmations and certifies/distributes orders of the Court.
- Prepares bills of costs for the defendants and disburses fines, costs and restitution.



Suzanne Myers

Register of Wills

- Determines if documents should be received as last will of the decedent.
- Handles administration of the estate and probate processes.
- Takes applications for and issues marriage licenses.
- Maintains docket and files for adoptions and guardianships.



Jonathan K. Del Collo

Prothonotary

- Acts as the Chief Clerk and recordkeeper for all civil case filings.
- Files, records and processes all judgments, orders and decrees of court to respective parties and counsel.

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, as well as 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.berkspa.gov/departments/berks-heim-nursing-home

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.berkspa.gov/departments/children-and-youth

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.berkspa.gov/departments/aging

Provides comprehensive and coordinated services to meet the needs of County residents aged 60 and older, and eligible physically disabled residents aged 18 to 59.

Library System (610) 378-5260 www.berkslibraries.org

Consists of 19 libraries with 23 locations spread throughout the County. The Commonwealth provides 19% of library system funding followed by the County at 17%. The remaining portion is funded by local municipalities at 24% and grants and fundraising at 40%.

Council on Chemical Abuse (610) 376-8669 www.cocaberks.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.careerlinkberks.com

Provides workforce resources for job seekers and employers through PA Careerlink.

Parks & Recreation (610) 372-8939 www.berkspa.gov/departments/parks-and-recreation

Provides recreational opportunities and educational programs for the 9 County-owned parks.



County of Berks
COUNTY OF BERKS
PENNSYLVANIA

Berks County's 2024 Financial Outlook

Top Credit Rating

On May 13, 2024, Moody's reaffirmed Berks County's Aaa bond rating, the highest credit rating attainable. Obligations are judged to be of the highest quality, with minimal risk.



Real Estate Tax Distribution

Real estate taxes are calculated by multiplying a property's assessed value by the millage rates levied by each taxing authority. County real estate tax rates were raised to 8.345 mills in 2024, the first increase since 2018, to balance the budget and maintain the County's strong financial position. School Districts and Local Taxing Authorities levy their own millage rates on top of the County rate. The graph below details how much money each taxing authority receives, on average, for every \$100 of real estate tax collected.

County of Berks: \$19

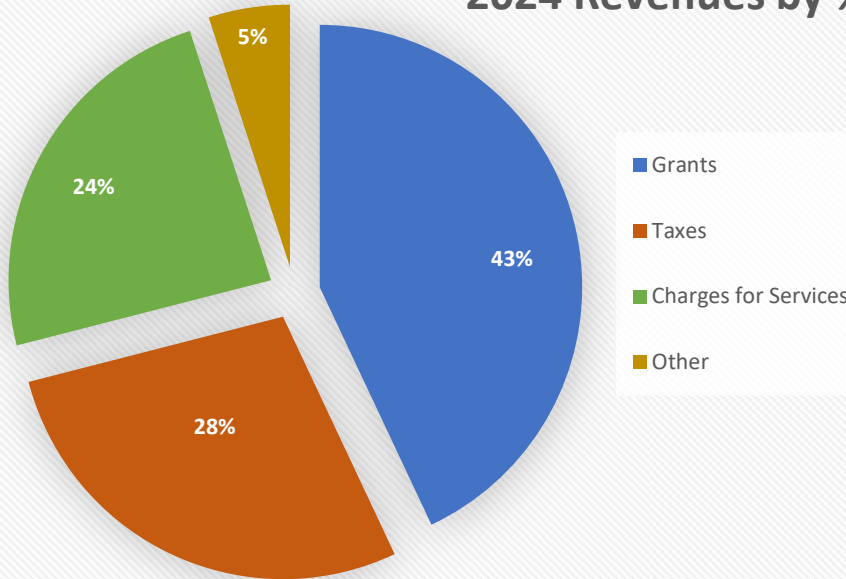


Local Taxing Authorities: \$10

Local School Districts: \$71

Financial information on pages 7 and 8 is presented on the current financial resources measurement focus and the modified accrual basis of accounting, under which revenues are recognized as soon as they are both measurable and available, and expenses are recorded when a liability is incurred. Revenues are considered to be available when they are collected during the current period or soon enough thereafter to pay liabilities of the current period.

2024 Revenues by %



County Revenues

Berks County government revenues totaled \$601.1 million for 2024.

The largest source of revenue for Berks County in 2024 came from grants from the Federal Government and the Commonwealth of Pennsylvania.

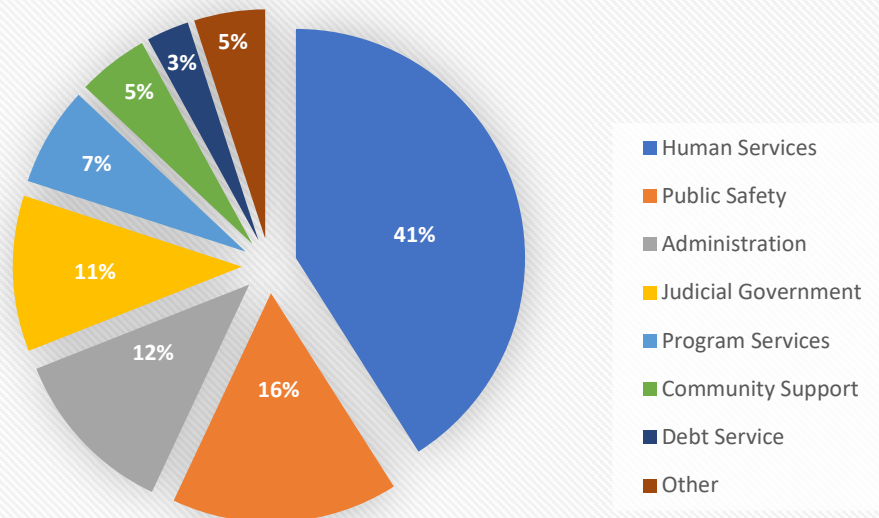
Significant revenue is also generated through Taxes and Charges for Services. Revenues are presented on a fund basis.

County Expenses

For Berks County in 2024, expenses totaled \$595.5 million.

Human Services was the largest area of expense for the County in 2024. It includes Children and Youth Services, Health Choices, Area Agency on Aging, Mental Health/Developmental Disabilities, Domestic Relations, Employment & Training, and Drug and Alcohol Prevention. Expenses are presented on a fund basis.

2024 Expenses by %



The Board of Commissioners has actual “control” over a limited portion of the discretionary County expense budget. It is with this in mind that elected officials must constantly monitor local, state, and national activities, as decisions made outside of Berks County affect us greatly.

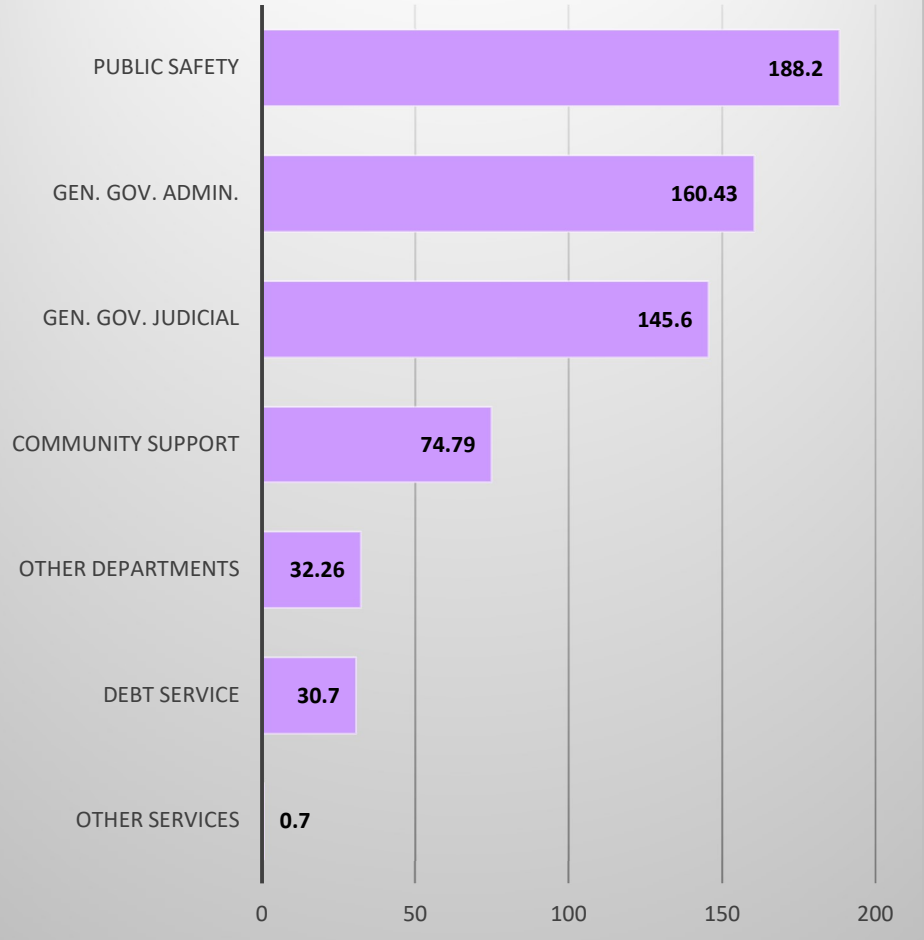
Approximate Cost Per Resident

The Cost Per Resident Chart, right, breaks down County expenses by departments and services funded through the General Fund, and shows how much, on average, each costs a Berks County resident. Programs funded through grants from the Federal Government or the Commonwealth of Pennsylvania are not included.

Cost per resident is calculated by dividing the total 2024 expenses for a given department or service by the total number of Berks County residents as of 2024. In 2024, Berks County had 432,821 residents.

The Net Surplus (Deficit) is determined by how much these expenses are offset by general revenues. Berks County had a net deficit in 2024. In this table, the Net Deficit is presented on a per resident basis. For more information, please see RSI's 1 and 2 in Berks County's 2024 ACFR.

2024 Approximate Cost Per Resident



County Department/Service - General Fund	2024
General Government Administrative	\$ 160.43
General Government Judicial	145.60
Public Safety	188.20
Other Departments	32.26
Community Support	74.79
Debt Service	30.70
Other Services	0.70
Total Expenses for General Fund Per Resident	632.67
General Revenues	628.32
Net Surplus (Deficit) Per Resident	\$ (4.35)

Financial information on page 9 is presented on the economic resources measurement focus and the accrual basis of accounting, under which revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Summary of Net Position 2023-2024

Assets:	2024	2023
Current Assets	\$ 267,421,095	\$ 362,497,094
Noncurrent Assets	438,242,290	386,112,031
Total Assets	705,663,385	748,609,125
Deferred Outflows of Resources*	20,456,990	43,554,182
Liabilities:		
Current Liabilities	81,637,092	129,805,340
Noncurrent Liabilities	163,042,309	184,742,498
Total Liabilities	244,679,401	314,547,838
Deferred Inflows of Resources†	2,986,189	1,672,867
Net position (as filed)	478,454,785	475,942,602
Prior Period Adjustments	-	64,396
Net Position (as restated)	\$ 478,454,785	\$ 476,006,998

*Resources Provided for an Upcoming Period

†Resources Received for an Upcoming Period

The Summary of Net Position, left, is a snapshot of the County's finances at each respective year-end.

Included in net position are the net investment in capital assets (buildings and bridges) and restricted funds (funds set aside for special projects) that are not available for spending on daily operations.

Summary of Net Activities 2023-2024

The Summary of Net Activities, right, shows the County's total revenues and total expenses presented on a government-wide basis. Revenues are categorized by source and expenses by function.

Berks County plans to issue a new bond in 2025, so Debt Service Administration expenses, as well as Liabilities, will likely increase from current levels in the coming years.

Revenues:	2024	2023
Grants	\$ 251,231,353	\$ 310,022,712
Taxes (Property & Hotel)	169,768,496	155,473,062
Charges for Services	116,211,079	105,209,633
Investment Earnings	13,937,782	15,380,539
Other Revenue	17,827,922	15,712,056
Total Revenues	568,976,632	601,798,002
Expenses:		
General Government	81,070,188	118,475,976
Judicial	61,128,520	48,319,002
Public Safety	93,446,003	57,127,064
Human Services	234,788,579	253,725,745
Berks Heim	63,173,090	58,881,793
Debt Service Administration	2,049,307	1,261,280
Other	30,873,158	34,640,765
Total Expenses	566,528,845	572,431,625
Change in Net Position	\$ 2,447,787	\$ 29,366,377

COUNTY OFFICIALS AT YOUR FINGERTIPS:

<u>OFFICE</u>	<u>OFFICIAL</u>	<u>PHONE</u>
Commissioner, Chair	Christian Y. Leinbach	(610) 478-6136
Commissioner, Vice-Chair	Michael S. Rivera	(610) 478-6136
Commissioner	Dante Santoni, Jr.	(610) 478-6136
Controller	Joseph E. Rudderow III	(610) 478-6150
Clerk of Courts	Beth A. Jones	(610) 478-6550
Coroner	John A. Fielding III	(610) 478-3280
District Attorney	John T. Adams	(610) 478-6000
Prothonotary	Jonathan K. Del Collo	(610) 478-6970
Recorder of Deeds	Fred Sheeler	(610) 478-3380
Register of Wills	Suzanne Myers	(610) 478-6600
Acting Sheriff	Mandy Miller	(610) 478-6240
Treasurer	Mitchell R. Darcourt	(610) 478-6640

OTHER DEPARTMENTS:

Department of Agriculture	(610) 378-1844
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:

(610) 478-6066

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

When Reporting Fraud:

- Include what happened, who is involved, and where and when it occurred
- All Information is Confidential
- You Can Remain Anonymous

Fraud Could Be:

- Theft of County Money
- Theft or Abuse of County Property
- Submission of False Invoices, Claims, & Reimbursements
- Other Suspicious Activities

For further assistance, please contact our Certified Fraud Examiners in the Internal Audit Department at internalaudit@berkspa.gov or call (610) 478-6150 x6152



Joseph E. Rudderow III, Controller
County of Berks

610-478-6150 Ext. 6155

jrudderow@berkspa.gov