



**MONTHLY REPORT**  
ALLEGHENY COUNTY, PENNSYLVANIA

---

WITH FINANCIAL STATEMENTS  
**AS OF MAY 31, 2013**  
CHELSA WAGNER, CONTROLLER



## County of Allegheny:



### Controller's Message, May 2013

I am pleased to provide an overview of the financial status of Allegheny County and operations as of May 31, 2013. The report compares revenues and expenditures to the current year's budget and to the same period in 2012, providing two ways to view the County's financial activity. It begins with a summary of the County's current finances, followed by more detailed schedules of revenues, spending and cash.

Through the first five months of 2013, operating revenues and other financing sources totaled \$469.5 million, \$95.4 million more than in 2012. Real Estate tax collections were \$92.5 million higher as of May 31st in 2013 over 2012 as a result of the reassessment and the discount period in 2013 being April 30th as compared with May 31st in 2012. Tax Refunds are \$2.7 million higher than last year. There are increases from prior year of \$4.7 million in Federal Revenues and \$0.5 million in State Revenues. Charges for Services and Facilities increased \$2.5 million. These increases were offset by decreases in 2% Gaming Local Share Tax (\$0.4 million) and Fines and Forfeitures (\$0.4 million).

Compared with last year, expenditures have decreased by \$39.6 million. The decrease includes General Government of \$22.1 million, however this decrease resulted from Administration not accruing \$26.0 million in Health Insurance. Other decreases include Public Works by \$3.5 million, Health and Welfare of \$12.6 million and Debt Service of \$5.3 million. These decreases were offset by a Public Safety increase of \$2.5 million, and Transportation spending is ahead of last year by \$1.2 million.

Deficits in the Grant and Special Account funds as of April 30, 2013 required \$1.8 million in funding. The Pension Fund's Actuarial Funded Ratio decreased from 58.7% to 55.4% as of January 1, 2012 and January 1, 2011 respectively and the Total Funded Ratio increased slightly to 75%. In addition, during the first four months of 2013, the Plan's Net Assets have increased \$32.8 million.

Chelsa Wagner  
Controller

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## REVENUE ANALYSIS

**Schedule of Operating Fund Revenues - Budget and Actual (Unaudited)**  
**For Six Months Ended June 30, 2013**  
**With Comparative Actual Amounts For Six Months Ended June 30, 2012**

Revenue Source	2013 Budget	YTD Actual 06/30/13	Unrealized Revenues	Percentage Received Target=50%	Prior Year Actual 06/30/12	Difference From Prior Year
Taxes - Property	\$349,259,000	329,290,593	19,968,407	94.28%	\$300,709,188	28,581,405
Tax Refunds-Real Estate	(17,802,000)	(5,314,483)	(12,487,517)	29.85%	(587,843)	(4,726,640)
Non-profit In Lieu of Taxes	320,000	174,115	145,885	54.41%	234,203	(60,088)
Taxes - Sales and Use	43,995,000	13,572,299	30,422,701	30.85%	13,766,891	(194,592)
Taxes - Rental Vehicles	6,728,500	2,533,528	4,194,972	37.65%	2,472,901	60,627
Taxes - Alcoholic Beverage	32,771,500	14,232,673	18,538,827	43.43%	13,463,191	769,482
2% Gaming Local Share Tax	5,757,000	1,042,961	4,714,039	18.12%	1,477,939	(434,978)
Federal Revenues	84,125,374	32,172,901	51,952,473	38.24%	27,208,147	4,964,755
State Revenues	179,186,070	78,472,365	100,713,705	43.79%	72,408,797	6,063,567
Local Government Revenue	18,791,000	8,481,806	10,309,194	45.14%	8,185,669	296,137
Charges for Services and Facilities	79,452,400	34,064,628	45,387,772	42.87%	29,908,769	4,155,859
Fines and Forfeitures	5,120,000	1,847,866	3,272,134	36.09%	2,280,740	(432,874)
Interest Earnings	389,485	85,728	303,757	22.01%	214,833	(129,105)
Licenses and Permits	2,052,600	1,191,486	861,114	58.05%	1,108,792	82,694
Miscellaneous	6,030,980	1,639,143	4,391,837	27.18%	1,785,252	(146,109)
Total Operating Revenues	796,176,909	513,487,609	282,689,300	64.49%	474,637,469	38,850,140
Net Other Financing Sources	3,261,091	-	3,261,091	0.00%	1,390,085	(1,390,085)
Total Revenue & Other Financing Sources	<u>\$799,438,000</u>	<u>513,487,609</u>	<u>285,950,391</u>	64.23%	<u>\$476,027,554</u>	<u>37,460,055</u>

This Schedule presents 2013 Budget to Actual and 2013 Actual to Prior Year Actual followed by detailed analysis.

### Revenues compared to prior year:

- Total operating revenues to date are \$95.4 million more than last year at this time. The County is at 58.7% of budgeted operating revenue received.
- **Property Taxes** collected are \$318.1 million, \$92.5 million more than last year. In 2012 the 2% discount collection date was extended to May 31, 2012 and now it is April 30, 2013. For 2013 County Council decreased the total property millage rate 16.9% to 4.73 mills from 5.69 mills, to attempt to comply with the Allegheny County Administrative Code section 5-809.03 that states the County shall not derive a windfall benefit from property reassessment.
- **Tax Refunds-Real Estate** are \$2.7 million more than 2012 and property appeals are pending.
- Last year **Non-profit in Lieu of Taxes** collected \$229,000 and \$174,000 was received through May 31, 2013.
- The **Rental Vehicle Taxes** 2013 revenues collected are \$1.9 million and \$28,000 more than 2012.
- **Alcoholic Beverage Taxes** collected are \$11.3 million. This is \$528,000 more than 2012.
- The **2% Gaming Local Share Tax** actual is \$1.0 million or \$435,000 less than 2012.
- **Federal Revenues** have increased \$4.7 million from the prior year at this time. Increases include \$2.2 million for Foster Care Title IV-E and Temporary Assistance to Needy Families is \$1.9 million more. Decreases include \$734,000 for 309C Medical Assistance, \$81,000 in Medicare Part D Subsidy and \$49,000 from Medicare Part B. Overall, the Federal Revenues 2013 budget decreased from last year by \$2.6 million or 3.1%.
- **State Revenues** have increased \$532,000 from the prior year at this time. The increases include \$7.7 million from PA Department of Public Welfare Children Youth and \$164,000 from M.A Pharmacy. Act 315 revenue last year accrued \$2.9 million and none in 2013. The decrease in Act 148 revenue is \$3.2 million. Mainly due to more reimbursable expenditures being charged to Title IV-E rather than Act 148.
- **Charges for Services and Facilities** have increased \$2.5 million from the prior year. Increases include Recording and Filing Fees (\$4.8 million) and Inter County Service Contracts of \$913,000. Decreases include Collections-Parents and Guardians (\$1.0 million) and Kane Patient Revenue down \$2.2 million (including Kane Residents Pay (\$1.2 million) and Commercial Insurance of \$1.1 million offset by an increase in Kane Private Pay (\$115,000). Kane's revenue is down mainly due to occupancy being down.
- **Fines and Forfeitures** are less than 2012 by \$406,000. Receipts from District Courts is \$267,000 less and Forfeit Bonds-Individuals is \$81,000 less.
- **Licenses and Permits** overall increased \$56,000 including Hunt/Fish/Dog/Boat Licenses which increased \$45,000.
- **Interest Earnings** decreased \$107,000 compared to last year.
- **Miscellaneous Revenue** decreased \$257,000.

### Revenues compared to target of 41% of Budget:

- The **Property Tax** collections are \$318.1 million or 91.1% of annual budget, offset by Tax Refunds of \$3.0 million. The 2% discount was allowed until April 30, 2013. The taxable assessed value for 2013 is \$78.8 billion, an increase of \$19.6 billion or 33.1% over last year. Total millage was lowered 16.9% from 5.69 to 4.73 mills.
- **Rental Vehicle Taxes** received are \$1.9 million or 28.8% of budget. The annual budget increased \$559,300 or 9.1%.
- The **Alcoholic Beverage Tax** budget anticipated more revenue and increased from 2012 by 7.1% or \$2.2 million. Alcoholic Beverage Tax collected is \$11.3 million or 34.6% of budget.
- The **Federal Revenue** total year-to-date revenues collected are \$27.1 million or 32.3% of budget. Temporary Assistance Needy Families is at 41.7% of budget with \$3.1 million received. Foster Care Title IV-E recorded \$5.3 million or 25.0% of budget. Adoption Assistance recorded \$3.2 million or 28.5% of budget. The 309-C Medical Assistance recorded \$9.8 million or 32.7% of annual budgeted revenue. The Kane Medicare Part A payments received are \$1.7 million or 33.4% of annual budget. The Kane Medicare Part B revenue is \$907,000 or 39.8% of budget. MA Inter Government Transfer Payments are 84.0% of annual budget with \$1.2 million recorded. Overall, the Federal Revenues 2013 budget decreased from last year by \$2.6 million or 3.0%.
- The **State Revenues** budget anticipated less revenue and decreased from 2012 by 7.5% or \$14.5 million. Total State revenues recorded are \$64.0 million or 35.7% of budget. The County received \$38.2 million or 35.3% of budget from Act 148 and the Kane 309-C Medical Assistance revenues are \$8.1 million or 32.7% of budget. The M.A. Pharmacy revenue collected 38.1% or \$2.4 million. The PA Department of Public Welfare Children Youth and Families recorded \$13.7 million or 68.0% of budget and the M.A. Inter Governmental Transfer Payments are \$1.0 million which is 84.0% of annual budget. Court Operations has \$3.0 million budgeted with no revenue received and in October 2012, \$2.9 million was received. Act 315 revenue is budgeted \$6.0 million with no revenue received and in July 2012, \$1.0 million was received.
- **Local Government Revenue** received from RAD (Regional Asset District) is \$7.0 million or 37.4% of annual budget. RAD revenue is budgeted at \$18.5 million which is a 3.5% increase over 2012.
- The 2013 **Charges for Services and Facilities** year-to-date revenues are \$28.0 million or 35.3% of annual budget. The annual budget increased \$8.7 million or 12.2%. The fee schedule for Recording and Filing fees doubled and the 2013 annual budget increased to \$26.9 million from \$18.1 million. Revenues that have been received this year include \$11.1 million for Recording and Filing Fees (41.1% of annual budget). Kane Patient Revenue received is \$10.0 million (41.5% of budget) consisting of Commercial Insurance (\$4.9 million), Private Pay (\$2.3 million) and Residents Pay (\$2.8 million). Recreation Fees collected are \$813,000 or 23.8% of budget. The Inter-County Services Contracts has \$3.1 million or 27.7% recorded. Collections from Parents and Guardians is understated and needs a first quarter accrual.
- **Fines and Forfeitures** are 28.8% or \$1.5 million received. The 2013 annual budget increased 1.5% or \$74,800.
- The 2013 **Licenses and Permits** collected \$972,000 or 47.4% of annual budget.



**EXPENDITURE ANALYSIS  
AND  
BUDGET ADJUSTMENTS**

**Summarized Operating Fund Expenditures By General Functional Area (Unaudited)**  
**For Six Months Ended June 30, 2013**  
**With Comparative Actual Amounts For Six Months Ended June 30, 2012**

<b>Expenditure Function</b>	<b>2013 Budget</b>	<b>YTD Actual and Encumbrances 06/30/13</b>	<b>2013 Unencumbered Appropriation</b>	<b>Percentage Expended Target=50%</b>	<b>Prior Year Actual and Encumbrances</b>	<b>Difference From Prior Year</b>
General Government	\$200,187,940	56,134,017	144,053,923	28.04%	\$86,272,054	(30,138,037)
Public Safety	103,614,826	46,256,895	57,357,931	44.64%	44,540,353	1,716,542
Public Works	19,088,427	13,137,148	5,951,279	68.82%	17,453,686	(4,316,538)
Transportation	29,168,700	29,168,699	1	100.00%	27,668,700	1,499,999
Health and Welfare	335,926,918	153,925,188	182,001,730	45.82%	174,208,927	(20,283,739)
Culture and Recreation	9,255,707	4,285,763	4,969,944	46.30%	4,331,969	(46,206)
Education	23,350,455	18,050,000	5,300,455	77.30%	18,050,000	0
Debt Service	77,339,329	20,181,991	57,157,338	26.10%	25,521,130	(5,339,139)
Economic Development	2,574,870	4,155,906	(1,581,036)	161.40%	4,281,341	(125,435)
<b>Total Operating Expenditures</b>	<b>\$800,507,172</b>	<b>345,295,607</b>	<b>455,211,565</b>	<b>43.13%</b>	<b>\$402,328,160</b>	<b>(57,032,553)</b>

**YTD Actual & Encumbrances** - Actual expenditures, certain accruals and encumbrances as of the date of the report.

**2012 Unencumbered Appropriations** - The result of subtracting the YTD Actual & Encumbrances from the Budget.

**Percentage Expended** - The YTD Actual & Encumbrances divided by the Budget. The target represents the percentage expected based on the month of the year. However, not all expenditures are distributed evenly throughout the year.

**Budget Adjustments (see page 8-9)**

The 2013 budget passed by Council was increased \$1,069,172 due to 2012 obligations (encumbrances) which are recorded as 2013 expenditures. The increase represents appropriations transferred from 2012 to cover these costs and are categorized as prior year reappropriations.

# DEPARTMENTAL BUDGET ADJUSTMENTS

For Six Months Ended June 30, 2013

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	Adopted Budget	Prior Year Reappropriations	Budget Amendments/ Transfers	2013 Budget
<b>General Government</b>				
10 - County Executive	\$ 415,032	-		415,032
11 - County Manager	1,083,368	91		1,083,459
12 - County Solicitor	1,859,643	2,655		1,862,298
13 - Budget & Finance	803,665	525		804,190
14 - Public Defender	9,048,030	2,459		9,050,489
15 - Human Resources	1,406,442	14		1,406,456
16 - MBE/DBE/WBE	480,170	177		480,347
17 - Medical Examiner	8,547,660	6,973		8,554,633
18 - Court Records	7,919,440	31,232		7,950,672
20 - Administrative Services-Administration	1,767,004	7,891		1,774,895
20 - Administrative Services-Prop. Assess.	5,770,059	4,767		5,774,826
20 - Administrative Services-MIS	5,789,743	305,032		6,094,775
20 - Administrative Services-Purchasing	598,387	1,250		599,637
20 - Administrative Services-Elections	5,163,593	2,706		5,166,299
20 - Administrative Services-Prop & Supplies	-	1,430		1,430
21 - Real Estate Registry and Deeds	3,094,760	8,344		3,103,104
38 - Facilities Management	20,944,989	-		20,944,989
46 - Non-departmental	16,772,817	-		16,772,817
49 - Misc Agencies - Duquesne Law	485,000	-		485,000
55 - County Council	985,060	1,054		986,114
60 - Court of Common Pleas	65,064,370	113,931		65,178,301
70 - Controller	5,901,866	129,731		6,031,597
71 - Sheriff	14,462,312	18,247		14,480,559
72 - Treasurer	6,111,278	49,753		6,161,031
73 - District Attorney	15,007,517	17,473		15,024,990
<b>Total General Government</b>	<b>199,482,205</b>	<b>705,735</b>	<b>-</b>	<b>200,187,940</b>
<b>Public Safety</b>				
30 - Jail	70,792,319	9,711		70,802,030
31 - County Police	27,735,510	7,116		27,742,626
33 - Emergency Services	5,057,300	12,870		5,070,170
<b>Total Public Safety</b>	<b>103,585,129</b>	<b>29,697</b>	<b>-</b>	<b>103,614,826</b>
<b>Public Works</b>				
35 - Public Works	19,080,940	7,487		19,088,427
<b>Total Public Works</b>	<b>19,080,940</b>	<b>7,487</b>	<b>-</b>	<b>19,088,427</b>
<b>Transportation</b>				
49 - Misc Agencies - PAT	29,168,700	-		29,168,700
<b>Total Transportation</b>	<b>29,168,700</b>	<b>-</b>	<b>-</b>	<b>29,168,700</b>

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**DEPARTMENTAL BUDGET ADJUSTMENTS (cont.)**

**For Six Months Ended June 30, 2013**

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	Adopted Budget	Prior Year Reappropriations	Budget Amendments/ Transfers	2013 Budget
<b>Health and Welfare</b>				
20 - Administrative Services - Veterans Services	677,700	333		678,033
25 - Human Services - Mental Health	4,250,000	-		4,250,000
25 - Human Services - Child Welfare	223,623,265	48,017		223,671,282
25 - Human Services - Dept of Aging	450,000	-		450,000
25 - Human Services - Expenditure Recovery	(56,204,524)	-		(56,204,524)
26 - John J. Kane Regional Centers	100,849,813	190,603		101,040,416
27 - Health Department	16,951,973	32,544		16,984,517
32 - Shuman Center	11,386,360	6,333		11,392,693
48 - Juvenile Court Placement	33,624,908	39,593		33,664,501
<b>Total Health and Welfare</b>	<b>335,609,495</b>	<b>317,423</b>	<b>-</b>	<b>335,926,918</b>
<b>Culture and Recreation</b>				
37 - Parks	8,382,660	8,229		8,390,889
49 - Misc Agencies - Memorial Hall	572,064	-		572,064
49 - Misc Agencies - Coop Extension	292,153	601		292,754
<b>Total Culture and Recreation</b>	<b>9,246,877</b>	<b>8,830</b>	<b>-</b>	<b>9,255,707</b>
<b>Education</b>				
49 - Misc Agencies - CCAC	23,240,455	-		23,240,455
49 - Misc Agencies - AC Library Association	30,000	-		30,000
49 - Misc Agencies - Local Govn't Academy	80,000	-		80,000
<b>Total Education</b>	<b>23,350,455</b>	<b>-</b>	<b>-</b>	<b>23,350,455</b>
<b>Debt Services</b>				
47 - Debt Service	77,339,329	-		77,339,329
<b>Total Debt Services</b>	<b>77,339,329</b>	<b>-</b>	<b>-</b>	<b>77,339,329</b>
<b>Economic Development</b>				
49 - Misc Agencies - RAAC - Economic Dev	2,289,870	-		2,289,870
49 - Misc Agencies - Allegheny COGs	60,000	-		60,000
49 - Misc Agencies - Vacant Prop Revit	100,000	-		100,000
49 - Misc Agencies - Allegheny Places Proj	-	-		-
49 - Misc Agencies - Allegh League of Muni	125,000	-		125,000
<b>Total Economic Development</b>	<b>2,574,870</b>	<b>-</b>	<b>-</b>	<b>2,574,870</b>
<b>Total Operating Budget</b>	<b>799,438,000</b>	<b>1,069,172</b>	<b>-</b>	<b>800,507,172</b>
<b>Operating Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2013 Operating Budget &amp; Transfers</b>	<b>\$799,438,000</b>	<b>1,069,172</b>	<b>-</b>	<b>800,507,172</b>

## Schedule of Operating Fund Expenditures and Encumbrances - Budget and Actual (Unaudited)

## Department by Function

For Six Months Ended June 30, 2013

With Comparative Actual Amounts For Six Months Ended June 30, 2012

	2013 Budget	YTD Actual and Encumbrances 06/30/13	2013 Unencumbered Appropriation	Percentage Expended Target=50%	Prior Year Actual and Encumbrances	Difference From Prior Year
<b>General Government</b>						
10 - County Executive	\$ 415,032	170,647	244,385	41.12%	\$ 171,743	(1,096)
11 - County Manager	1,083,459	505,181	578,278	46.63%	554,934	(49,753)
12 - County Solicitor	1,862,298	1,043,970	818,328	56.06%	1,164,094	(120,124)
13 - Budget & Finance	804,190	348,306	455,884	43.31%	305,323	42,983
14 - Public Defender	9,050,489	4,264,014	4,786,475	47.11%	4,048,482	215,532
15 - Human Resources	1,406,456	587,190	819,266	41.75%	616,466	(29,276)
16 - MBE/DBE/WBE	480,347	247,189	233,158	51.46%	245,096	2,093
17 - Medical Examiner	8,554,633	4,234,021	4,320,612	49.49%	4,047,388	186,633
18 - Court Records	7,950,672	3,505,605	4,445,067	44.09%	3,600,866	(95,261)
20 - Administrative Services-Administration	1,774,895	1,236,842	538,053	69.69%	2,432,063	(1,195,221)
20 - Administrative Services-Prop. Assess.	5,774,826	2,869,123	2,905,703	49.68%	3,358,236	(489,113)
20 - Administrative Services-MIS	6,094,775	2,837,774	3,257,001	46.56%	3,219,808	(382,034)
20 - Administrative Services-Purchasing	599,637	270,567	329,070	45.12%	269,015	1,552
20 - Administrative Services-Elections	5,166,299	2,714,166	2,452,133	52.54%	2,607,149	107,017
20 - Administrative Services-Prop & Supplies	1,430	(3,308)	4,738	-231.33%	1,406,850	(1,410,158)
21 - Real Estate Registry and Deeds	3,103,104	1,333,123	1,769,981	42.96%	1,427,420	(94,297)
38 - Facilities Management	20,944,989	7,695,471	13,249,518	36.74%	-	7,695,471
46 - Non-departmental	16,772,817	(30,027,814)	46,800,631	-179.03%	4,248,019	(34,275,833)
49 - Misc Agencies - Duquesne Law	485,000	348,750	136,250	71.91%	348,750	-
55 - County Council	986,114	421,423	564,691	42.74%	386,503	34,920
60 - Court of Common Pleas	65,178,301	29,523,235	35,655,066	45.30%	29,965,533	(442,298)
70 - Controller	6,031,597	2,799,799	3,231,798	46.42%	3,176,764	(376,965)
71 - Sheriff	14,480,559	8,592,363	5,888,196	59.34%	8,219,858	372,505
72 - Treasurer	6,161,031	3,078,639	3,082,392	49.97%	3,272,327	(193,688)
73 - District Attorney	15,024,990	7,537,741	7,487,249	50.17%	7,179,367	358,374
<b>Total General Government</b>	<b>200,187,940</b>	<b>56,134,017</b>	<b>144,053,923</b>	<b>28.04%</b>	<b>86,272,054</b>	<b>(30,138,037)</b>
<b>Public Safety</b>						
30 - Jail	70,802,030	31,959,516	38,842,514	45.14%	30,053,942	1,905,574
31 - County Police	27,742,626	13,147,377	14,595,249	47.39%	13,334,601	(187,224)
33 - Emergency Services	5,070,170	1,150,002	3,920,168	22.68%	1,151,810	(1,808)
<b>Total Public Safety</b>	<b>103,614,826</b>	<b>46,256,895</b>	<b>57,357,931</b>	<b>44.64%</b>	<b>44,540,353</b>	<b>1,716,542</b>
<b>Public Works</b>						
35 - Public Works	19,088,427	13,137,148	5,951,279	68.82%	17,453,686	(4,316,538)
<b>Total Public Works</b>	<b>19,088,427</b>	<b>13,137,148</b>	<b>5,951,279</b>	<b>68.82%</b>	<b>17,453,686</b>	<b>(4,316,538)</b>
<b>Transportation</b>						
49 - Misc Agencies - PAT	29,168,700	29,168,699	1	100.00%	27,668,700	1,499,999
<b>Total Transportation</b>	<b>29,168,700</b>	<b>29,168,699</b>	<b>1</b>	<b>100.00%</b>	<b>27,668,700</b>	<b>1,499,999</b>

Operating departments exceeding "target benchmark" of 50% by more than 1% (i.e. 51%) are shaded

(Continued on Page 11)

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## Schedule of Operating Expenditures and Encumbrances - Budget and Actual (Unaudited)(cont.)

## Departments by Function

For Six Months Ended June 30, 2013

With Comparative Actual Amounts For Six Months Ended June 30, 2012

	2013 Budget	YTD Actual and Encumbrances 06/30/13	2013 Unencumbered Appropriation	Percentage Expended Target=50%	Prior Year Actual and Encumbrances	Difference From Prior Year
<b>Health and Welfare</b>						
20 - Administrative Services - Veteran Services	678,033	420,091	257,942	61.96%	396,302	23,789
25 - Human Services - Mental Health	4,250,000	954,274	3,295,726	22.45%	1,195,889	(241,615)
25 - Human Services - Child Welfare	223,671,282	98,248,683	125,422,599	43.93%	115,952,709	(17,704,026)
25 - Human Services - Dept of Aging	450,000	155,901	294,099	34.64%	64,192	91,709
25 - Human Services - Expenditure Recovery	(56,204,524)	(17,919,904)	(38,284,620)	31.88%	(26,578,260)	8,658,356
26 - John J. Kane Regional Centers	101,040,416	49,253,101	51,787,315	48.75%	48,961,131	291,970
27 - Health Department	16,984,517	6,031,691	10,952,826	35.51%	13,890,097	(7,858,406)
32 - Shuman Center	11,392,693	5,107,897	6,284,796	44.83%	5,254,967	(147,070)
48 - Juvenile Court Placement	33,664,501	11,673,454	21,991,047	34.68%	15,071,900	(3,398,446)
<b>Total Health and Welfare</b>	<b>335,926,918</b>	<b>153,925,188</b>	<b>182,001,730</b>	<b>45.82%</b>	<b>174,208,927</b>	<b>(20,283,739)</b>
<b>Culture and Recreation</b>						
37 - Parks	8,390,889	3,984,690	4,406,199	47.49%	4,026,051	(41,361)
49 - Misc Agencies - Memorial Hall	572,064	200,000	372,064	34.96%	200,000	-
49 - Misc Agencies - Coop Extension	292,754	101,073	191,681	34.52%	105,918	(4,845)
<b>Total Culture and Recreation</b>	<b>9,255,707</b>	<b>4,285,763</b>	<b>4,969,944</b>	<b>46.30%</b>	<b>4,331,969</b>	<b>(46,206)</b>
<b>Education</b>						
49 - Misc Agencies - CCAC	23,240,455	17,940,000	5,300,455	77.19%	17,940,000	-
49 - Misc Agencies - AC Library Association	30,000	30,000	-	100.00%	30,000	-
49 - Misc Agencies - Local Gov'n't Academy	80,000	80,000	-	100.00%	80,000	-
<b>Total Education</b>	<b>23,350,455</b>	<b>18,050,000</b>	<b>5,300,455</b>	<b>77.30%</b>	<b>18,050,000</b>	<b>-</b>
<b>Debt Services</b>						
47 - Debt Service	77,339,329	20,181,991	57,157,338	26.10%	25,521,130	(5,339,139)
<b>Total Debt Services</b>	<b>77,339,329</b>	<b>20,181,991</b>	<b>57,157,338</b>	<b>26.10%</b>	<b>25,521,130</b>	<b>(5,339,139)</b>
<b>Economic Development</b>						
49 - Misc Agencies - RAAC - Economic Dev	2,289,870	4,160,679	(1,870,809)	181.70%	4,040,341	120,338
49 - Misc Agencies - Allegheny COGs	60,000	21,000	39,000	35.00%	21,000	-
49 - Misc Agencies - Allegh League of Municipal	125,000	-	125,000	0.00%	120,000	(120,000)
49 - Misc Agencies - Vacant Property Project	100,000	(25,773)	125,773	-25.77%	100,000	(125,773)
<b>Total Economic Development</b>	<b>2,574,870</b>	<b>4,155,906</b>	<b>(1,581,036)</b>	<b>161.40%</b>	<b>4,281,341</b>	<b>(125,435)</b>
<b>Total Operating Expenditures</b>	<b>\$ 800,507,172</b>	<b>345,295,607</b>	<b>455,211,565</b>	<b>43.13%</b>	<b>\$ 402,328,160</b>	<b>(57,032,553)</b>
<b>Operating Transfers</b>	<b>-</b>					
<b>Less: Reappropriation</b>	<b>1,069,172</b>					
<b>2013 Operating Budget &amp; Transfer</b>	<b>\$ 799,438,000</b>					

Operating departments exceeding "target benchmark" of 50% by more than 1% (i.e. 51%) are shaded

**Financial Status of County**

**Expenditures**

- Reported operating expenditures are under the year-to-date budget target by 6.0%.
- Analysis of actual expenditure variance from prior years:

**Department / Expense type:**

Facilities Management	\$ 6,285,828
Public Works	(3,525,674)
Administrative Services - Property & Supplies	<u>(1,176,865)</u>
<b><i>Net increase from new Facilities Management Department</i></b>	<b>1,583,289</b>
Jail	1,938,858
Health Department	(6,394,860)
Decrease in Health Department (above) does not include an accrual for 2012 expenses yet unpaid	<u>1,433,292</u>
<b><i>Net Decrease from moving Jail Medical from Health Department to Jail</i></b>	<b>(3,022,710)</b>
Health Insurance not accrued in 2013	(25,999,368)
Debt Service	(5,327,464)
Human Services - Mental Health	(3,272,702)
Juvenile Court Placement	(2,893,634)
Port Authority Increase	1,249,998
Other Decreases (net)	<u>(1,949,604)</u>
<b><i>Other</i></b>	<b><u>(38,192,774)</u></b>
<b><i>Total Decrease in Expenditures Recorded as of May 31, 2013 vs. May 31, 2012</i></b>	<b><u>(39,632,195)</u></b>

- The following Operating Departments currently exceed the “target benchmark” of 41%:

County Solicitor	Sheriff
MBE/DBE/WBE	Treasurer
Medical Examiner	District Attorney
Administrative Services– Administration	Public Works
Administrative Services– Elections	Administrative Services– Veteran Services

**Expenditures compared to prior years (continued):**

- Expenditures and encumbrances of \$280.2 million are \$39.6 million lower than last year at this time. Decreases occurred in General Government (\$22.1 million), Public Works (\$3.5 million), Health and Welfare (\$12.6 million) and Debt Service (\$5.3 million) offset by increases in Public Safety (\$2.6 million) and Transportation (\$1.2 million). The 2013 adopted operating budget is \$14.9 million or 1.9% more than the 2012 adopted operating budget.
- Total **General Government** expenditures are \$22.1 million less than last year and the 2013 adopted budget increased 13.6%. A new department, **Facilities Management**, has been created from existing elements from Administrative Services and Public Works. Its purpose is to create and manage a comprehensive plan for County buildings and facilities. The **Public Defender** has increased 6.9% or \$232,000 over last year. Salaries and Fringes are \$203,000 over 2012 and Services are \$43,000 more. **Administrative Services-Administration** decreased \$961,000 or 47.9% from the prior year. Utilities/Energy Services decreased \$1.1 million and was transferred to the new Facilities Management department. **Administrative Services-Property Assessment** decreased \$421,000 or 15.1%. Salaries and Fringes are \$260,000 under 2012 and Services are \$125,000 less. **Administrative Services-MIS** has decreased from last year by 21.3% or \$643,000. Salaries and Fringes are \$116,000 under last year and Capital Outlay is \$76,000 less. Expenditure Recovery is \$468,000 over 2012. **Non-departmental** 2013 adopted budget increased \$3.3 million or 24.7%. Compared to the prior year, 2013 Fringe Benefits are \$1.3 million compared to \$27.2 million 2012. In 2012 four monthly health insurance payments totaling \$25.5 million were made. In 2013, \$26.0 million needs to be recorded for the comparable four months of 2013. Fringe Benefits-Cost Recovery, which reduces expenditures, is \$104,000 less than 2012. The **Sheriff** is 6.0% or \$419,000 over 2012. Salaries and Fringes are \$515,000 over 2012 and Services are \$68,000 less. Services that have decreased include Execute Court Order Expense by \$93,000. Compared to the prior year the **District Attorney** is \$363,000 or 6.1% more. Salaries and Fringes are \$390,000 more, offset by Supplies which decreased by \$22,000.
- Total **Public Safety** is over last year by \$2.6 million or 7.0%. The **Jail** is over 2012 by \$1.9 million or 7.8%. Salaries and Fringes are \$1.2 million over last year. Services are \$537,000 more than 2012. Contracted Services-General increased \$537,000, including a \$661,000 increase to Residential Arrangements. The **County Police** are \$587,000 or 5.5% over last year. Salaries and Fringes are \$597,000 more offset by a \$14,000 decrease to Capital Outlay.
- The **Public Works** is \$3.5 million or 23.8% less than last year. Elements of Public Works have been transferred to the new Facilities Management department. Salaries and Fringes are \$3.2 million under 2012. Supplies are \$135,000 under last year and Materials are \$142,000 less than last year. (See budget discussion on page 12).
- **Transportation** expenditures to the Port Authority of Allegheny County are \$22.2 million or \$1.2 million over 2012. The total adopted budget has increased \$1.5 million or 5.4%.
- Total **Health and Welfare** is less than last year by \$12.6 million or 9.4%. **Human Services-Mental Health**, comprised of Behavior Health (\$2.6 million under 2012 which includes year end cash match entries) and Intellectual Disability (\$705,000 under 2012) is under last year by \$3.3 million. **Human Services-Department of Aging Services** has increased \$65,000 or 102.3% over last year. The **Health Department** is \$6.4 million or 56.7% less than 2012. Services are \$6.3 million less than last year because the Jail Medical Contracts have been moved from the Health Department to the Jail. The **Juvenile Court Placement** is under last year by \$2.9 million. Contracted Services are less than 2012 by \$2.9 million.
- **Parks**, under **Culture and Recreation** is over last year by \$25,000 or 0.8%. Salaries and Fringes are \$82,000 more and Services are \$109,000 less than last year.
- The 2013 and 2012 **Education** contributions to CCAC were \$9.0 million at May 31st.
- **Debt Service** expenditures are \$5.3 million less than last year at this time. The 2012 principal payments include the \$7.3 million final payment for Series 18 bond issue. 2013 interest expense for the C-56 issue decreased \$84,000 per the debt schedule. Other interest payments decrease because the outstanding principal balance decreased by the amount of the 2012 principal payment and the 2012 refunding of four debt issues.

### Expenditures compared to target of 41% of Budget:

- The **County Solicitor** is 49.8% of annual budget or \$164,000 over target. Salaries and Fringes are \$141,000 over target.
- The **MBE/DBE/WBE** is 43.1% of budget or \$10,000 over target. Salaries and Fringes are \$18,000 over target and Supplies are \$3,000 over target offset by Services which are \$11,000 under the 41% target.
- The **Medical Examiner** is \$99,000 or 1.2% over target. Salaries and Fringes are \$21,000 over target. Services are \$22,000 over target. Supplies are \$21,000 over target and Repairs and Maintenance is \$31,000 over target.
- The **Administrative Services-Administration** is 58.8% of annual budget or \$316,000 over target. The 2013 budget was reduced by \$2.5 million or 58.9% because the utilities and telephone costs were transferred to the new Department of Facilities Management. Mailroom and Graphics is \$172,000 over target and Telephone is \$178,000 over target while General Services division is \$59,000 under target.
- The **Administrative Services-Elections** is 42.7% of annual budget and over target by \$86,000. Services are \$93,000 over the 41% target. Salaries and Fringes are \$27,000 under target.
- The **Administrative Services-Property and Supplies** has been moved to the new Department of Facilities Management. The 2012 budget was \$2.8 million.
- The **Sheriff** is 9.7% or \$1.4 million over target due to Salaries and Fringes. It is expected that salary expenses over budget will be cross charged to the Sheriff's Special account.
- The **Treasurer** is 43.6% of annual budget and over target by \$158,000. Services are \$186,000 over target (Contracted Services-General is \$76,000 over target and Insurance is \$55,000 over target) offset by Salaries and Fringes which are \$29,000 under target.
- **District Attorney** is \$190,000 or 1.3% over the 41% target. Salaries and Fringes are \$254,000 over target.
- **Public Works** is 18.1% or \$3.5 million more than target. Salaries and Fringe Benefits (including Liquid Fuel) is \$2.9 million over target. Materials are \$609,000 over target. Materials includes \$782,000 expended for Rock Salt. Services are \$41,000 over target
- The **Administrative Services-Veteran Services** is \$105,000 over target and 56.5% of annual budget. Services are \$26,000 over target. Materials are \$77,000 over target. Expenditures for Materials include the annual flag purchase for Memorial Day.
- The **Education** expenditure budget for CCAC decreased \$2.5 million to \$23.2 million from \$25.7 million. CCAC has received almost \$9.0 million or 38.6% of the budget.
- **Debt Service** budget was increased by \$11.7 million over the 2012 budget. The year-to-date actual is \$20.2 million or 26.1% of annual budget.

**Summarized Operating and Risk Management Fund Fringe Benefits**  
**By General Benefit Category**  
**For Six Months Ended June 30, 2013**  
**With Comparative Actual Amounts For Six Months Ended June 30, 2012**

	<b>2013 Total Budget</b>	<b>Current YTD Actual 06/30/13</b>	<b>2013 Budget Available</b>	<b>Percentage Expended Target=50%</b>	<b>Prior Year Actual 06/30/12</b>	<b>Difference From Prior Year</b>
Medical Benefits	\$ 61,722,794	(4,660,347)	66,383,141	-7.55%	27,858,159	(32,518,506)
Workers Comp Benefits	5,380,812	2,779,813	2,600,999	51.66%	3,062,630	(282,817)
All Other Fringe Benefits	39,133,249	19,656,537	19,476,712	50.23%	20,014,099	(357,562)
<b>Total Fringe Benefit Expenditures</b>	<b>\$ 106,236,855</b>	<b>17,776,003</b>	<b>88,460,852</b>	<b>16.73%</b>	<b>50,934,888</b>	<b>(33,158,885)</b>

**Other Fringe Benefits consists of Retirement, FICA, Life Insurance, and Unemployment Compensation**

**Includes County General, Human Services, Kane Regional Centers, Liquid Fuel Funds along with Risk Management Fund.**

Total Fringe Benefit Expenditures are 14.7% of budget and \$26.0 million less than last year. Health insurance is \$25.8 million less than last year because four months of health insurance (\$26.0 million) hasn't been paid or accrued. In 2012 four months were paid. The employees contributed \$161,000 more than in 2012 for health insurance.

Workers Compensation benefits are under last year by \$247,000 (Employee Worker's Compensation Indemnity decreased \$277,000 and Worker's Compensation Administration increased \$34,000).

Other Fringe Benefit costs increased \$139,000 mainly due to the County Pension Fund \$226,000 increase over last year and the FICA/Medicare increase of \$124,000. Offsetting the increases is the decreased Unemployment Compensation of \$226,000. Pension contributions are 8% in 2013 consistent with the prior year.

**Cash  
Balances  
At June 30, 2013 and 2012**

<b>Unrestricted Operating Cash</b>				<b>Restricted Cash</b>			
<b>Bank</b>	<b>Description</b>	<b>YTD Balance 6/30/2013</b>	<b>YTD Balance 6/30/2012</b>	<b>Bank</b>	<b>Description</b>	<b>YTD Balance 6/30/2013</b>	<b>YTD Balance 6/30/2012</b>
11151	General Fund	\$230,819,186	326,296,650	11151	Capital	85,785,254	24,879,107
11151	Human Service	(108,481,402)	(120,352,968)	11102	Debt Service	46,002,123	35,538,811
11151	Kane Regional	<u>(18,368,760)</u>	<u>(18,247,614)</u>	11103	Liquid Fuels	<u>2,671,211</u>	<u>2,621,139</u>
						134,458,588	63,039,057
				All Other Restricted Cash		<u>107,729,535</u>	<u>119,440,458</u>
<b>Net Unrestricted Operating Cash</b>		<u><u>\$103,969,024</u></u>	<u><u>187,696,068</u></u>	<b>Total Restricted Cash</b>		<u><u>242,188,123</u></u>	<u><u>182,479,515</u></u>
				<b>Total Operating and Restricted</b>		<u><u>346,157,147</u></u>	<u><u>370,175,583</u></u>

**Unrestricted Operating Cash** - Cash not restricted for a specific use and is available to pay the general obligations of the County.  
**Bank Account 11151** - A pooled cash account which includes unrestricted and restricted cash not required to be maintained in a separate bank account.

Net unrestricted operating cash at the end of May 2013 is \$129.6 million vs. the \$210.2 million at May 31, 2012. Total Cash as of May 31, 2013 is \$393.4 million vs. \$390.9 at May 31, 2012. Property Tax collections exceeded last year by \$92.5 million due to the April 30th discount period.

Unrestricted cash is still lower this year because the County did not issue a TRAN. Last year the County issued a TRAN for \$175 million. Proceeds of the TRAN was used to ensure sufficient cash flow for County operations prior to the receipt of property tax revenue. The TRAN was repaid in July 2012.

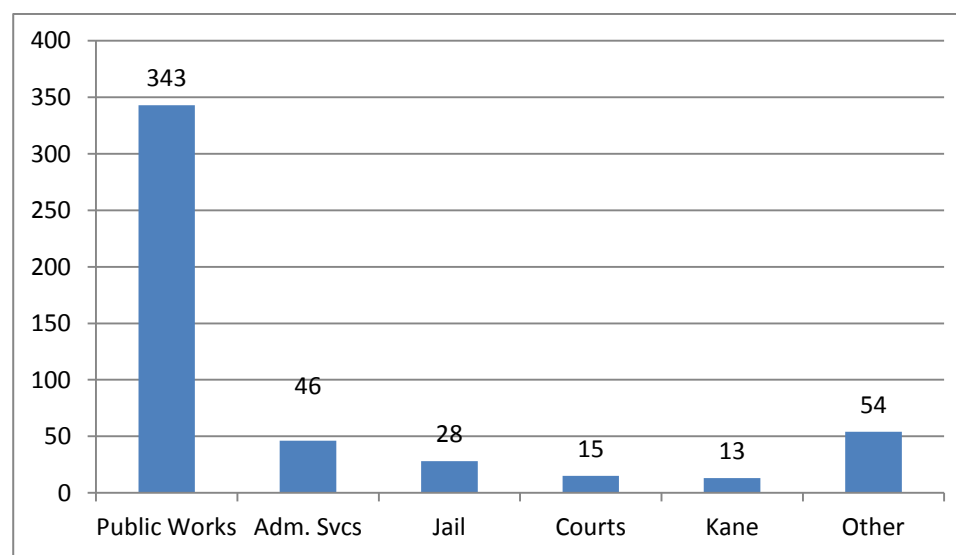
Restricted cash has increased primarily due to a bond issue done in the fall of 2012.



**REPORT CARD ON CAPITAL, GRANTS AND OTHER SPECIAL REVENUE FUNDS**

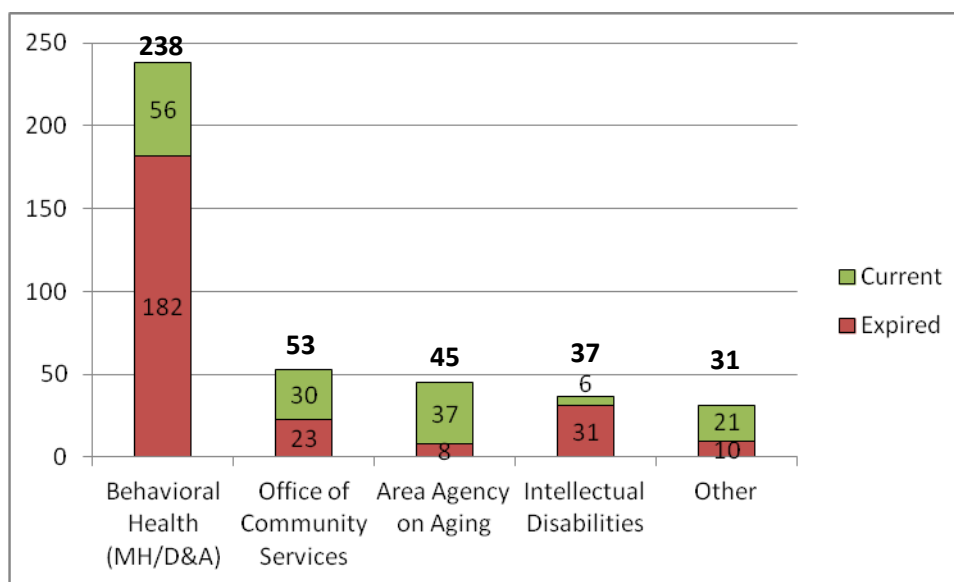
**NUMBER OF OPEN PROJECTS / GRANTS****MAY 2013**

<b>FUND</b>	<b>NUMBER OF OPEN PROJECTS / GRANTS</b>
Capital Projects Fund	499
Human Service Grants Fund	404
County Grants Fund	278
Trust & Agency Fund	38

**CAPITAL PROJECTS FUND BY DEPARTMENTS****TOTAL 499 OPEN PROJECTS / GRANTS**

Public Works projects include activities related to roads, bridges, buildings, parks, feasibility studies etc. Administrative Services projects include funds to support activities such as significant hardware upgrades performed by the Division of Computer Services, upgrades to Print Shop equipment, and the Countywide reassessment. Jail projects include equipment purchases for the kitchen, laundry, training and cleaning processes, locking systems, other system upgrades, and various other projects.

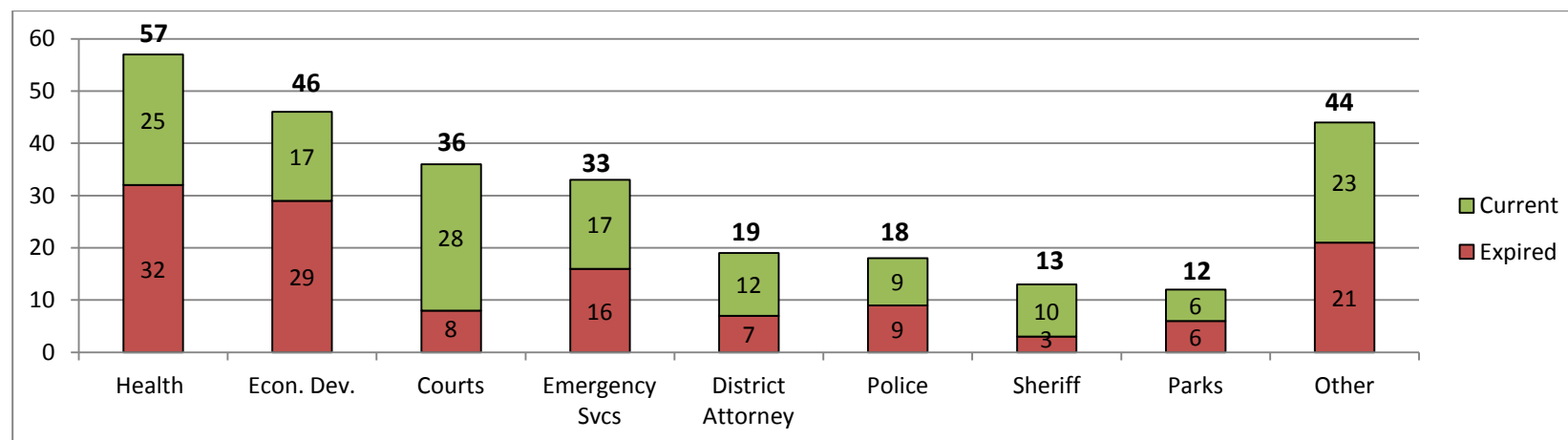
Of currently open projects, only forty four represents projects included in the 2013 Capital Budget. The majority of open projects are from the 2008 – 2012 Capital Budgets. However a significant number of open Capital Projects relate to activities approved in 2007 or earlier Capital Budgets.

**HUMAN SERVICE GRANTS FUND BY DIVISION****TOTAL 404 OPEN PROJECTS / GRANTS**

Expired grants are those with a planned end equal to or lesser than May 31, 2013. Current grants are those with a planned end date after May 31, 2013 or on-going grants, with no planned end date.

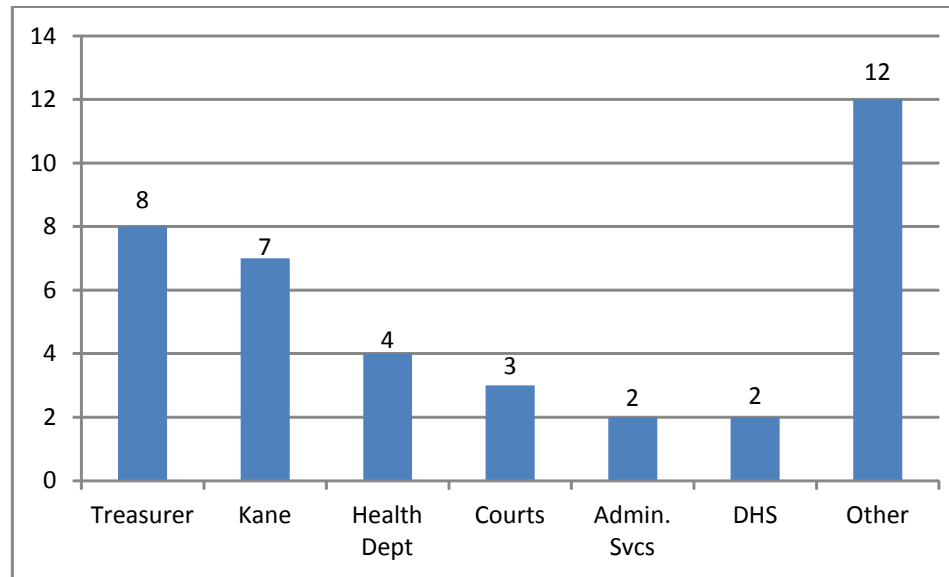
## COUNTY GRANTS FUND

### TOTAL 278 OPEN PROJECTS / GRANTS



Expired grants are those with a planned end date equal to or lesser than May 31, 2013.

2013 COUNTY SUPPORT REQUIRED DUE TO INSUFFICIENT STATE/FEDERAL FUNDING			
Department	Grant Program	2013 Operating Budget for Match/Deficit Funding	County Funding Needed as of 4/30/13
Courts	Family Div-Mediation Education	\$ 370,000	0
Courts	ADIU/IP		579,087
Courts	Intermediate Punishment		137,683
Courts	Child Support Enforcement Program	4,606,843	536,298
Courts	Juvenile Court Judges' Commission	800,000	0
Courts	IP Electronic Monitoring		11,092
Courts	Other Court deficits, as needed	1,074,005	
<b>Total Court Grant Deficits</b>		<b>6,850,848</b>	<b>1,264,160</b>
Emergency Services	9-1-1	2,600,000	574,263
<b>TOTALS</b>		<b>\$ 9,450,848</b>	<b>1,838,423</b>
Operating revenues provide the funding for programs in shaded cells; other County programs provide the rest of the funding as needed.			

**TRUST & AGENCY FUND BY DEPARTMENT****TOTAL 38 OPEN PROJECTS / GRANTS**

Examples of Trust & Agency projects include

- Treasurer - Hotel Tax funds due to various other entities and Hunting, Fishing, and Boat license fees due to the state
- Kane - Funds held in trust for Kane patients
- Other - Prisoner welfare funds, Tax refund accounts, Landfill trust funds

Most of these projects are on-going with no planned end date.



## PERFORMANCE OF PENSION FUND

## Performance of Pension Fund

STATEMENT OF CHANGES IN PLAN ASSETS FOR FOUR MONTHS ENDED APRIL 30, 2013 AND DECEMBER 31, 2012		
	4 Months Ended 4/30/13	Year Ended 12/31/12
<b>Additions:</b>		
Contributions:		
Employee	\$ 9,075,124	27,671,598
Employer	8,938,936	27,224,149
Total contributions	<b>18,014,060</b>	<b>54,895,747</b>
Investment income:		
Realized gain on sale of investments*	9,973,113	17,264,944
Unrealized gain (loss) in fair value of investments	26,050,687	64,638,039
Other Investment Income	4,873,824	15,263,508
Less: Investment Management Fees	740,911	2,432,870
Total Investment gain – net	<b>40,156,713</b>	<b>94,733,621</b>
Miscellaneous Income	44,704	46,227
Total additions - net	<b>58,215,477</b>	<b>149,675,595</b>
<b>Deductions:</b>		
Benefit payments	22,269,442	70,952,238
Refunds of employee contributions	2,817,099	4,151,363
Administrative expenses	324,174	1,225,022
Total deductions	<b>25,410,715</b>	<b>76,328,623</b>
Net increase (decrease) in plan assets	<b>32,804,762</b>	<b>73,346,972</b>
Plan net assets at beginning of year	758,446,475	685,099,503
<b>Plan net assets at end of the period</b>	<b>\$ 791,251,237</b>	<b>758,446,475</b>

\*Some management fees are deducted from gains

	Plan Participants		Cost Per Participant of Management and Administrative Fees	
	As of 4/30/13	As of 12/31/12	Cost for 4 months ended 4/30/13	Annual Cost as of 12/31/12
Retirees**	4,618	4,563	\$88.61	\$312.46
Employees***	7,402	7,144		
Total Participants	12,020	11,707		

\*\*Source: Retirement Office

\*\*\*Source: Estimate based on Retirement Office & Controller's Office data

## Annual Pension Cost and Net Pension Obligation as of December 31, 2012

PAGE 25

Annual required contribution	\$ 62,849,000
Interest (7.75%) on net pension obligation	11,490,557
Adjustment to annual required contribution	<u>(17,061,595)</u>
Annual pension cost	57,277,962
Contributions made	<u>(27,224,149)</u>
Increase in net pension obligation	30,053,813
Net pension obligation, beginning of year	<u>148,265,257</u>
Net pension obligation, end of year	<u>\$ 178,319,070</u>

### Schedule of Funding Progress (in thousands) for the Retirement System

(1) Actuarial Valuation Date	(2) Actuarial Value of Assets	(3) Actuarial Accrued Liability – Entry Age	(4) Overfunded/ (Unfunded) Actuarial Accrued Liability	(5) Actuarial Funded Ratio* [2/3]	(6) Total Funded Ratio**	(7) Covered Payroll	(8) Overfunded/ (Unfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll [4/7]
January 1, 2012	\$ 685,100	1,235,830	(550,730)	55.4%	75.0%	340,881	(161.6%)
January 1, 2011	699,302	1,191,102	(491,800)	58.7	74.2	357,290	(137.7)
January 1, 2010	652,643	1,119,326	(466,683)	58.3	71.1	340,879	(136.9)

**\*The Actuarial Funded Ratio** is the oldest measurement of funding progress and solvency and is the relationship between the Actuarial Liabilities and the Actuarial Value of existing assets. The Actuarial Liability is determined by the Entry Age Normal Actuarial Method and other assumptions used by the Fund's Actuary. It should be noted that Allegheny County's Actuarial Liability is amortized over a 15 year period, whereas many other pension funds use a 30 year amortization period. The actuarial liability is higher when a shorter amortization period is used.

**\*\*The Total Funded Ratio** reflects not only existing assets and liabilities, but considers the value of future contributions, future benefit accruals and future expenses. The ratio formed between the Value of Total Assets (Market Value) and the Value of Total Liabilities represents the Fund's ability to meet long-range funding commitment demanded by the plan's benefit structure. It is possible for a fund to exhibit strong funding factors when limited to accrued benefits and assets and, at the same time, be in funding jeopardy going forward.