

County of Cumberland, Pennsylvania

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For The Year Ended December 31, 2022



PREPARED BY THE OFFICE OF THE CONTROLLER

ALFRED L. WHITCOMB, CONTROLLER

www.cumberlandcountypa.gov



Alfred L. Whitcomb
Controller



COUNTY OF CUMBERLAND, PENNSYLVANIA

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ANNUAL COMPREHENSIVE FINANCIAL REPORT
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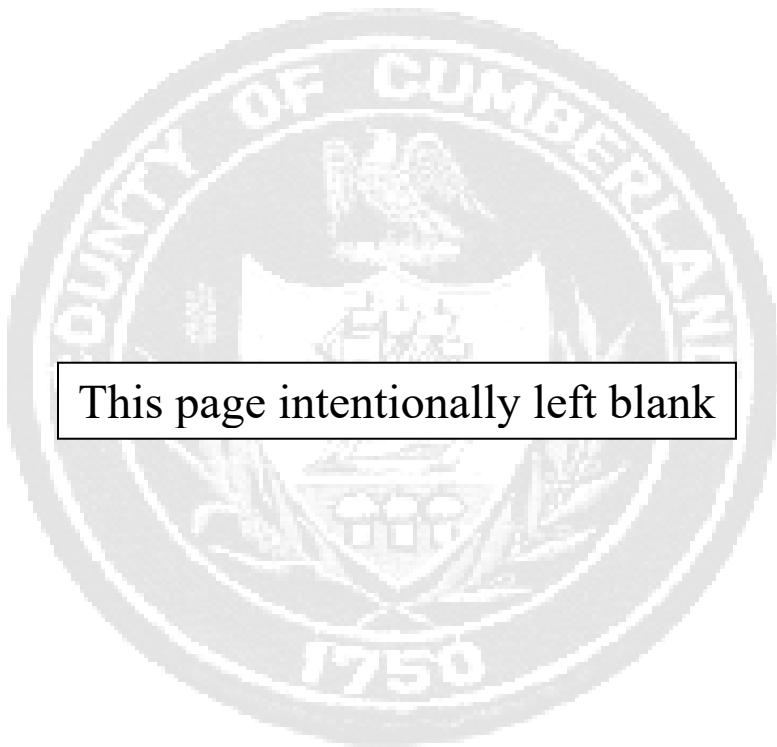
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The cover photograph was taken in Colonel Denning State Park, Cumberland County. Cover photograph is courtesy of Keith Wickard.



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Controller of Cumberland County

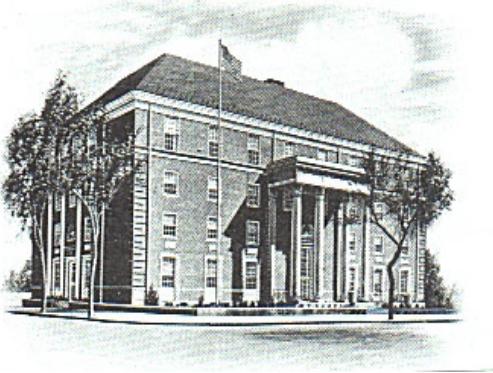
ONE COURTHOUSE SQUARE, ROOM 207 ♦ CARLISLE, PA 17013-3387

PHONE: 717-240-6185 ♦ 1-888-697-0371, EXT 6185

FAX: 717-240-6572

EMAIL: ALWHITCOMB@CUMBERLANDCOUNTYPA.GOV

WEB: WWW.CUMBERLANDCOUNTYPA.GOV



ALFRED L. WHITCOMB
CONTROLLER

ROBERT J. DAGROSA, CPA
FIRST DEPUTY CONTROLLER

LISA R. WATTS, MBA, CPA
SECOND DEPUTY CONTROLLER/
AUDIT MANAGER

TINA L. MALICK
ADMINISTRATIVE ASSISTANT

JAMES D. BOGAR
SOLICITOR

June 27, 2023

TO: THE CITIZENS AND COMMISSIONERS OF CUMBERLAND COUNTY

County Code mandates that the elected County Controller...

- Supervise the fiscal affairs of the County including the accounts and official acts and transactions of all County officials and others with responsibilities for county funds.
- Scrutinize, audit and decide on all bills, claims and demands whatsoever of the County prior to their payment.
- Authorize County fiscal transactions; disapproving those not undertaken in accordance with the law or not approved according to the law or which the Controller has predication to investigate for fraud, flagrant abuse of public office or criminal or negligent acts.
- Maintain the County's financial records, including the general ledger, in a manner that supports the preparation of financial statements in accordance with generally accepted accounting principles by, in part, auditing, settling, and adjusting the accounts throughout the year.
- Prepare an annual financial report and audit of the County's books on or before the first day of July of the following year. The Controller publishes an Annual Comprehensive Financial Report as part of satisfying this requirement.
- Carry out an annual audit plan for the county. Controller broad and general audit authority exists in the requirement that the Controller "audit", settle and adjust the accounts of all county officers – which encompasses, in scope, all accounts. Specific Controller audit authority exists in County Code section 1720 et al. and in various separate legislation such as, but not limited to, Pennsylvania Tax Collection Law.

Cumberland County's Controller independently prepares the County's Annual Comprehensive Financial Report in accordance with U.S. generally accepted accounting principles (GAAP) for governments. This report helps achieve the Controller's transparency and accountability objectives by its publication. The Annual Comprehensive Financial Report's basic financial statements are audited by an independent firm of certified public accountants in cooperation with the Controller's audit staff.

This report consists of County management's representations concerning the finances of Cumberland County. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report.

To provide a reasonable basis for making these representations, management, in cooperation with the Controller, has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal control should not outweigh its benefits, the County's internal control has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatements. As the Controller, I assert that, to the best of my knowledge and belief, this financial report is complete and reliable in all material respects.

Two "government-wide" financial statements are included in the County's Annual Comprehensive Financial Report: The Statement of Net Position and the Statement of Activities. These financial statements are discussed more fully in Note 1 to the financial statements.

These government-wide financial statements help County residents and taxpayers:

- Assess the finances of the County in its entirety, including the year's operating results.
- Determine whether the County's overall financial position improved or deteriorated.
- Evaluate whether the County's current-year revenues were sufficient to pay for current-year services.
- See the County's cost of providing services to its residents.
- See how the County finances its programs – through user fees and other program revenues versus County tax revenues.
- Understand the extent to which the County has invested in capital assets, including farmland preservation easements, bridges, and emergency communications technology.
- More easily compare financial activities and net positions between counties.

The County's basic financial statements have been audited by Boyer & Ritter LLC in cooperation with the Controller. Boyer & Ritter LLC is a firm of licensed certified public accountants. The goal of an independent audit is to provide reasonable assurance that the basic financial statements of the County as of and for the year ended December 31, 2022, are reliable and free of material misstatement. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the County is part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE COUNTY

Introduction

Cumberland County is a third-class county founded January 27, 1750. It is governed by an elected Board of Commissioners consisting of three members elected to four-year terms. The Commissioners are the responsible administrators of the County.

The law provides for the Controller to act as a “check and balance” on the County’s management and administrators by supervising the County’s fiscal affairs, maintaining the fiscal records including the general ledger, and scrutinizing/auditing/deciding on - and paying - all bills/claims/demands whatsoever, auditing, settling, and adjusting the accounts and reporting the County’s financial results.

Cumberland County government provides its residents with a wide variety of services in areas such as emergency telephone, courts (both criminal and civil), probation, prison, veterans affairs, bridge maintenance, and human services which include mental health and intellectual and developmental disabilities, children and youth, aging and community services and others.

Cumberland Area Economic Development Corporation (CAEDC) serves as the County’s authorized agency charged with leveraging and promoting Cumberland County’s and the broader Cumberland Valley’s economic development and tourism to drive economic growth, create jobs and improve resident’s quality of life. The CAEDC offers to existing and prospective businesses considering relocation, financing and funding solutions, workforce development services, project planning and consultation, tourism grants and loans, travel planning and other services.

The County is located in the south-central part of the state, between two Appalachian Mountain ranges. Generally, the County's boundaries follow definite physical features. It is bounded on the North by the Blue Mountain Range, on the East by the west bank of the Susquehanna River, on the South its southeastern boundary follows the Yellow Breeches Creek from the Susquehanna River to Williams Grove with the remainder of its southeastern and southern boundary following Mains Run, Gum Run, Middle Spring Creek and Laughlin Run.

There are eleven boroughs and twenty-two townships in the County. Harrisburg, the Capital of Pennsylvania, is located in the county adjacent to Cumberland County. The County has a land area of 555 square miles and an estimated 2022 population of 268,579. It is the 15th most populous county in the state and ranks 41st of 67 counties in size. [*U.S. Census Bureau’s Annual Estimates of Resident Populations of Counties in Pennsylvania: July 1, 2022.*]

Cumberland County is the fastest growing, by population, county in Pennsylvania; growing an estimated 3.5% since the 2020 census. [*U.S. Census Bureau’s Annual Estimates of Resident Populations of Counties in Pennsylvania: July 1, 2022.*]

Cumberland County offers its residents and visitors a rich history, quaint downtowns, exciting shopping opportunities, farmers markets, and a thriving artistic community. The popular Carlisle Events car shows held throughout the year and the Army Heritage and Education Center, with its hands-on military displays, large and unique collection of military artifacts and archives and special events, attract more visitors to Cumberland County each year.

The midway point of the Appalachian Trail is a ridge in Cumberland County. Cumberland County is home to the longest flat section of the trail. Ample trail parking in Cumberland County makes our section of the Appalachian Trail excellent for day hikes. Additionally, Cumberland County has many lakes and streams for fishing and boating and beautiful state parks with recently upgraded amenities.

Cumberland County serves at the central hub of the region's many cultural, historical and entertainment attractions such as Gettysburg with its Civil War Battlefield, Lancaster, and nearby Hershey with its well-known Hersheypark and its sport and concert venues. Cumberland County is just a 2-to-3-hour drive away from Washington, D.C., Philadelphia, Inner Harbor in Baltimore, Maryland and New York City.

Component Units

The County adheres to Government Accounting Standards Board (GASB) Statement No.'s 14, as amended by GASB 61 and 80, in determining which activities and entities to include in the County's financial statements based on their financial accountability and nature of relationship to the County.

The Cumberland Area Economic Development Corporation and the Cumberland County Recycling & Waste Authority, legally separate governmental entities, qualify as blended component units and are reported as special revenue funds of the County.

The Cumberland County Conservation District and the Industrial Development Authority entities qualify as discretely presented component units of the County and so are presented discretely on the government-wide financial statements and not at all in the fund financial statements.

Budget

By law, the County budget is required to be adopted by the County Commissioners not later than December 31st of the previous year. The proposed budget is required to be available for public inspection for at least twenty days prior to its adoption. The Commissioners may at any time, by resolution, make supplemental appropriations for any lawful purpose. Appropriations lapse at the close of the fiscal year to the extent not expended.

The County Commissioners must approve changes to overall appropriations at the fund level. Therefore, the legal level of budgetary responsibility is by fund.

Budgets are legally adopted for all County governmental funds, except for the Cumberland Area Economic Development Corporation and the Industrial Development Authority; both legally separate entities.

Information Useful in Assessing the County's Economic Condition

Local Economy

The County continues to enjoy a diverse tax base with broad industry diversification and little concentration on any one taxpayer. Cumberland County's economy benefits from a significant presence of federal, state and local government operations with the Federal and state governments representing two of the top five employers in the county.

The County's five largest employers, in order from largest to smallest, are the U.S. Department of Defense - Naval Inventory Control Point and the U.S. Army's Carlisle Barracks, Ahold Delhaize, Penn State Health, Highmark Blue Shield, and the Commonwealth of Pennsylvania.

Cumberland County ended 2022 with a December unemployment rate of 2.9 percent. In comparison, Pennsylvania's unemployment rate was 4.3 percent at December, 2022. *[Source: St. Louis Federal Reserve Bank, December 2022 data, not seasonally adjusted.]*

Cumberland County per capita personal income was \$40,002; whereas the statewide average was \$37,725. Cumberland County median household income was \$77,001; whereas the statewide average was \$67,587. [Source: U.S. Census *Quickfacts* reflecting 2021 data, as 2022 data is unavailable.]

Cumberland County remains the fastest growing county in the Commonwealth since 2010. Contributing to Cumberland County's growth are:

- Plentiful jobs as evidenced by its 2.9% unemployment rate (Dec. 2022 data)
- One of the lowest county taxes of any county in the south central region
- County average per capita and household incomes exceeding state averages
- Financially stable County government, maintaining the highest AAA bond rating since 2008
- Partnerships with county school districts, healthcare facilities, and manufacturing to coordinate workforce development programs through the Cumberland Area Economic Development Corp.
- Over 200 miles of hiking and biking trails, including the Appalachian Trail and Cumberland Valley Rail Trail
- 55,000 acres of parks, state forests and natural areas, and
- More than 22,500 acres of preserved farmland

Cumberland County property tax rates remain notably the lowest among comparably sized counties in Pennsylvania. Among the twelve third-class counties in Pennsylvania, Cumberland County has the distinction of offering the lowest property taxes per capita.

Long-Term Financial Planning

Several factors present impactful challenges to County fiscal planning.

Impact of Inflation

The County is not immune to rising costs for goods and services, including wage inflation. Unless and until abated, rising inflation in the local labor market has a negative budget impact on the cost of the mandated services that the County provides its constituents.

Staffing Shortages

A current shortage of applicants for County positions in the local workforce works in conjunction with wage inflation to negatively affect the County's budget. Not only does having to compete with other organizations for qualified workers impact the County's personnel budget, but tight labor markets often translate to understaffed non-profits who are stretched to provide the human services funded by the County. The County Commissioners are actively reaching out to state legislators and the Governors Office for them to participate in solutions to this challenge.

Growing Demands for Services

The pandemic has led to an increase in human services that to a large extent continue. County human service departments have been tasked with providing existing services while also implementing new initiatives although federal and state budgets have remained stagnant. While the Cumberland County officials actively press the Commonwealth for additional funding to forestall service reductions, the long-term fiscal impact of this situation on the County remains unclear at this time.

Financial Policies

The Cumberland County Board of Commissioners are the administrators of the County and establish the County's vision and objectives and the strategies to attain them.

Though the Controller provides input into County fiscal policies, the Commissioners establish and approve County-wide fiscal policies as per the Pennsylvania County Code.

The Board of Commissioners have formally adopted a financial philosophy policy to guide establishing financial objectives and underlying fiscal policies and procedures. The Board has also adopted formal financial policies covering budget, capital planning, debt management, fund balance maintenance, purchasing and bond compliance.

Accountability occurs through monthly budget to actual reporting and the County's use of an enterprise resource planning system that limits spending to the overall approved budget, aided by thoughtfully designed segregation of duties that limit an individual employee's spending discretion.

Cumberland County's Financial Analysis Committee annually presents, to the Board of Commissioners, a five-year revenue, expenditure, and fund balance analysis as decision support for long-term financial and operations planning.

Key County operating metrics are regularly benchmarked against both neighboring counties and peer counties in the state for policy and practice decision support. Cumberland County compares favorably against its peer counties and against regional and state-wide benchmarks.

Financial Reporting Awards

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Cumberland County for its annual comprehensive financial report for the fiscal year ended December 31, 2021. This was the thirty fourth consecutive year that Cumberland County has achieved this prestigious award.

To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Award for Outstanding Achievement in Popular Annual Financial Reporting

The GFOA has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Cumberland County for its popular annual financial report for the year ended December 31, 2021.

The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

To receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a governmental unit must publish a popular annual financial report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Cumberland County has received a Popular Award for the last nineteen consecutive years. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

Distinguished Budget Presentation Award

The GFOA awarded their Distinguished Budget Presentation Award to Cumberland County for its annual budget document, prepared by the County Finance Office, for the fiscal year beginning January 1, 2022.

This is the fifteenth consecutive year the County has received this prestigious award.

To qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

Acknowledgements

The preparation of this report would not have been possible without the efficient, conscientious and dedicated services of the staff of the Controller's Office, the Finance Office and all County departments and their fiscal officers.

The Commissioners must be recognized for maintaining the highest standards of professionalism in the administration of Cumberland County's finances.

Respectfully submitted,



Alfred L. Whitcomb
Controller



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**County of Cumberland
Pennsylvania**

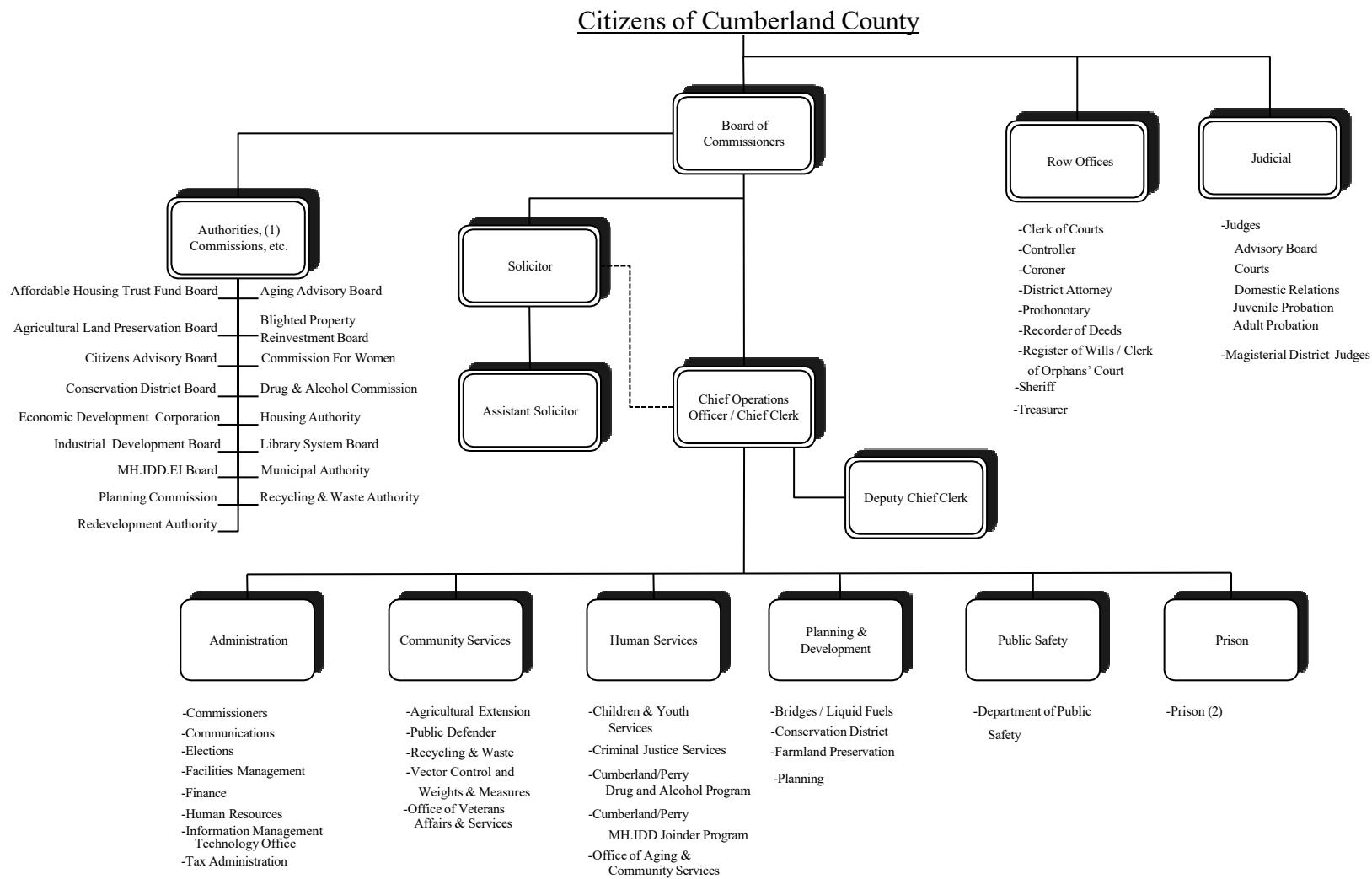
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Monell

Executive Director/CEO

Cumberland County, Pennsylvania Organizational Chart



- (1) The Board of Directors for the authorities, commissioners, etc, are appointed by the Cumberland County Board of Commissioners
- (2) Governed and managed by the Prison Board

COUNTY OF CUMBERLAND

LIST OF ELECTED OFFICIALS

AS OF DECEMBER 31, 2022

COMMISSIONERS

Gary Eichelberger, Chairman
Jean Foschi
Vincent D. DiFilippo

CONTROLLER

Alfred L. Whitcomb

PROTHONOTARY

Dale Sabadish

Lisa M. Grayson

CLERK OF COURT

Dennis E. Lebo

Charles E. Hall

JUDGES OF COURT

Honorable Edward E. Guido, President Judge
Honorable Albert H. Masland
Honorable Christylee L. Peck
Honorable Jessica E. Brewbaker
Honorable Carrie E. Hyams
Honorable Matt Smith
Honorable Michelle H. Sibert

Tammy Shearer

DISTRICT ATTORNEY

Sean M. McCormack

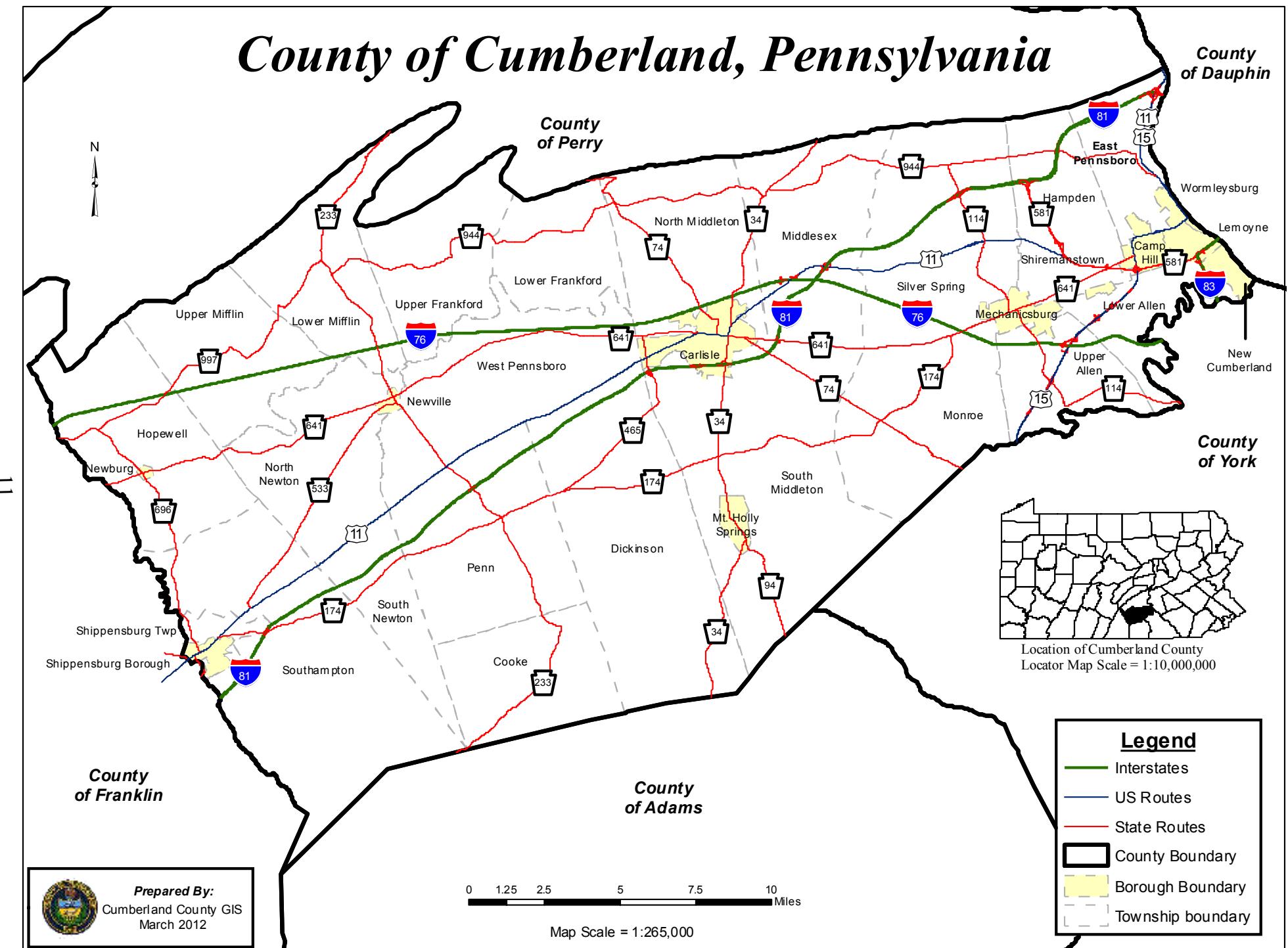
TREASURER

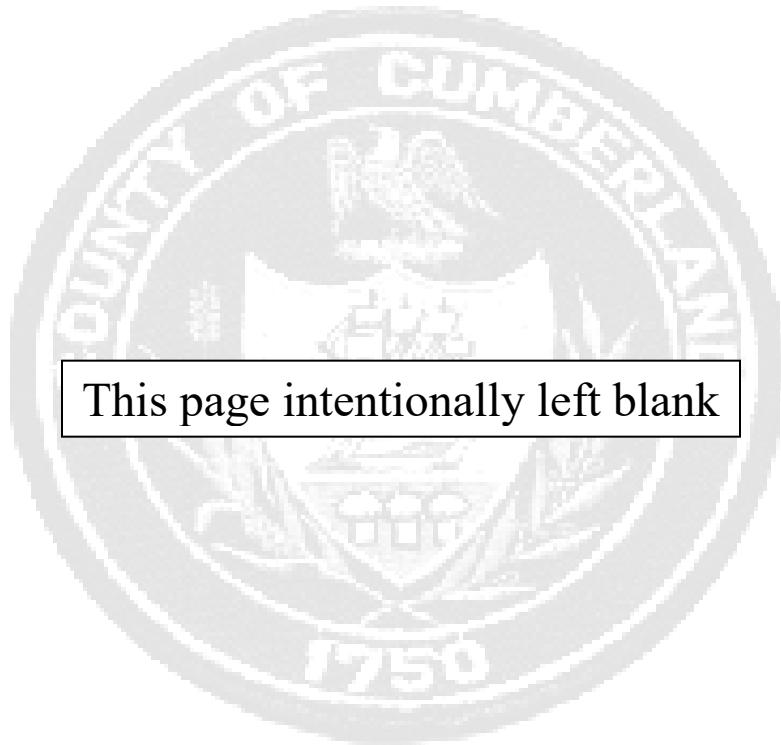
Kelly Neiderer

SHERIFF

Jody S. Smith

County of Cumberland, Pennsylvania





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INDEPENDENT AUDITOR'S REPORT

County Commissioners
County of Cumberland, Pennsylvania
Carlisle, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Cumberland, Pennsylvania (the County) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Cumberland, Pennsylvania as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Conservation District, a discretely presented component unit of the County, which represent 39% and 67%, respectively, of the assets and revenues of the aggregate discretely presented component units as of December 31, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. We did not audit the financial statements of the Cumberland Area Economic Development Corporation, a blended component unit of the County, which represent 3% and 2%, respectively, of the assets and revenues of the aggregate remaining fund information as of December 31, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 14 to the financial statements, the County sold operating assets and associated operations related to the Claremont Nursing and Rehabilitation Center on March 13, 2022. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, which raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, which raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, the employees' retirement plan schedules, and the other post-employment benefits plan schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

A handwritten signature in black ink that reads "Boyer & Fitter". The signature is fluid and cursive, with a large, sweeping "B" at the beginning and a "&" symbol between "Boyer" and "Fitter".

Camp Hill, Pennsylvania
June 27, 2023

As management of Cumberland County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets and deferred outflows of resources of Cumberland County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$200,135,380 (*net position*). Of this amount, \$91,103,521 (*unrestricted net position*) may be used to meet the County's general ongoing obligations to citizens and creditors, whereas an additional \$31,515,480 of *restricted net position* is available for funding specific activities benefiting the citizens.
- The government's total net position increased by \$42,191,990 in 2022, which represents approximately twenty-seven percent of total expense, due to the reasons outlined in the following bullet.
- As of December 31, 2022, Cumberland County's governmental funds reported combined ending fund balances of \$120,131,458, an increase of \$49,483,048 due primarily to the committed fund balance for the County Grant Program and future strategic initiatives. The future budgetary requirement also increased in 2022.
- Of Cumberland County's governmental fund balance, approximately 47 percent of the amount (\$56,237,754) is *available for spending* at the government's discretion (*unrestricted fund balance*).
- The County's general fund total fund balance was \$93,372,294 at the end of 2022, up 43.7 percent or \$40,777,449 which compares favorably to the budgeted 2022 drawdown of \$29.9 million.
- At the end of 2022, general fund unassigned fund balance was \$5,121,800 and assigned fund balance was \$43,721,923 for public safety, future budgetary requirements, capital projects, farmland preservation, prison canteen, risk liability, planning assistance, stimulus, criminal justice services, and blighted property remediation.
- At the end of 2022, general fund committed fund balance was \$39,132,273 for the county grant program and future strategic initiatives.
- In 2022, Cumberland County's total general obligation debt increased by \$9,812,289. This was largely due to the County issuing a general obligation bond in the amount of \$14,395,000 to fund the P25 emergency radio and infrastructure project. Conversely in 2022, scheduled principal payments and changes in bond premium offset and reduced the total outstanding debt by \$4,582,711.
- The County preserved 684 acres of premium farmland in 2022 with 1,570 acres pending settlement at the end of 2022. In October 2019, the Commissioner's enacted a resolution with the goal of preserving at least 30,000 acres of working farmland by 2030.
- Retirement costs have also increased in 2022. The County fully funds the Actuarially Determined Contribution each year.
- Public Safety is in the site development stage for the Project P25 emergency radio and infrastructure project.
- The County transferred ownership of Claremont Nursing and Rehabilitation Center (CNRC) to Allaire Health Services in March of 2022 for \$22,250,000.
- Cumberland County was awarded \$49,214,152 in federal funding from the American Rescue Plan Act of 2021 and received \$24,607,076 in May 2021 and June 2022. The County allocated \$34,349,328 in 2022 to the general fund to cover salary and benefit costs.

- The County Grant Program has allocated the following in millions:
 - Mental & Physical Health \$ 7.1
 - Infrastructure \$ 7.1
 - Non-Profit/Business \$ 1.8
 - Higher Education \$ 2.5
 - Project P25 municipal radios \$ 3.8
 - County Projects \$ 25.3
 - Contingency \$ 1.6
- During 2022, the General Fund's subsidy payment to Mental Health/Intellectual and Developmental Disabilities increased \$4,5825,711. It is specifically related to flat funding from the Pennsylvania Department of Human Services along with the increased costs of services delivered and the number of citizens receiving these services.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the County's assets, deferred outflow of resources and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future years (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government administrative and judicial, corrections, public safety, roads and bridge maintenance, recycling and waste management, human services, culture and recreation, conservation, community redevelopment and housing, economic development and assistance, the health reimbursement arrangement and interest expense. The business-type activities reflect the operation of Claremont Nursing and Rehabilitation Center thru the date of its sale to a third-party on March 13, 2022.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also its discretely presented component units, the Cumberland County Conservation District, and the Cumberland County Industrial Development Authority, all of which are legally separate from the County. Financial information for these component units is reported separately from the financial information presented for the primary government itself. Refer to Note 1 for information on how to obtain separately issued financial statements for component units.

The government-wide financial statements can be found on pages 30 through 33 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year and, therefore, have a budget orientation. Governmental fund information may be useful in evaluating a government's near-term financing requirements.

Because the focus of spendable resources of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances are reconciled to *governmental activities* on pages 37 and 39 of this report.

The County maintains governmental funds, consisting of the County's general fund, numerous special revenue funds, capital projects fund and debt service fund.

The *general fund* accounts for the general tax revenues of a government and all other financial activity which is not required to be accounted for in another governmental fund.

Special revenue funds account for specific revenue sources that a substantial portion of which are legally restricted or committed to expenditures on specific activities, such as expenditures for the safety and welfare of children in the County's children and youth fund.

The *capital projects fund* accounts for governmental fund capital projects, including bond financed acquisition/construction for governmental funds.

The *debt service fund* accounts for governmental funds payments of general obligation debt principal and interest.

The County's general fund and the following special revenue funds: mental health/intellectual and developmental disabilities fund, children and youth fund, and American Rescue Plan Act are considered major funds. Major funds represent individually a significant portion of a government's financial activity.

Data from the other governmental funds is combined into a single, aggregated presentation entitled "nonmajor funds". Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements can be found on pages 35, 36 and 38 of this report.

Proprietary funds. The County maintains two different types of proprietary funds: enterprise funds and internal service funds.

Enterprise funds report the same functions presented as *business-type activities* in the government-wide financial statements only in more detail. The County uses an enterprise fund to account for its nursing home operations, which is considered a major fund.

Internal service funds are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its self-insured workers' compensation fund and health insurance arrangement. The County's workers' compensation services principally benefit governmental-type functions and therefore, although the net expenses of this activity are allocated to all benefiting activities in the government-wide *statement of activities*, the net position of this activity is included within *governmental-type activities* in the government-wide financial statements. The County's health insurance arrangement principally benefits governmental functions and therefore, although the net expenses of this activity are allocated to all benefiting activities in the government-wide *statement of activities*, the net position of this activity is included within *governmental activities* in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 41 through 44 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support County programs. The County maintains two different types of fiduciary funds; a *pension trust fund*, to account for the County's employee retirement plan, and *custodial funds*, to report resources held by the primary government in a custodial capacity. The accounting used for the pension trust and the custodial funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 46 and 47 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 49 through 99 of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* including budget to actual comparison schedules for the general fund and major special revenue funds and information concerning the County's progress in funding its obligation to provide pension and other postemployment benefits to its employees. The County adopts annual appropriated budgets for its funds. Budgetary comparison schedules have been provided for the general fund and each major special revenue fund which can be found on pages 101 through 105 of this report.

Other supplementary information. Following the *required supplementary information*, the County presents other supplementary information that is not required by the Governmental Accounting Standards Board. This information consists of combining schedules to provide detail not contained in the basic financial statements, and the budgetary comparison schedules for the remaining governmental funds to demonstrate compliance with the County's budget.

Government-wide Financial Analysis

Over time, net position may serve as a useful indicator of government's financial position. In the case of Cumberland County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$200,135,380 at the close of the most recent calendar year.

Cumberland County's Net Position

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Assets:						
Current and other assets	\$ 175,118,385	142,221,077	-	8,011,030	175,118,385	150,232,107
Capital assets	104,869,850	100,011,174	-	6,955,585	104,869,850	106,966,759
Total assets	279,988,235	242,232,251	-	14,966,615	279,988,235	257,198,866
Deferred outflows of resources	<u>37,157,115</u>	<u>6,797,621</u>	<u>-</u>	<u>1,325,846</u>	<u>37,157,115</u>	<u>8,123,467</u>
Liabilities:						
Long-term liabilities	73,850,699	31,525,691	-	1,066,063	73,850,699	32,591,754
Current and other liabilities	42,557,326	46,984,883	-	2,226,182	42,557,326	49,211,065
Total liabilities	116,408,025	78,510,574	-	3,292,245	116,408,025	81,802,819
Deferred inflows of resources	<u>601,945</u>	<u>21,369,386</u>	<u>-</u>	<u>4,206,738</u>	<u>601,945</u>	<u>25,576,124</u>
Net position:						
Net investment in capital assets	77,516,379	74,098,369	-	6,149,391	77,516,379	80,247,760
Restricted	31,515,480	22,391,580	-	-	31,515,480	22,391,580
Unrestricted	91,103,521	52,659,963	-	2,644,087	91,103,521	55,304,050
Total net position	<u>\$ 200,135,380</u>	<u>149,149,912</u>	<u>-</u>	<u>8,793,478</u>	<u>200,135,380</u>	<u>157,943,390</u>

Thirty-nine percent of Cumberland County's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. Cumberland County uses these assets to provide services to citizens; consequently, these services are *not* available for future spending. Although Cumberland County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Sixteen percent of the county's net position is legally restricted (\$31,515,480). The remaining balance of *unrestricted net position* (\$91,103,521) may be used to meet the government's ongoing obligations to citizens and creditors.

Deferred outflow of resources increased \$24,033,648 predominantly due to pension earnings being below projection in 2022 by \$47,779,811. That change of \$47,779,811 changed the deferred difference - projected and actual pension earnings from a *deferred inflow of resources* to a *deferred outflow of resources*. Additionally, deferred difference-change of assumptions increased \$6,049,999 in 2022 due to the change in mortality table used to calculate the net pension liability.

Deferred inflow of resources decreased \$24,974,179 predominantly due to pension earnings being below projection in 2022 by \$47,779,811. That change of \$47,779,811 changed the deferred difference - projected and actual pension earnings from a *deferred inflow of resources* to a *deferred outflow of resources*.

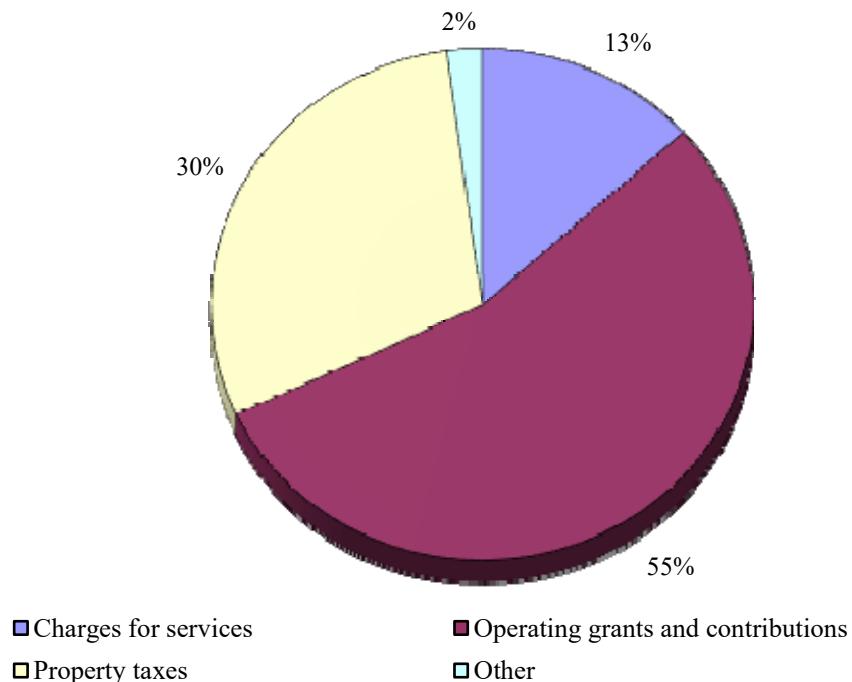
At the end of the current fiscal year, Cumberland County is able to report positive fund balances in all applicable categories of net position, both for the government as a whole and for its separate governmental activities.

Cumberland County's Change in Net Position

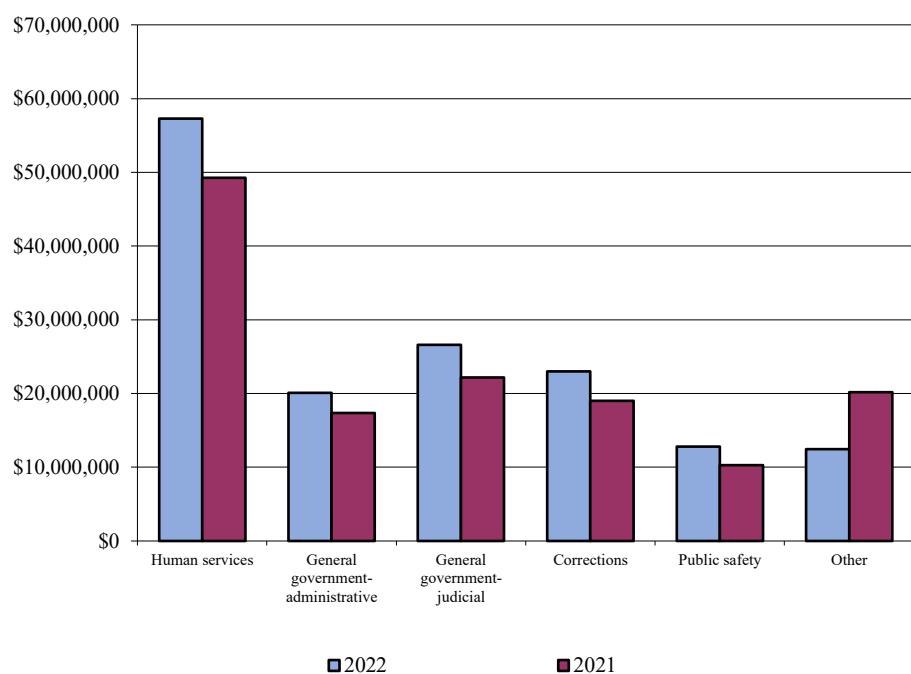
	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 25,156,552	26,746,116	4,229,994	16,347,351	29,386,546	43,093,467
Operating grants and contributions	103,629,112	65,444,835	-	1,746,009	103,629,112	67,190,844
Capital grants and contributions	110,325	1,284,924	-	-	110,325	1,284,924
General revenues:						
Property taxes	56,520,873	55,238,720	-	-	56,520,873	55,238,720
Other taxes	2,483,615	2,101,429	-	-	2,483,615	2,101,429
Unrestricted investment earnings	1,319,621	314,634	188,392	4,163	1,508,013	318,797
Total revenues	189,220,098	151,130,658	4,418,386	18,097,523	193,638,484	169,228,181
Expenses:						
General government-administrative	20,102,422	17,357,002	-	-	20,102,422	17,357,002
General government-judicial	26,597,232	22,170,225	-	-	26,597,232	22,170,225
Corrections	22,987,596	19,006,915	-	-	22,987,596	19,006,915
Emergency telephone	6,776,142	5,614,675	-	-	6,776,142	5,614,675
Public safety	6,022,201	4,669,689	-	-	6,022,201	4,669,689
Roads and bridge maintenance	890,330	744,420	-	-	890,330	744,420
Recycling and waste management	486,859	492,831	-	-	486,859	492,831
Human services	57,302,467	49,260,602	-	-	57,302,467	49,260,602
Culture and recreation	861,263	8,835	-	-	861,263	8,835
Conservation	1,215,867	717,102	-	-	1,215,867	717,102
Community redevelopment and housing	249,384	191,492	-	-	249,384	191,492
Economic development and assistance	7,745,583	17,735,150	-	-	7,745,583	17,735,150
Interest on long-term debt	1,128,442	942,071	-	-	1,128,442	942,071
Indirect expenses	(128,171)	(683,427)	128,171	683,427	-	-
Claremont Nursing and Rehabilitation Center	-	-	6,714,948	21,314,138	6,714,948	21,314,138
Total expenses	152,237,617	138,227,582	6,843,119	21,997,565	159,080,736	160,225,147
Increase (decrease) in net position						
before transfers	36,982,481	12,903,076	(2,424,733)	(3,900,042)	34,557,748	9,003,034
Transfer	14,002,987	(691,591)	(14,002,987)	691,591	-	-
Special items:						
Gain on sale of nursing home	-	-	11,784,242	-	11,784,242	-
Pension contribution	-	-	(4,150,000)	-	(4,150,000)	-
Increase (decrease) in net position	50,985,468	12,211,485	(8,793,478)	(3,208,451)	42,191,990	9,003,034
Net position, beginning	149,149,912	136,938,427	8,793,478	12,001,929	157,943,390	148,940,356
Net position, ending	\$ 200,135,380	149,149,912	-	8,793,478	200,135,380	157,943,390

Governmental activities. The following charts graphically depict the sources of revenue and functional expenses of governmental activities for the fiscal year ended December 31, 2022:

Revenues by Source - Governmental Activities



Expense Comparison by Activity - Governmental Activities

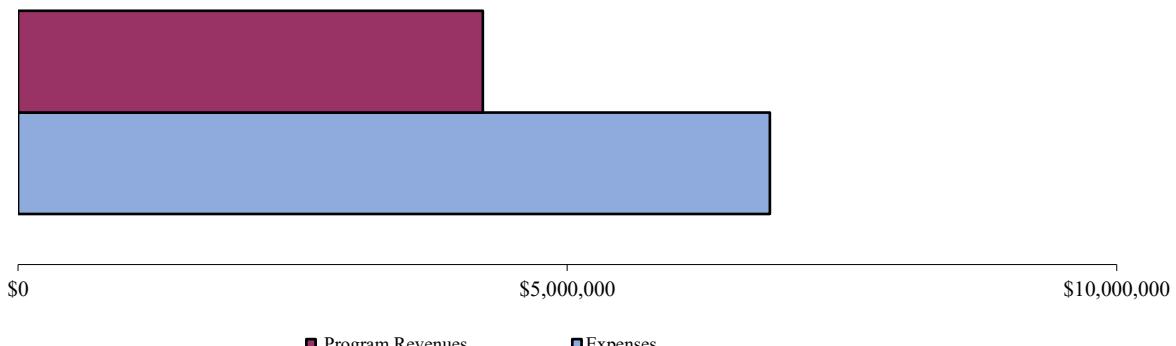


Governmental activities increased Cumberland County's net position by \$50,985,468. The primary changes in revenues and expenses are:

- Revenues increased \$38,089,440. The majority of the change was in operating grants and contributions.
 - Operating grants and contributions increased \$38,184,277. The County allocated \$34,349,328 of the American Rescue Plan Act monies received to cover salaries and benefits in 2022. In 2022, the amount of federal and state funding for programs that the Cumberland County Housing and Redevelopment Authority (CCHRA) managed on the County's behalf decreased \$8,862,862 for the emergency rental assistance program. Additionally, the County recognized \$9,333,675 from the opioid class action lawsuit payable to the County over the next eighteen years.
- Expenses increased by \$14,010,035. The majority of the change was in three areas.
 - Pension expense increased \$11,400,285.
 - Salary and benefits (excluding the net pension liability) increased eight percent due to wage adjustments, turnover trends, position upgrades, and new positions.
 - Professional services increased twenty seven percent due to inflation and increased costs for service and the Planning department's PennDot and watershed grants.

Business-type activities. The following chart graphically depicts the sources of revenue and expenses of the County's business-type activity for the fiscal year ended December 31, 2022:

Expenses and Program Revenues - County Home



Business-type activities decreased Cumberland County's net position by \$8,793,478. The primary changes in revenues and expenses are the County transferred ownership of Claremont Nursing and Rehabilitation Center (CNRC) to Allaire Health Services in March of 2022.

Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, spendable (both restricted and unrestricted) fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the end of 2022, Cumberland County's governmental funds reported combined ending fund balances of \$120,131,458; and an increase of \$49,483,048 in comparison to the prior year. Approximately 47 percent of the total amount (\$56,237,454) constitutes *unrestricted fund balance*, which is available for spending at the County's discretion. The remainder of the fund balance is *nonspendable* (\$1,150,038), *committed* (\$39,132,273) or *restricted* (\$23,611,693) to indicate that it is not available for future spending at the discretion of the County because it is either nonspendable or is legally restricted to farmland preservation, offender supervision, juvenile probation restitution funds, criminal investigation, Register of Wills-Act 34, Coroner-Act 122, roads and bridge maintenance, human services, hazardous materials emergency planning, public safety, row office automation, Marcellus shale, conservation, economic development and assistance, and the County grant program, and future strategic initiatives.

The general fund is the chief operating fund of Cumberland County. At the end of the year, unassigned fund balance of the general fund was \$5,121,800 while total fund balance was \$93,372,294. As a measure of the general fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to fund expenditures. General fund unrestricted fund balance (\$43,721,923) and total fund balance represents 60 percent and 129 percent, respectively, of total general fund expenditures.

The fund balance of Cumberland County's general fund increased by \$40,777,449 during the current year. In 2022, the Commissioners committed \$39,132,273 of fund balance for the County grant program and future strategic initiatives.

Proprietary Funds. Cumberland County's proprietary funds provide the same type of information found in the business-type activities of the government-wide financials statements, but in greater detail.

General Fund Budgetary Highlights

Under Pennsylvania law, the Board of Commissioners has the authority and responsibility for managing the County budget. In this role, the Commissioners must assess the changing needs of the community in light of available and prudent funding and make periodic changes in the budget to meet these needs.

For accounting purposes, the level of budgetary control is maintained at the fund level. The County Finance Office, under the authority of the Commissioners, exercises day-to-day responsibility for assuring that departments operate within the confines of approved budgets according to County fiscal policies.

The Commissioners formally approve all budget revisions that change the bottom line of a fund during bi-weekly Commissioners' hearings. The County Finance Office approves all other budget revisions except transfers from one operating line item to another within a department (these are approved by the department head). The most common budget adjustments are budget transfers from one operating line item to another within a department. Other budget adjustments include transferring amounts from contingency or between budget categories (operating, capital, and salary and benefits).

The funds and classifications in the financial statements are presented differently from the funds and classifications in the budget document. The explanations below are based on the financial statement presentation. For example, the stop grant is a separate fund in the budget document; however, the stop grant in these financial statements is reported as part of the general fund.

Actual general fund revenues (including other financing sources) received were \$2,024,264 or 1.5 percent under the amended budget. Interest revenue was over budget due to higher interest rates for certificate of deposits and money market accounts. Transfers in are under budget due to the American Rescue Plan. The actual General Fund salary and benefit expenses were less than anticipated.

Actual general fund expenditures (including other financing uses) were under budget by \$48,358,137. The major items under budget were:

Transfers out	\$ 42,484,669
County buildings	\$ 1,063,492
Conservation and development	\$ 957,302
Elections	\$ 567,018
Enterprise resource management and technology office	\$ 445,700

Transfers out are under budget due to the County Grant Program starting later in the year than expected.

County buildings were under budget. Projects were delayed due to vendor issues and availability of parts. In addition, the electric vehicles are pending a grant submission/approval.

Conservation and development were under budget due to the timing of the farmland preservation easement projects and open space projects.

Elections is under budget due to the Elections Integrity Grant from the state. The remaining grant amount will be spent in 2023.

Enterprise resource management and technology office was under budget for consulting for the Lawson ERP upgrade which began in 2022. The required upgrade was delayed five years and project has slowed down slightly.

Children and Youth Budgetary Highlights

Actual children and youth revenues and expenses (including other financing sources) were \$3,648,366 under the amended budget. Children and youth budgets are developed on a two-year cycle and the 2022 budget was developed in 2020. Because there was no way to know how long the COVID-19 pandemic would last, the 2022 budget was developed with the presumption that levels would go back to pre-pandemic levels; however, in 2022, spending remained nearly the same as in 2021.

American Rescue Plan Budgetary Highlights

Actual revenues and expenses (including other financing sources) were under budget \$5,650,672 and \$5,653,120. The American Rescue Plan funded eligible general fund salary and benefits and COVID testing supplies. Actual general fund salary and benefits were less than anticipated.

Capital Asset and Debt Administration

Capital Assets. Cumberland County's investment in capital assets for its governmental and business-type activities as of December 31, 2022, amounted to \$104,869,850 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, leased buildings, improvements other than buildings, machinery and equipment, bridges, construction in progress, and agricultural easements.

Cumberland County's Capital Assets
(net of accumulated depreciation)

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 2,900,407	2,900,407	-	-	2,900,407	2,900,407
Buildings and systems	33,909,134	36,296,607	-	6,098,622	33,909,134	42,395,229
Leased buildings	1,096,059	1,053,246	-	-	1,096,059	1,053,246
Improvements other than buildings	1,299,036	1,438,515	-	64,017	1,299,036	1,502,532
Machinery and equipment	11,997,963	12,899,430	-	792,946	11,997,963	13,692,376
Bridges	33,038,826	28,827,845	-	-	33,038,826	28,827,845
Construction in progress	7,789,068	4,234,267	-	-	7,789,068	4,234,267
Agricultural easements	12,839,357	12,360,857	-	-	12,839,357	12,360,857
Total	\$ 104,869,850	100,011,174	-	6,955,585	104,869,850	106,966,759

Total governmental activities net capital assets increased in 2022 by \$4,858,676.

Governmental construction in progress increased \$3,554,801 primarily from the ongoing investment in emergency telephone radio tower infrastructure and first responder P25 radio equipment.

Additionally, County buildings, improvements other than buildings, and machinery and equipment categories decreased primarily from depreciation.

In 2022, the County sold the Claremont Nursing and Rehabilitation Center which included all capital assets. This agreement has resulted in all capital assets of the nursing home being removed from the capital asset schedule.

Additional information on Cumberland County's capital assets can be found in Note 5 on pages 79 through 81.

Debt Administration

At the end of the current fiscal year, Cumberland County had net outstanding bonded debt of \$33,721,932. The County's net general obligation notes total \$2,811,397. This debt is backed by the full faith and credit of the government. Cumberland County does not have any special assessment debt or revenue bonds.

The County's net outstanding general obligation bonds and notes at December 31, 2022 and 2021 were:

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
General Obligation Bonds	\$ 33,721,932	20,643,235	-	806,194	33,721,932	21,449,429
General Obligation Notes	2,811,397	5,271,611	-	-	2,811,397	5,271,611
Total	\$ 36,533,329	25,914,846	-	806,194	36,533,329	26,721,040

Cumberland County's bonded debt decreased by \$9,812,289.

Principal payments paid in 2022 were \$5,190,214.

Cumberland County's rating was confirmed "AAA" from Standard and Poor's for general obligation debt in 2022.

The current debt limitation for Cumberland County is \$397,822,697 which is significantly more than Cumberland County's outstanding general obligation debt.

Additional information on Cumberland County's long-term debt can be found in Note 7 on pages 83 through 85 of this report.

Economic Factors and Next Year's Budget

Economic Conditions in 2022

Economic indicators improved in 2022 after declining in 2020 due to the COVID-19 pandemic. The County's diverse economy has fared better than national and state averages, in part, because of its significant base of Federal and state employers and prime location in the region's transportation corridors. Cumberland County's December unemployment rate was 2.4% while the statewide and national rates were 3.4% and 3.6%, respectively. Neighboring counties have unemployment rates between 2.2% and 3.1 %. County residents benefit from an array of employment opportunities based in the private sector as well as local, state, and Federal governments. [Source: For Cumberland County and Pennsylvania unemployment rates; Department of Labor, PAWORKSTATS, not seasonally adjusted.]

The Consumer Price Index for All Urban Consumers (CPI-U) remains at above-average levels, 7% in 2021 and 6.5% in 2022. This inflation worsens the county's expenditures and citizens' purchasing power. Rising costs and flat revenues create a growing deficit that will eat away at fund balance without intervention or a shift in economic conditions.

Cumberland County remains the fastest-growing county in the Commonwealth growing 11.7% versus 2.1% for Pennsylvania since the previous U.S. Census in 2010 according to the U.S. Census Bureau. The reasons cited for this growth include low unemployment, safe communities, quality public services, educational opportunities, and high scores in numerous other quality-of-life indicators. Recently Cumberland County was named one of the best places to live in Pennsylvania for many of these reasons.

Cumberland County continues to enjoy a diverse tax base with little reliance on any one taxpayer. The top-ten taxpayers represent only 3.19% of assessed values as of December 31, 2022.

Next Year's Budget

As the budget was originally presented, Cumberland County is in a stable, yet changeable, short-term financial situation as we enter the 2023 budget cycle. Stable in the sense that current revenues and expenses are in rough equilibrium and changeable due to the higher-than-usual number of variables that exist due to continuing impacts of COVID-19, the increased direct and indirect costs associated with the pandemic, American Rescue Plan Act (ARPA) monies sent to the County, and inflation. The County continues to face the structural imbalance between natural growth in the real estate market and other revenues versus the increasing expenditures related to continued pressures to provide additional services in a fast-growing county, the tight labor market, the opioid epidemic, and other increasing costs. All economic indicators trend towards a higher inflationary period, however, there is no way to predict if this trend will continue through 2023 and beyond. The County has put extra measures in place, both operationally and financially, to review and analyze early indicators to adjust quickly to changing circumstances. With all things considered, the County can take satisfaction with its financial situation in 2023. The success the County has had over the past nine years in balancing the budget without a real estate tax increase can be attributed to: slowing the growth in short-term and long-term costs, particularly in the area of salaries and benefits; prudent borrowing, and savvy debt

management; incentivizing staff to improve cost efficiency; and the benefits of population growth and economic recovery.

Although a deficit of \$15,491,784 was budgeted in 2022, the County made aggressive changes that decreased the general fund's fund balance by \$2,081,011. This was done through a combination of revenue enhancements and cost-cutting measures.

In 2023, the general fund budget shows a potential transfer of \$29,925,684 from reserves. This amount will be reduced directly by the Commissioners' efforts at addressing long-term cost drivers that provide sustainable reductions and moderations in the cost of government. The result is expected to be an estimated ending unassigned fund balance of \$23.9 million and a projected transfer from reserves of \$11,281,607. For purposes of budgeting, the County uses the combination of unassigned fund balance and assigned for future budgetary requirements as the "fund balance". As the Board of Commissioners approves projects and funding, expectations will dramatically improve.

Highlights of the county's initiatives in the 2023 budget include:

- Impacts of inflation
- Staffing shortages
- Child protective cases
- Opioid epidemic
- Nursing home being sold in 2022
- 9-1-1 radios and infrastructure Project
- Bridge infrastructure investments
- Investment in the county workforce productivity through Merit Based Compensation (MBC), prudent automation, skills training, management development, gainsharing, and salary survey
- Long-term integrated financial planning particularly in big-ticket capital projects
- Ongoing search for innovative ways to lower overall costs to the taxpayer
- American Rescue Plan Act
- County grant program

The County is not deferring capital spending necessary to maintain County facilities.

Requests for Information

This financial report is designed to provide a general overview of the County's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Cumberland County Controller, One Courthouse Square, Room 207, Carlisle, PA 17013.

Basic Financial Statements

STATEMENT OF NET POSITION

December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

	Primary Government			Discretely Presented Component Units	
	Governmental Activities	Business-type Activities	Total	Conservation District	Industrial Development Authority
ASSETS					
Cash and cash equivalents	\$ 114,302,171	—	114,302,171	427,947	79,403
Investments	32,840,032	—	32,840,032	1,000,000	—
Receivables (net of allowance):					
Taxes	1,692,671	—	1,692,671	—	—
Due from other governments	10,006,897	—	10,006,897	438,206	—
Accounts receivable	11,067,859	—	11,067,859	6,668	2,077,603
Court costs and fines receivable	2,043,215	—	2,043,215	—	—
Notes receivable	—	—	—	—	799,000
Due to primary government	—	—	—	10,295	—
Prepaid items	1,149,685	—	1,149,685	1,143	1,166
Other assets	52,970	—	52,970	—	—
Restricted assets:					
Cash and cash equivalents	212,885	—	212,885	—	—
Investments	1,750,000	—	1,750,000	—	—
Capital assets, not being depreciated:					
Land	2,900,407	—	2,900,407	—	—
Construction in progress	7,789,068	—	7,789,068	—	—
Agricultural easements	12,839,357	—	12,839,357	—	—
Capital assets, net of accumulated depreciation:					
Buildings and systems	33,909,134	—	33,909,134	2,310	—
Leased buildings	1,096,059	—	1,096,059	—	—
Improvements other than buildings	1,299,036	—	1,299,036	—	—
Machinery and equipment	11,997,963	—	11,997,963	29,207	—
Bridges	33,038,826	—	33,038,826	—	—
Total assets	<u>279,988,235</u>	—	<u>279,988,235</u>	<u>1,915,776</u>	<u>2,957,172</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred difference-expected and actual pension experience	5,023,075	—	5,023,075	61,522	—
Deferred difference-projected and actual pension earnings	22,992,194	—	22,992,194	281,613	—
Deferred difference-change of pension assumptions	8,575,542	—	8,575,542	105,035	—
Deferred difference-expected and actual OPEB experience	556,993	—	556,993	5,797	—
Deferred charges on refunding	9,311	—	9,311	—	—
Total deferred outflows of resources	<u>37,157,115</u>	—	<u>37,157,115</u>	<u>453,967</u>	<u>—</u>

(continued)

STATEMENT OF NET POSITION

December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(continued)

	Primary Government			Discretely Presented Component Units	
	Governmental Activities	Business-type Activities	Total	Industrial Development Authority	
				Conservation District	Industrial Development Authority
LIABILITIES					
Accounts payable and other current liabilities	\$ 8,239,695	—	8,239,695	3,062	2,155,294
Accrued payroll	2,529,685	—	2,529,685	28,661	—
Due to other governments	246	—	246	—	—
Due to component unit	10,295	—	10,295	—	—
Accrued interest payable	211,221	—	211,221	—	—
Unearned revenues	26,349,351	—	26,349,351	680,428	—
Self insurance claims payable	1,003,000	—	1,003,000	—	—
Funds held as fiduciary	176,483	—	176,483	—	—
Noncurrent liabilities:					
Due in less than one year:					
General obligation bonds payable	2,495,000	—	2,495,000	—	—
Notes payable:					
Direct borrowing	501,217	—	501,217	—	—
CAEDC	64,241	—	64,241	—	—
Sick and vacation accrual	472,913	—	472,913	7,538	—
Workers' compensation	91,143	—	91,143	—	—
Leases	412,836	—	412,836	—	—
Due in more than one year:					
General obligation bonds payable	31,226,932	—	31,226,932	—	—
Notes payable:					
Direct borrowing	2,310,180	—	2,310,180	—	—
CAEDC	1,240,729	—	1,240,729	—	—
Sick and vacation accrual	4,212,551	—	4,212,551	76,934	—
Total OPEB liability	1,950,485	—	1,950,485	20,299	—
Net pension liability	31,812,314	—	31,812,314	389,644	—
Workers' compensation claims payable	402,428	—	402,428	—	—
Leases	695,080	—	695,080	—	—
Total liabilities	<u>116,408,025</u>	<u>—</u>	<u>116,408,025</u>	<u>1,206,566</u>	<u>2,155,294</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred amount on refunding	214,160	—	214,160	—	—
Deferred difference-expected and actual pension experience	38,210	—	38,210	468	—
Deferred difference-expected and actual OPEB experience	220,311	—	220,311	2,293	—
Deferred difference-OPEB assumptions	129,264	—	129,264	1,345	—
Total deferred inflows of resources	<u>601,945</u>	<u>—</u>	<u>601,945</u>	<u>4,106</u>	<u>—</u>

(continued)

STATEMENT OF NET POSITION

December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(continued)

	Primary Government			Discretely Presented Component Units	
	Governmental Activities	Business-type Activities	Total	Conservation District	Industrial Development Authority
NET POSITION					
Net investment in capital assets	\$ 77,516,379	—	77,516,379	31,517	—
Restricted for:					
Conservation	3,163,015	—	3,163,015	1,103,961	—
Human services	13,011,984	—	13,011,984	—	—
Judicial services	356,467	—	356,467	—	—
Public safety	3,222,577	—	3,222,577	—	—
Emergency telephone	2,689,108	—	2,689,108	—	—
Records improvement	726,616	—	726,616	—	—
Economic development	5,772,116	—	5,772,116	—	801,878
Roads and bridges	2,573,597	—	2,573,597	—	—
Unrestricted	91,103,521	—	91,103,521	23,593	—
Total net position	\$ <u>200,135,380</u>	<u>—</u>	<u>200,135,380</u>	<u>1,159,071</u>	<u>801,878</u>

The notes to the financial statements are an integral part of this statement.

STATEMENT OF ACTIVITIES

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

Functions/Programs	Program Revenues					Net (Expense) Revenue and Changes in Net Position				Discretely Presented Component Units	
	Expenses	Indirect Expense	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Conservation District	Industrial Development Authority	
						Governmental Activities	Business-type Activities	Total			
Primary government:											
Governmental activities:											
General government - administrative	\$ 20,102,422	(2,127,777)	4,748,484	860,107	—	(12,366,054)	—	(12,366,054)	—	—	—
General government - judicial	26,597,232	204,467	3,951,005	3,274,215	—	(19,576,479)	—	(19,576,479)	—	—	—
Corrections	22,987,596	—	2,380,354	735,638	—	(19,871,604)	—	(19,871,604)	—	—	—
Emergency telephone	6,776,142	571,610	5,847,409	176,403	—	(1,323,940)	—	(1,323,940)	—	—	—
Public safety	6,022,201	—	1,753,803	1,133,605	21,489	(3,113,304)	—	(3,113,304)	—	—	—
Roads and bridge maintenance	890,330	51,917	1,232,331	594,802	88,836	973,722	—	973,722	—	—	—
Recycling and waste management	486,859	15,265	355,653	142,596	—	(3,875)	—	(3,875)	—	—	—
Human services:											
Mental health/intellectual and developmental disabilities	22,232,015	297,530	2,190,336	17,899,178	—	(2,440,031)	—	(2,440,031)	—	—	—
Children and youth	23,513,258	442,946	308,779	18,539,807	—	(5,107,618)	—	(5,107,618)	—	—	—
Food and shelter	839,274	39,470	233	843,127	—	(35,384)	—	(35,384)	—	—	—
Office of aging	4,386,026	205,633	563,763	3,805,876	—	(222,020)	—	(222,020)	—	—	—
Other	6,331,894	170,768	646,521	14,457,972	—	8,601,831	—	8,601,831	—	—	—
Culture and recreation	861,263	—	—	698,563	—	(162,700)	—	(162,700)	—	—	—
Conservation	1,215,867	—	59,233	950,943	—	(205,691)	—	(205,691)	—	—	—
Community redevelopment and housing	249,384	—	197,225	—	—	(52,159)	—	(52,159)	—	—	—
Economic development and assistance	7,745,583	—	921,423	39,516,280	—	32,692,120	—	32,692,120	—	—	—
Interest on long-term debt	1,128,442	—	—	—	—	(1,128,442)	—	(1,128,442)	—	—	—
Total governmental activities	<u>\$ 152,365,788</u>	<u>(128,171)</u>	<u>25,156,552</u>	<u>103,629,112</u>	<u>110,325</u>	<u>(23,341,628)</u>	<u>—</u>	<u>(23,341,628)</u>	<u>—</u>	<u>—</u>	<u>—</u>
Business-type activities:											
County nursing home	6,714,948	128,171	4,229,994	—	—	—	(2,613,125)	(2,613,125)	—	—	—
Total business-type activities	<u>6,714,948</u>	<u>128,171</u>	<u>4,229,994</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(2,613,125)</u>	<u>(2,613,125)</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total primary government	<u>\$ 159,080,736</u>	<u>—</u>	<u>29,386,546</u>	<u>103,629,112</u>	<u>110,325</u>	<u>(23,341,628)</u>	<u>(2,613,125)</u>	<u>(25,954,753)</u>	<u>—</u>	<u>—</u>	<u>—</u>
Discretely presented component units:											
Conservation District	\$ 1,828,658	—	426,878	1,456,785	—	—	—	—	55,005	—	—
Industrial Development Authority	849,700	—	116,737	775,082	—	—	—	—	—	42,119	—
Total discretely presented component units	<u>\$ 2,678,358</u>	<u>—</u>	<u>543,615</u>	<u>2,231,867</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>55,005</u>	<u>42,119</u>	<u>—</u>
General revenues:											
Real estate taxes						56,520,873	—	56,520,873	—	—	—
Per capita taxes						363	—	363	—	—	—
Hotel taxes						2,483,252	—	2,483,252	—	—	—
Unrestricted investment earnings						1,319,621	188,392	1,508,013	10,198	30,850	—
Transfers						14,002,987	(14,002,987)	—	—	—	—
Special items:											
Gain on sale of operations						—	11,784,242	11,784,242	—	—	—
Pension contribution						—	(4,150,000)	(4,150,000)	—	—	—
Total general revenues						<u>74,327,096</u>	<u>(6,180,353)</u>	<u>68,146,743</u>	<u>10,198</u>	<u>30,850</u>	<u>—</u>
Change in net position						50,985,468	(8,793,478)	42,191,990	65,203	72,969	—
Net position, beginning of year						149,149,912	8,793,478	157,943,390	1,093,868	728,909	—
Net position, end of year						<u>\$ 200,135,380</u>	<u>—</u>	<u>200,135,380</u>	<u>1,159,071</u>	<u>801,878</u>	<u>—</u>

The notes to the financial statements are an integral part of this statement.

MAJOR GOVERNMENTAL FUNDS

DESCRIPTION OF FUNDS

Governmental Funds

Governmental funds, including the general fund, special revenue funds and the capital projects fund, are used to account for the majority of the County's activities.

General Fund – The general fund is the County's chief operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund. The majority of administrative, judicial, prison and other public safety, debt service and subsidies to human service programs are financed through the revenues of the general fund.

Major Special Revenue Funds:

Mental Health and Intellectual and Developmental Disabilities Fund – The mental health and intellectual and developmental disabilities fund accounts for the administration of a full range of services to persons with serious and persistent mental illness or persons with intellectual/developmental disabilities who live in Cumberland or Perry County. Federal (including waivers) and state grants fund the vast majority of these services.

Children and Youth Fund – The children and youth fund accounts for monies received from various federal, state and local sources to protect the safety and welfare of children. Children and youth also preserves, support and strengthens families as well as identifies alternative care, a safe environment and a permanent home for those children unable to remain in their home.

American Rescue Plan – The American Rescue Plan Act of 2021 fund accounts for monies received from the Federal government to support COVID-19 response efforts, replace lost revenue and support economic stabilization for households and businesses.

Nonmajor Funds – Other nonmajor funds is the aggregate of those governmental funds not individually meeting the “financial significance” criteria established by the U.S. generally accepted accounting principles for reporting as a major fund. Other nonmajor governmental funds are separately identified, described and reported in the Supplementary Information section.

BALANCE SHEET
Governmental Funds

December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

	General Fund	Mental Health/ Intellectual and Developmental Disabilities	Children and Youth	American Rescue Plan	Nonmajor Funds	Total
ASSETS						
Cash and cash equivalents	\$ 85,884,468	3,018,573	300	—	21,463,897	110,367,238
Investments	30,000,000	—	—	—	1,148,650	31,148,650
Restricted cash	7,467	—	—	—	205,418	212,885
Restricted investments	1,750,000	—	—	—	—	1,750,000
Receivables (net of allowance):						
Taxes	1,501,017	—	—	—	191,654	1,692,671
Due from other governments	1,782,066	1,007,240	3,855,658	—	3,361,933	10,006,897
Accounts receivable	8,988,090	35,513	—	—	2,034,072	11,057,675
Court costs and fines receivable	2,043,215	—	—	—	—	2,043,215
Due from other funds	4,515,509	—	—	14,914,824	2,940,126	22,370,459
Due from component unit	18,196	—	—	—	—	18,196
Prepaid items	785,053	780	2,900	—	360,952	1,149,685
Other assets	53,113	—	—	—	—	53,113
Total assets	\$ 137,328,194	4,062,106	3,858,858	14,914,824	31,706,702	191,870,684
LIABILITIES						
Accounts payable	\$ 2,117,050	2,459,145	1,414,131	—	2,238,454	8,228,780
Accrued liabilities and withholdings	1,740,899	142,860	219,205	—	420,163	2,523,127
Due to other funds	17,297,872	475,665	2,099,266	—	2,362,469	22,235,272
Due to other governments	246	—	126,256	—	—	126,502
Unearned revenue	11,368,249	740,027	—	14,914,824	156,605	27,179,705
Funds held as fiduciary	162,551	—	—	—	13,932	176,483
Total liabilities	\$ 32,686,867	3,817,697	3,858,858	14,914,824	5,191,623	60,469,869
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	11,269,033	—	—	—	324	11,269,357
Total deferred inflows of resources	\$ 11,269,033	—	—	—	324	11,269,357

(continued)

BALANCE SHEET
Governmental Funds

December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA
(continued)

	General Fund	Mental Health/ Intellectual and Developmental Disabilities	Children and Youth	American Rescue Plan	Nonmajor Funds	Total
FUND BALANCES						
Nonspendable:						
Prepaid items	\$ 785,054	780	2,900	—	361,304	1,150,038
Restricted:						
Farmland preservation	2,007,238	—	—	—	—	2,007,238
Offender supervision	1,099,210	—	—	—	—	1,099,210
Juvenile probation restitution funds	35,433	—	—	—	—	35,433
Criminal investigation	226,290	—	—	—	—	226,290
Register of Wills-Act 34	78,525	—	—	—	—	78,525
Coroner - Act 122	101,981	—	—	—	—	101,981
Friends of Claremont	38,138	—	—	—	—	38,138
Roads and bridge maintenance	—	—	—	—	2,378,700	2,378,700
Human services	—	243,629	—	—	1,670,514	1,914,143
Hazardous materials emergency planning	32,345	—	—	—	—	32,345
Public safety	—	—	—	—	12,979,108	12,979,108
Row office automation	382,545	—	—	—	373,845	756,390
Marcellus shale	609,539	—	—	—	39,286	648,825
Conservation	—	—	—	—	1,015,322	1,015,322
Economic development and assistance	—	—	—	—	300,033	300,033
Debt service	—	—	—	—	12	12
Committed:						
County grant program	31,650,228	—	—	—	—	31,650,228
Future strategic initiative	7,482,045	—	—	—	—	7,482,045
Unrestricted:						
Assigned:						
Human services	—	—	—	—	1,115,817	1,115,817
Public safety	1,386,350	—	—	—	—	1,386,350
Future budgetary requirements	29,925,684	—	—	—	—	29,925,684
Capital projects	6,625,000	—	—	—	155,612	6,780,612
Economic development and assistance	—	—	—	—	6,129,539	6,129,539
Risk liability	250,000	—	—	—	—	250,000
Nursing home proceeds	3,796,639	—	—	—	—	3,796,639
Prison canteen	1,004,452	—	—	—	—	1,004,452
Stimulus	71,332	—	—	—	—	71,332
Planning assistance	73,634	—	—	—	—	73,634
Blighted property remediation	581,030	—	—	—	—	581,030
Criminal justice services	7,802	—	—	—	—	7,802
Unassigned	5,121,800	—	(2,900)	—	(4,337)	5,114,563
Total fund balances	93,372,294	244,409	—	—	26,514,755	120,131,458
Total liabilities, deferred inflows of resources and fund balances	\$ 137,328,194	4,062,106	3,858,858	14,914,824	31,706,702	191,870,684

The notes to the financial statements are an integral part of this statement.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET POSITION**

December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

Total fund balances-governmental funds	\$ 120,131,458
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	104,869,851
Certain receivables are not available to pay for current period expenditures and, therefore, are deferred inflows of resources in the funds.	12,241,415
Refunding bonds issued by the County create deferred charges that are amortized to interest expense over the shorter life between the new and old bonds, are reported as deferred outflows of resources on the statement of net position.	9,311
Cumulative pension fund and OPEB activity have created deferred outflows that are amortized to expense over an actuarially determined period of time and are reported as deferred outflows of resources on the statement of net position as follows:	
Deferred difference-expected and actual OPEB experience	556,993
Deferred difference-expected and actual pension experience	5,023,075
Deferred difference-projected and actual pension earnings	22,992,194
Deferred difference-change of pension assumptions	8,575,542
Internal service fund used by management to charge the costs of the self-insurance to individual funds:	
Workers' compensation	386,060
Self insurance fund	3,570,090
Long-term liabilities are not due and payable in the current period and, therefore, are not reported at the fund level:	
Bonds payable	(31,570,000)
Notes payable	(4,116,367)
Net premium on bonds and notes	(2,151,932)
Leases	(1,107,916)
Sick and vacation payable	(4,685,464)
Net pension liability	(31,812,314)
Total OPEB liability	(1,950,485)
Accrued expenses are not due and payable in the current period and, therefore, are not reported in governmental funds.	
	(224,186)
Cumulative pension fund and OPEB activity have created deferred inflows that are amortized to expense over an actuarially determined period of time and are reported as deferred inflows of resources on the statement of net position as follows:	
Deferred difference-expected and actual pension experience	(38,210)
Deferred difference-expected and actual OPEB experience	(220,311)
Deferred difference-OPEB assumptions	(129,264)
Deferred amount on refunding	(214,160)
Net position of governmental activities	\$ <u>200,135,380</u>

The notes to the financial statements are an integral part of this statement.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
Governmental Funds**

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

	General Fund	Mental Health/ Intellectual and Developmental Disabilities	Children and Youth	American Rescue Plan	Nonmajor Funds	Total
REVENUES						
Taxes	\$ 56,660,800	—	—	—	2,483,252	59,144,052
Licenses and permits	239,581	—	—	—	—	239,581
Grants	8,735,046	17,899,178	18,539,807	34,349,328	13,386,959	92,910,318
County charges	10,279,028	2,020,686	308,779	—	9,314,325	21,922,818
Court costs, fines and forfeitures	1,985,106	—	—	—	183,505	2,168,611
Investment earnings	985,348	19,850	—	—	259,413	1,264,611
Payment in lieu of taxes	205,154	—	—	—	—	205,154
Contributions and other	394,347	169,650	—	—	1,296,445	1,860,442
Total revenues	79,484,410	20,109,364	18,848,586	34,349,328	26,923,899	179,715,587
EXPENDITURES						
Current:						
General government – administrative	14,768,095	—	—	—	157,714	14,925,809
General government – judicial	21,473,920	—	—	—	3,845,354	25,319,274
Corrections	20,921,981	—	—	65,540	—	20,987,521
Public safety	4,282,201	—	—	—	—	4,282,201
Emergency telephone	—	—	—	—	6,396,646	6,396,646
Public works and enterprises	—	—	—	—	624,162	624,162
Human services	1,715,631	22,280,411	23,615,824	—	10,769,427	58,381,293
Culture and recreation	794,738	—	—	—	—	794,738
Conservation and development	966,943	—	—	—	—	966,943
Economic development and assistance	5,359,766	—	—	—	2,230,330	7,590,096
Debt service:						
Principal retirement	—	—	—	—	4,817,693	4,817,693
Debt interest	—	—	—	—	1,050,529	1,050,529
Fiscal charges	—	—	—	—	235,536	235,536
Capital outlay	1,798,901	—	—	—	8,814,315	10,613,216
Payments for other governments	391,221	—	—	—	1,007,933	1,399,154
Total expenditures	72,473,397	22,280,411	23,615,824	65,540	39,949,639	158,384,811
Excess (deficiency) of revenues over (under) expenditures	7,011,013	(2,171,047)	(4,767,238)	34,283,788	(13,025,740)	21,330,776
OTHER FINANCING SOURCES (USES)						
Transfers in	46,990,017	2,314,480	4,836,738	—	12,875,196	67,016,431
Transfers out	(13,653,224)	—	(69,500)	(34,283,788)	(6,523,720)	(54,530,232)
Sale of general assets	1,348	—	—	—	—	1,348
Issuance of long term bond	—	—	—	—	14,395,000	14,395,000
Bond premium	—	—	—	—	841,430	841,430
Leases (as lessee)	428,295	—	—	—	—	428,295
Total other financing sources (uses)	33,766,436	2,314,480	4,767,238	(34,283,788)	21,587,906	28,152,272
Net change in fund balances	40,777,449	143,433	—	—	8,562,166	49,483,048
Fund balances, beginning of year	52,594,845	100,976	—	—	17,952,589	70,648,410
Fund balances, end of year	\$ 93,372,294	244,409	—	—	26,514,755	120,131,458

The notes to the financial statements are an integral part of this statement.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

Net change in fund balances-total governmental funds	\$ 49,483,048
Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. In the current period these amounts are:	
Expenditures for capital assets	10,613,215
Depreciation expense	(5,754,539)
Deferred outflows of resources not reported in the fund statements:	
Deferred difference-expected and actual pension experience	1,132,286
Deferred difference-projected and actual pension earnings	43,657,312
Deferred difference-change in pension assumptions	6,470,029
Deferred difference-expected and actual OPEB experience	(44,148)
Deferred difference-OPEB assumptions	(318,385)
Deferred difference-deferred charges on refunding	(1,746)
The issuance of long-term debt (e.g., bonds, leases, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position:	
Issuance of bond payable	(14,395,000)
Long term debt paid	4,817,693
Long term debt paid - CAEDC	213,853
Issuance of lease agreement	(428,295)
Deferred inflows of resources that does not provide current financial resources (real estate tax, per capita taxes and hotel tax) and revenues which are not recognized as available (court costs and fines, opioid class action lawsuit settlement) in the governmental funds but are earned in the statement of activities.	9,250,538
Deferred inflows of resources not reported in the fund statements:	
Net premium on bonds and notes	(618,697)
Deferred amount on refunding	25,699
Deferred difference-expected and actual pension experience	189,069
Deferred difference-expected and actual OPEB experience	16,818
Post employment benefits are reflected on the statement of activities but are not considered a current expenditure for the fund statements:	
OPEB	(42,734)
Pension	(53,638,346)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(158,074)
Governmental funds do not recognize interest on long term debt until legally due, while the statement of net position accrues for interest payable.	(77,913)
Internal service funds are used by management to charge the cost of self-insurance claims to individual funds:	
Workers' compensation	(220,502)
Health reimbursement arrangement	814,287
Change in net position of governmental activities	\$ <u>50,985,468</u>

The notes to the financial statements are an integral part of this statement.

MAJOR PROPRIETARY FUNDS
DESCRIPTION OF FUNDS

Proprietary Funds

Funds used to account for those County activities for which user fees are charged with the expectation that the fees will cover the costs of the activity.

Enterprise Fund – The county nursing home fund accounts for the operation of the County owned Claremont Nursing and Rehabilitation Center. The County transferred ownership of Claremont Nursing and Rehabilitation Center to Allaire Health Services in March of 2022.

Internal Service Funds – Internal service funds, representing governmental activities, are separately identified, described and reported in the Supplementary Information section.

STATEMENT OF NET POSITION
Proprietary Funds

December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

	Business-type Activities		Governmental Activities	
	Enterprise Fund		Internal Service Funds	
	County	Nursing Home		
ASSETS				
Current assets:				
Cash and cash equivalents	\$	—	3,934,933	
Investments		—	1,691,382	
Accounts receivable (net of allowance)		—	10,184	
Total current assets		—	5,636,499	
Total assets		—	5,636,499	
LIABILITIES				
Current liabilities:				
Accounts payable		—	6,336	
Accrued liabilities and withholdings:				
Accrued payroll		—	2,567	
Due to other funds		—	135,187	
Unearned revenue		—	1,073	
Self-insurance claims payable		—	1,094,143	
Total current liabilities		—	1,239,306	
Noncurrent liabilities:				
Due in more than one year:				
Self-insurance claims payable		—	402,428	
Total noncurrent liabilities		—	402,428	
Total liabilities		—	1,641,734	
NET POSITION				
Unrestricted		—	3,994,765	
Total net position	\$	—	3,994,765	

The notes to the financial statements are an integral part of this statement.

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION**

Proprietary Funds

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

	Business-type Activities	Governmental Activities
	Enterprise Fund	
	County	Internal Service Funds
	Nursing Home	
OPERATING REVENUES		
Charges for services:		
County charges	\$ 4,229,273	12,885,551
Rentals and other revenues	721	—
Total operating revenues	<u>4,229,994</u>	<u>12,885,551</u>
OPERATING EXPENSES		
Patient/client services	5,119,470	13,383,679
Depreciation	361,050	—
Administrative	1,369,143	—
Total operating expenses	<u>6,849,663</u>	<u>13,383,679</u>
Operating income	(2,619,669)	(498,128)
NONOPERATING REVENUES		
Interest income	<u>194,936</u>	<u>55,010</u>
Total net nonoperating revenues	<u>194,936</u>	<u>55,010</u>
Income before contributions and transfers	<u>(2,424,733)</u>	<u>(443,118)</u>
TRANSFERS		
Transfer in	—	356,550
Transfer out	(12,842,749)	—
Total transfers	<u>(12,842,749)</u>	<u>356,550</u>
SPECIAL ITEMS		
Gain on sale of operations	11,308,016	—
Pension contribution	(4,150,000)	—
Total special items	<u>7,158,016</u>	<u>—</u>
Change in net position	(8,109,466)	(86,568)
Net position, beginning of year	8,109,466	4,081,333
Net position, end of year	<u>—</u>	<u>3,994,765</u>

The notes to the financial statements are an integral part of this statement.

STATEMENT OF CASH FLOWS

Proprietary Funds

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

	Business-type Activities	Governmental Activities
	Enterprise Fund	
	County	Internal
	Nursing Home	Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received on county charges	\$ 7,155,588	12,824,905
Payments to vendors	(8,295,066)	(13,220,859)
Payments to employees	(3,403,587)	(91,613)
Net cash used in operating activities	<u>(4,543,065)</u>	<u>(487,567)</u>
CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from sale of the nursing home	22,250,000	—
Payment of expenses from the sale of the nursing home	(2,898,510)	—
Payment of long term liabilities from proceeds from the sale of the nursing home	(795,000)	—
Pension contribution for future liabilities from the sale of the nursing home	(4,150,000)	—
Transfer from other funds	691,370	356,550
Transfer to other funds	<u>(12,842,749)</u>	<u>—</u>
Net cash provided by non-capital and related financing activities	<u>2,255,111</u>	<u>356,550</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	<u>(98,328)</u>	<u>—</u>
Net cash used in capital and related financing activities	<u>(98,328)</u>	<u>—</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	—	(880,662)
Investment income received	<u>180,978</u>	<u>46,402</u>
Net cash provided by (used in) investing activities	<u>180,978</u>	<u>(834,260)</u>
Net decrease in cash and cash equivalents	(2,205,304)	(965,277)
Cash and cash equivalents, January 1	<u>2,205,304</u>	<u>4,900,210</u>
Cash and cash equivalents, December 31	<u>—</u>	<u>3,934,933</u>

(continued)

STATEMENT OF CASH FLOWS

Proprietary Funds

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

Business-type Activities	Governmental Activities
Enterprise Fund	
County	Internal
Nursing Home	Service Funds

(continued)

Reconciliation of operating loss to net

cash used in operating activities:

Operating loss	\$ (2,619,669)	(498,128)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	361,050	—
Changes in assets and liabilities in:		
Accounts receivable	2,928,016	50,281
Due from other funds	(3,604,520)	(22,237)
Prepaid items	111,961	93,967
Accounts payable	(1,440,492)	(440)
Accrued liabilities and withholdings	(276,990)	(1,459)
Unearned revenues	(2,421)	(130)
Self-insurance claims payable	—	(109,421)
Total adjustments	<u>(1,923,396)</u>	<u>10,561</u>
Net cash used in operating activities	<u>\$ (4,543,065)</u>	<u>(487,567)</u>

There were no material non-cash financing and investing transactions.

The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUNDS
DESCRIPTION OF FUNDS

Fiduciary Funds

Funds used by the County to account for funds collected on behalf of others.

Pension Trust-Employees' Retirement Fund –The County's pension trust fund accounts for the County and its employees' retirement contributions, earnings, investments and obligations.

Custodial Funds – The County's custodial funds account for cash collected by elected row officers (Clerk of Court, District Attorney, Prothonotary, Recorder of Deeds, Register of Wills, Sheriff and Treasurer) and other County offices, which is subsequently disbursed to individuals, private organizations and other governments for whom it was collected.

STATEMENT OF FIDUCIARY NET POSITION**Fiduciary Funds***December 31, 2022***COUNTY OF CUMERLAND, PENNSYLVANIA**

	Pension Trust - Employees' Retirement Fund	Custodial Funds
ASSETS		
Cash and cash equivalents	\$ 1,757,453	5,066,691
Investments:		
U.S. fixed income securities	56,395,169	—
U.S. equity securities	90,305,718	—
Global equity securities	36,965,867	—
Non-U.S. equity securities	29,695,642	—
Real estate	16,528,821	—
Infrastructure	13,856,360	—
Total investments	243,747,577	—
Accrued interest and dividends receivable	332,195	—
 Total assets	 245,837,225	 5,066,691
LIABILITIES		
Due to other governments	—	1,626,120
Other liabilities	74,221	—
 Total liabilities	 74,221	 1,626,120
NET POSITION		
Restricted for:		
Pensions	245,763,004	—
Individuals, organizations and other governments	—	3,440,571
 \$ 245,763,004	 245,763,004	 3,440,571

The notes to the financial statements are an integral part of this statement.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Fiduciary Funds

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

	Pension Trust Employees' Retirement Fund	Custodial Funds
ADDITIONS		
Contributions:		
Employer	\$ 8,189,124	—
Plan members	<u>3,923,727</u>	—
Total contributions	<u><u>12,112,851</u></u>	—
Investment income:		
Net depreciation in fair value of investments	(38,969,382)	—
Interest	1,103,119	—
Dividends	<u>4,348,822</u>	—
Total investment losses	(33,517,441)	—
Less investment costs	<u>638,454</u>	—
Net investment losses	<u><u>(34,155,895)</u></u>	—
Other governments:		
Fees, costs, fines and licenses	—	6,402,916
Taxes	—	82,507,171
Escrow	<u>—</u>	8,290,470
Total additions	<u><u>(22,043,044)</u></u>	<u><u>97,200,557</u></u>
DEDUCTIONS		
Benefits	13,726,539	—
Refunds of contributions	1,036,978	—
Administrative expenses	239,715	—
Other governments:		
Fees, costs, fines and licenses	—	6,402,916
Taxes	—	82,481,398
Escrow	<u>—</u>	8,629,579
Total deductions	<u><u>15,003,232</u></u>	<u><u>97,513,893</u></u>
Change in net position	(37,046,276)	(313,336)
Net position - beginning of the year	282,809,280	3,753,907
Net position - end of the year	<u><u>\$ 245,763,004</u></u>	<u><u>3,440,571</u></u>

The notes to the financial statements are an integral part of this statement.

Notes to the Financial Statements

1. Summary of Significant Accounting Policies

The County's significant accounting policies are described below.

A. The Reporting Entity

The County of Cumberland is located in south central Pennsylvania, to the immediate west of the City of Harrisburg, the Capital of the Commonwealth. It is a County of the third class founded January 27, 1750, and operates under an elected three-member Board of Commissioners. The County provides various governmental services including judicial, public safety, corrections, human services, economic development, and others to its estimated 268,579 residents (U.S. Census pop. estimate as of July 1, 2022).

The basic criteria for determining whether a governmental organization should be included in the primary governments reporting entity is financial accountability. Though a primary government is financially accountable for the organizations that make up its legal entity, it may also be financially accountable for legally separate organizations based on the nature and significance of their relationship as provided for in applicable laws, organizational bylaws or contractual agreements.

Component Units

Component units are legally separate organizations for which the County is financially accountable. In addition, a component unit can be a legally separate organization for which the nature and significance of its relationship with the County is such that its exclusion would cause the County's financial statements to be misleading or incomplete.

The County reports four organizations as component units in accordance with GASB 14 as amended by GASB 61 and 80.

Blended Component Units

The following component units of the County are reported as blended as they provide services which primarily, but not exclusively, benefit the County.

Cumberland Area Economic Development Corporation (CAEDC)

The CAEDC is a legally separate governmental not-for-profit, for which the County appoints board members from nominees recommended by the CAEDC board. The County Commissioners are CAEDC board members and they have corporate powers greater than the board at large and are the sole corporate members.

The County financially benefits from the CAEDC by the CAEDC's performance of activities that are set forth in the County's strategic plan, mission/vision – thereby relieving the County of this budgetary and administrative burden by placement of this portion of the County's mission under an outside organization. The CAEDC also has a financial benefit/burden relationship with the County by virtue of the County's ongoing decision to fund the CAEDC with 100% of the County's hotel taxes, as well as discretionary County grants.

As the CAEDC is funded primarily with County hotel taxes, for which the tax rate is set by, and can only be changed by, the County, the CAEDC is fiscally dependent on the County.

CAEDC financial statements may be requested at the CAEDC office at 53 West South Street, Suite 1, Carlisle, PA 17013.

Cumberland County Recycling & Waste Authority (CCRWA)

The Cumberland County Recycling & Waste Authority is a legally separate organization to which the County Commissioners appoint board members.

The CCRWA has a financial benefit/burden relationship with the County by the County's funding the CCRWA in accordance with a delegation agreement under which the CCRWA provides planning for, and reporting on, municipal waste and recycling within the County – a core statutory County responsibility.

As the County both budgets for the CCRWA and delegates the County's recycling and waste management responsibilities to the CCRWA and may opt to cease such delegation and funding at its discretion, the County is able to impose its will on the CCRWA.

The CCRWA is reported as blended as the recycling and waste planning and reporting services that the CCRWA provides almost entirely benefit the County as such services are the legislated responsibility of a county.

The CCRWA does not issue separate financial statements.

Discretely Presented Component Units

The following component units of the County are reported discretely as they do not satisfy the blending criteria of GASB No. 14 as amended by GASB No. 61 and 80.

Cumberland County Conservation District

The Cumberland County Conservation District is a legally separate organization which provides for the conservation of the County's soil, water, and related resources. The County Commissioners appoint District board members from a list of nominees provided by outside groups.

The Conservation District is fiscally independent as the Pennsylvania law that governs its creation and operation does not grant the County the authority to involve itself in the activities that, according to GASB No. 14 and No. 61, exemplify independent decision making. Despite the Conservation District's fiscal independence under law, the County believes it is misleading to exclude the Conservation District as a component unit of the County in light of its close relationship, and financial integration with, the County. Supporting this decision are the County Commissioners' annual approval of the Conservation District's budget, County Salary Board and Commissioner approval of Conservation District positions and personnel hires, respectively, despite no provisions in state law that grants the County the direct authority for these roles. The County also includes the Conservation District budget and performance measures in its published County budget document.

The audited financials of the Conservation District are available at the District's office at 310 Allen Road, Suite 301, Carlisle, PA 17013.

Cumberland County Industrial Development Authority (IDA)

The IDA is a legally separate organization which strives to alleviate unemployment by creating and developing business opportunities through facilitating organizations access to grants and financing for which both the County and the IDA have no ongoing liability.

The County Commissioners appoint IDA board members and, representing the potential for the County to impose its will, have the ability to remove board members without cause.

The audited financials of the IDA are available at the Authority's office at 53 West South Street, Suite 1, Carlisle, PA 17013.

Joint Ventures

The County reports four joint ventures.

Capital Area Transit

The County is a participant in Capital Area Transit (CAT) - a joint venture.

CAT provides fixed route bus service to Cumberland County. CAT is governed by a seven-member board appointed by the sponsoring municipalities. The Cumberland County Commissioners appoint two members.

CAT receives the vast majority of its operating and capital funding from Federal and state grants. The sponsoring local governments are responsible for local match funding. Pennsylvania's Act 44, in conjunction with Act 89 of 2013, provides the majority of the fixed route operating and capital funding for Pennsylvania public transit agencies.

The County has no interest in the equity of CAT, and as a result, there is no equity interest in CAT recorded in the County's financial statements.

In 2022, the County paid CAT \$374,113. The County's annual subsidy (local match share) payment was \$358,101 in 2022. Additionally, the County paid \$16,012 to CAT for transportation services for Shippensburg Borough.

CAT issues publicly available financial statements that may be obtained at 901 North Cameron Street, Harrisburg, PA 17101.

Central Pennsylvania Transportation Authority

The County is a participant in Central Pennsylvania Transportation Authority (CPTA) DBA rabbittransit - a joint venture.

In 2015, Cumberland County joined CPTA appointing it the County's shared-ride provider. CPTA is governed by a nine-member board appointed by the sponsoring counties. The Cumberland County Commissioners appoint two members.

CPTA shared-ride service receives the vast majority of its funding from Federal and state grants through the human service agencies that they primarily service.

The County has no interest in the equity of CPTA, and as a result, there is no equity interest in CPTA recorded in the County's financial statements.

CPTA issues publicly available financial statements that may be obtained at 415 Zarfoss Drive, York, PA 17404.

Susquehanna Regional Transportation Authority

The County is a participant in Susquehanna Regional Transportation Authority (SRTA) – a joint venture. SRTA was organized on November 18, 2021. SRTA entered into agreements with both CAT and CPTA to provide executive, management, administrative and support services. Both agreements were adopted in December of 2021 and will expire on June 30, 2024, at which time the contracts may be renewed upon mutual agreement on a month-to-month basis. SRTA is governed by an eleven-member board appointed by the sponsoring municipalities. The Cumberland County Commissioners appoint two members.

The County has no interest in the equity of SRTA, and as a result, there is no equity interest in SRTA recorded in the County's financial statements. In 2022, the County did not make any payments to SRTA.

SRTA issues publicly available financial statements that may be obtained at 415 N. Zarfoss Drive, York, PA 17404.

Cumberland County/Penn State Agricultural Extension Programs

Cumberland County and Penn State University jointly operate and fund Agricultural Extension Programs. These programs are administered at the Agricultural Extension Office at 310 Allen Road, Suite 601, Carlisle, PA 17013.

The County's Agriculture Extension activity is a joint operation in which the County reports its contributions, in the form of its share of joint operation expenses, in the County's financial results. As the Agricultural Extension is a joint operation, in which both governmental units separately report their share of expenses, separate financial statements of the joint operation are not available.

In 2022, the County's share of Agricultural Extension program expenses was \$304,597 and is reported in the County's general fund.

There are no separately issued financial statements for the Cumberland County/Penn State Agricultural Extension Program joint operation.

Related Organizations

Related organizations are organizations for which the County is not financially accountable (because it does not have the ability to impose its will or have a financial benefit or burden relationship) even though the County appoints a voting majority of the organization's governing board.

The County's related organizations, which are not solely advisory and with significant financial activity, are:

Cumberland County Library System
Cumberland County Redevelopment Authority
Cumberland County Housing Authority

B. Basis of presentation

The basic financial statements of the County have been prepared in accordance with U.S. generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) establishes U.S. generally accepted accounting principles for governments.

C. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the overall County. The statement of net position reports what the County owns and owes. The statement of activities reports, by program category, the amount of expenses not covered by program revenues. Program expenses not covered by program revenues are instead financed with County taxes and other general revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or program. *Indirect expenses* are allocated to all governmental and business-type activities in accordance with the County's indirect cost allocation plan. However, indirect expenses are recorded and reported only in those activities with cost reimbursement grant funding. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. County real estate taxes and other revenues that do not relate to a specific program are reported as *general revenue*.

The government-wide statements do not include the fiduciary activities of the primary government since those resources do not support the programs of the County. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate discretely presented component units for which the primary government is financially accountable.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds (general fund, mental health/intellectual and developmental disabilities, children and youth, and American Rescue Plan) and a major individual enterprise fund (County nursing home) are reported as separate columns in the fund financial statements.

D. Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements.

The government-wide financial statements report revenues when earned and expenses when the liability is incurred regardless of the timing of related cash flows. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. County taxes are reported as revenue in the year for which they are levied. Grants and similar revenues are deemed earned when all eligibility requirements imposed by the provider have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. Disbursement of grant funds in payment of program costs is typically an eligibility criterion. Any excess of grant receipts at year-end is recorded as unearned revenues. Any excess of grant expenditures at year-end is recorded as accounts receivable or due from other governments.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*.

Governmental fund financial statements report revenues as soon as they are both measurable and available. Revenues, including grants, are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Real estate taxes due for the current year are considered available and are, therefore, recognized as revenues if collected during the year or during the first sixty days of the subsequent year. Court costs, fines and forfeitures are considered available only when cash is received by the County. Grants are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources. Other revenues are considered to be measurable and available only when cash is received by the County.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. General capital asset acquisitions are reported as expenditures in governmental funds. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

The County reports the following governmental fund types:

A *general fund* is the government's chief operating fund. It accounts for all financial resources of the County except those required to be accounted for in another fund. The general fund is reported as a major fund.

Special revenue funds account for revenues that are restricted or committed to expenditures for specified purposes. The mental health and intellectual and developmental disabilities fund, children and youth fund, and American Rescue Plan are special revenues presented as major funds.

The mental health and intellectual and developmental disabilities fund accounts for the administration of a full range of services to persons with serious and persistent mental illness or persons with intellectual/developmental disabilities who live in Cumberland or Perry County. Federal (including waivers) and state grants fund the vast majority of these services.

The children and youth fund accounts for monies received from various federal, state and local sources to protect the safety and welfare of children. Children and youth also preserves, supports and strengthens families as well as identifies alternative care, a safe environment, and a permanent home for those children unable to remain in their home.

The American Rescue Plan Act of 2021 fund accounts for monies received from the Federal government to support COVID-19 response efforts, replace lost revenue and support economic stabilization for households and businesses.

A *debt service fund* accounts for the accumulation of resources for, and the payment of, governmental long-term debt principal and interest.

Capital projects funds account for significant capital projects and capital expenditures that are not financed by proprietary funds.

The County reports the following proprietary fund types:

An enterprise fund accounts for the operation of the County nursing home, for which fees are charged to external users for goods or services.

Internal service funds account for the County's self-insured workers' compensation and health care self-insurance.

Internal service funds are an accounting device used to accumulate and allocate the cost of the County's workers' compensation self-insurance and health care self-insurance internally among all of the County's various activities based on the causal relationship between the internal services costs and the County's benefiting activities. The net position of both workers' compensation self-insurance and the net position of the health care self-insurance are included within *governmental activities* in the government-wide statement of net position.

Fiduciary funds, consisting of the County's pension trust and custodial funds, are used to account for assets held by the County in a trustee capacity or as a custodian for individuals, private organizations or other governments. The pension trust fund accounts for the retirement contributions of the County and its employees. Custodial funds account for cash collected by elected row officers (Clerk of Court, District Attorney, Prothonotary, Recorder of Deeds, Register of Wills, Sheriff, and Treasurer) and other County offices which is subsequently disbursed to the County, individuals, private organizations, and other governments for whom it was collected. The portion of cash held by custodial funds due to the County at year end is reported as assets of the appropriate County funds.

The County reports its *general fund, mental health/intellectual and developmental disabilities fund, children and youth fund, and American Rescue Plan* as major governmental funds. Descriptions of these individual funds precede their presentation in the basic financial statements.

The County reports its *County nursing home fund* as a major proprietary fund. Descriptions of this fund precede its presentation in the basic financial statements.

E. Interfund Eliminations

The effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are balances between the governmental activities and the business-type activities. Elimination of these charges would distort the costs and program revenues reported for the various functions concerned. Direct expenses are those that are clearly identified with a specific functional activity. Expenses reported for functional activities do not include allocated indirect expenses. Indirect expenses are reported in a separate column to differentiate them from direct expenses and revenues.

F. Program Revenues

Amounts reported as program revenues include charges for services, operating grants and contributions, and capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. General revenues include County taxes.

When both restricted and unrestricted resources are available for use, it is the County's general policy to use restricted resources first, then unrestricted resources as they are needed.

G. County Charges for Patient Service Revenue

Patient service revenue, including unbilled services, are reported at estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments due to audits in subsequent years.

H. Operating and Nonoperating Revenues

Proprietary funds distinguish operating revenues and expenses from nonoperating items.

Operating revenues consist primarily of internal service billings for the cost of health insurance associated with the County's self-insurance fund. Secondarily, billings for medical care, pharmaceuticals and room and board at the County nursing home supplement operating revenues.

Operating expenses consist of the self-insurance medical claims, costs of goods and services, administrative expenses and depreciation on capital assets.

All other revenues and expenses not meeting the above criteria are reported as nonoperating revenues and expenses.

I. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, money market funds and other short-term investments with maturities of three months or less from the date of acquisition.

Cash also includes deposits in other kinds of short-term investment accounts or cash management pools that have the general characteristics of demand deposit accounts in that the County may deposit additional cash at any time and also effectively may withdraw cash at any time without prior notice or penalty.

The County has written investment policies governing both its pension fund investments and its other funds investments. These policies are discussed in Note 2.

J. Prepays

To the extent certain payments to vendors, such as for rent or insurance, reflect costs applicable to future accounting periods, they are recorded as prepaid items in both the government-wide and fund financial statements. Prepays are accounted for using the consumption method and recognized proportionally for each of the benefitting periods for both the government-wide and fund financial statements.

K. Restricted Assets and Related Liabilities

Certain cash and investments in governmental activities are maintained in separate bank accounts and are classified as restricted assets on the County's balance sheets and statement of net position because their use is restricted for a purpose narrower than the purpose of the fund itself by either legislation, bond covenants, or agreements with the funding provider.

Assets, such as cash and due from other governments, in grant funded programs are generally restricted in use to payment of current program liabilities.

Restricted cash in governmental activities consists of CAEDC grant monies designated for specific uses.

Restricted investments in governmental activities consist of farmland preservation invested in the general fund.

L. Fair Value Measurements

Investments are reported at fair value, except for shares in external pools. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investments reported at net asset value approximate fair value.

Investments in external investment pools that qualify, are reported at amortized cost.

Any donated capital asset, donated work of art or historical treasure, or any capital asset received from a service concession arrangement is recognized at acquisition value rather than fair value.

M. Capital Assets

Capital assets, which include land, improvements other than buildings, buildings and systems, machinery and equipment, bridges (infrastructure), construction in progress and intangibles (such as agricultural easements and computer software), are recorded in the applicable governmental and business-type activities columns in the government-wide statement of net position.

Capital assets are defined by the County as all assets with a value greater than \$5,000 and an initial useful life greater than one year. This capitalization policy is applied to individual capital assets rather than to groups/sets of capital assets (e.g. chairs, desks, etc.). Such assets are valued at historical cost or estimated historical cost, if historical cost is not available. Donated capital assets are valued at their estimated acquisition value on the date donated.

The County has capitalized the cost of its infrastructure assets, regardless of when constructed or improved.

Maintenance, repairs, and equipment less than the capitalization threshold, are charged to operations when incurred. Costs that materially change capacities or extend useful lives are capitalized.

Upon sale or retirement, the cost and related accumulated depreciation, if applicable, are eliminated from the respective government-wide and proprietary accounts and any resulting gain or loss is reflected in those accounts.

Major outlays for capital assets are capitalized when incurred. Construction in progress costs are capitalized as projects are constructed. Depreciation begins when the project is placed into service.

Donated capital assets, donated works of art and similar items, and capital assets received in service concession arrangement are reported at acquisition value rather than fair value.

Buildings and systems, improvements other than buildings, machinery and equipment, and bridges are depreciated using the straight-line method at half year conventions over the following estimated useful lives:

Description	Useful Life in Years
Land	Not depreciated
Agricultural easements	Not depreciated
Buildings and systems	5 - 50
Improvements other than buildings	10 - 45
Machinery and equipment	5 - 20
Computer, audio and video equipment	5 - 7
Computer software	5 - 7
Bridges	50

N. Compensated Absences

Accumulated unpaid vacation, sick, paid time off, compensatory time and holiday pay liability is determined according to the following personnel policies of the County:

- Upon termination, all unused vacation time and paid time off up to a maximum of 30 days, will be paid with the final check.
- Upon termination, employees will be paid for one half of their total unused sick time up to a maximum of 45 days. Two types of sick leave exist within the County:
 - Accrued prior to August 1, 1997 and carried forward from year to year,
 - Five days earned each year which are not permitted to be carried into the next year.
- Employees are limited to carrying 32 hours of compensatory time. Any excess is paid out at their regular rate.
- For those departments required to provide 24-hour coverage on holidays, employees will be paid a supplemental day's wages for all accumulated holidays worked.

The liability for compensated absences is not reported in the governmental funds due to the measurement focus of those funds. Compensated absences are reported in the proprietary funds and in the government-wide statements.

O. Long-term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, and proprietary fund statements of net position. Bond and note discounts and premiums are amortized on the straight-line basis which approximates the effective interest methods over the bond and note terms. Bonds and notes payable are reported net of applicable discounts and premiums.

In the governmental fund financial statements, bond discounts or premiums, bond issuance costs and refunding gain/losses are recognized during the current period. The face amount of the debt issued is reported as other financing sources. Discounts/premiums on debt issuances are reported as other financing uses/sources. Issuance costs are reported under the subheading debt service expenditures.

P. Leases

The County is a lessee for non-cancellable leases of building office space. A lease liability and an intangible right-to-use lease asset is recognized in the government-wide financial statements.

Individual lease liabilities with an initial, individual value of \$50,000 or more are recognized.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Q. Deferred Inflows/Outflows of Resources

Deferred Outflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources, as appropriate. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future periods and so will *not* be recognized as an outflow of resources (i.e. expense) until then. The County has five items that qualify for reporting in this category on the government-wide statement and proprietary fund statements of net position.

Deferred difference-expected and actual pension experience – This is the difference in the actual pension claims over what was expected. This category is amortized over an appropriate actuarially determined period of time.

Deferred difference-projected and actual pension earnings – This is the net value when the projected earnings do not exceed the expected results from our pension investments. This category is amortized over a five year period.

Deferred difference-change of pension assumptions – This difference is a result of changes to the assumptions used to determine the components that comprise the net pension liability. It is amortized over an appropriate actuarially determined period of time.

Deferred difference-expected and actual OPEB experience – This is the difference in the actual claims over what was expected. This category is amortized over an appropriate actuarially determined period of time.

Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources, as appropriate. This separate financial statement element, *deferred inflows of resources*, represents acquisition of net assets that apply to future periods and so will *not* be recognized as an inflow of resources (i.e. revenue) until then. The County has four items that qualify for reporting in this category which are listed below along with their explanations.

Deferred amount on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred difference-expected and actual pension experience – This is the difference in the actual pension claims over what was expected. This category is amortized over an appropriate actuarially determined period of time.

Deferred difference-expected and actual OPEB experience – This is the difference in the actual pension insurance claims over what was expected. This category is amortized over an appropriate actuarially determined period of time.

Deferred difference-OPEB assumptions – This difference is a result of changes in the assumptions or other inputs for other post-employment benefits offered to County retirees. It relates to the difference between healthcare cost assumptions and actual experience. It is amortized over an appropriate actuarially determined period of time.

The governmental fund's balance sheet reports a separate section for deferred inflows of resources, as appropriate. This separate financial statement element represents unavailable revenues which are amounts earned but not received by the County. The reportable item in this category is listed below with its description.

Unavailable revenue - The general fund recognizes unavailable revenue in the governmental fund statements related to the opioid class action lawsuit settlement (\$8,375,669), property taxes

(\$916,863), court costs and fines (\$1,976,501) and CAEDC revenue (\$324). They are recognized in the period that the amounts become available.

R. Risk Management, Including Self-Insurance

The County is exposed to various risks of loss related to torts; theft of damage to and destruction of assets; and errors and omissions for which it carries commercial insurance. Insurance settlements have not exceeded insurance coverage for the past ten years.

The County self-insures its workers' compensation liabilities and has accounted for this in an internal service fund.

Beginning in 2018, the County self-insures its health plan. The County accounts for this in an internal service fund.

S. Fund Balance – Governmental Funds

The County's fund balance policy establishes the objective of maintaining a healthy level of fund balance sufficient to mitigate current and future financial risks (i.e. unanticipated emergency expenditures and revenue shortfalls) and to ensure stable tax rates by maintaining an unassigned fund balance in the general fund representing no less than 70 days of general fund operating expenditures and transfers out with a target of 100 days of average budgeted general fund total expenditures. The Government Finance Officer Association recommends 60 days.

The County's fund balance policy comprises a hierarchy based primarily on the extent of constraints imposed upon the use of net resources reported in governmental funds.

The County is limited to spending restricted fund balance on the activities allowed by the terms of a grant, contract or by applicable legislation.

With the exception of self-imposed constraints, consisting of (1) formal action taken by the County Commissioners to enact fund balance commitments, in the form of a Commissioner-approved resolution to establish, modify or rescind a fund balance commitment, or (2) fund balance assignments by designated County management (Chief Financial Officer assignments, as approved by the Chief Clerk), unrestricted fund balance may be spent on the wide variety of governmental activities.

In regard to the order in which net governmental resources are spent, the most restrictive funding source is used first, unless applicable legislation, grant or formal action by the Commissioners mandates an exception.

Nonspendable Fund Balance

Nonspendable fund balance is the component of fund balance that is not available for expenditure and typically represents prepaid expenditures.

Restricted Fund Balance

Restricted fund balance represents amounts that can be spent only for the specific purposes allowed by the resource providers, i.e. grantors or applicable legislation. The County's restrictions are as follows:

Farmland preservation – The County has set aside cash and investments to provide required matching contributions to a state program that allows farmers to sell their rights to develop agriculture land. The program is designed to reduce the development of County farmland.

Offender supervision – The County receives administrative fees from probationers within the County. The funds are reserved for probation expenditures.

Juvenile probation restitution fund – The County receives monies from juvenile probationers within the County for disbursement to appropriate crime victims.

Criminal investigation – The County receives monies from grants, restitution and contributions which are to be used for criminal investigation expenditures.

Register of Wills – Act 34 – Filing fees collected, per statute, are reserved for adoption counseling by individuals who cannot afford to pay for it.

Coroner – Act 122 – Monies collected, per statute, are reserved to be used for training and equipment for the Coroner's Office.

Friends of Claremont – With the sale of the Claremont Nursing and Rehabilitation Center, the County received monies from the former non-profit corporation entitled Friends of Claremont to be used only for the benefit of senior citizens of Cumberland County.

Roads and bridge maintenance – Monies received for the restricted purpose of maintaining and replacing roads and County owned bridges.

Human services – Monies received for the provision of human services activities for County residents.

Hazardous materials emergency planning – Monies collected, per statute, for training programs, public and facility owner education, information and participation programs, general administrative and operational expenses.

Public safety – Monies received to coordinate essential public safety activity among federal, state, regional, county, municipal agencies, and volunteer organizations to provide quick, reasoned responses to the needs of County citizens in times of emergency.

Row Office automation:

- *Clerk of Court automation* - Monies collected, per statute, on behalf of the Clerk of Court automation fund are reserved solely for the purpose of automation and continued automation updates of the Clerk of Court office.
- *Prothonotary automation* - Monies collected, per statute, on behalf of the Prothonotary automation fund are reserved solely for the purpose of automation and continued automation updates of the Prothonotary office.
- *Register of Wills automation* - Monies collected, per statute, on behalf of the Register of Wills and Clerk of Orphans' Court automation fund are reserved solely for the purpose of automation and continued automation updates of the Register of Wills and Clerk of the Orphans' Court office.

Marcellus Shale – These funds are the County's portion of the Pennsylvania's Marcellus Legacy Fund which, at the state-level, represents forty percent of the proceeds from the natural gas drilling impact fee.

- *General fund* – Monies are restricted for the planning, acquisition, development, rehabilitation and repair of greenway projects.
- *Capital projects* – Monies are restricted to replace or repair locally owned, at-risk deteriorated bridges.

Conservation – Monies restricted to provide the long-term capacity and disposal of County municipal waste in an environmentally sound and cost effective manner. Also, to reduce overall County waste generation while increasing County recycling, and provide county residents with proper disposal options for certain items that are generally inappropriate for municipal solid waste disposal facilities.

Economic development and assistance – Monies used to provide economic development services and tourism promotion services to Cumberland County and the Southcentral Pennsylvania region.

Debt service – Monies established for the payment of long term general obligation debt.

Committed Fund Balance

County grant program - Monies committed to projects and grants determined and approved by the Board of Commissioners.

Future strategic initiative – Monies committed for future qualifying projects and initiatives determined and approved by the Board of Commissioners.

Unrestricted Fund Balance

Unrestricted fund balance consists of the committed, assigned and unassigned fund balance categories.

The County Commissioners have not taken action to commit fund balance.

Fund Balance Assignments

Assigned fund balance represents the County's plans for future use of the County's net financial resources which are not otherwise restricted or committed. Accumulated unrestricted inflows in special revenue funds are reported as fund balance assignments and are dedicated to supporting the fund's objectives.

Assignments have been established in the governmental fund as follows:

Human services – Monies assigned to fund future human service expenditures.

Public safety – Monies assigned to fund future public safety expenditures.

Future budgetary requirements – Monies assigned to fund future budgetary requirements for 2022.

Capital projects – Monies assigned to fund future capital projects in the County.

Economic development and assistance - Monies assigned used to provide economic development services and tourism promotion services to Cumberland County and the Southcentral Pennsylvania region.

Risk liability – Monies assigned to mitigate potential budgetary shortfalls in the provision of prisoner healthcare.

Nursing home proceeds – Monies assigned to cover ongoing cost and potential future costs associated with the sale of Claremont Nursing & Rehab facility.

Prison canteen – This assignment is for prisoner welfare expenditures from commissions earned from the operation of the prison canteen.

Stimulus – Monies assigned to provide future economic assistance to the County's increased technological needs.

Planning assistance – Monies assigned to provide municipality's financial assistance in defining their entities planning documents.

Blighted property remediation – Monies for the demolition of qualifying blighted Cumberland County buildings.

Criminal justice services – Monies from grants, restitution and contributions assigned to provide integral planning assistance in matters of criminal justice administrations and systematic improvements.

Unassigned Fund Balance

Unassigned fund balance is the residual classification in the general fund and is not restricted in regard to spending on County activities. The general fund is the only fund that may report a positive unassigned fund balance. In other governmental funds it is not appropriate to report a positive unassigned fund balance.

However, in governmental funds, other than the general fund, if expenditures exceed revenues it may be appropriate to report a negative unassigned fund balance.

T. Net Position

Governmental Activities, Business-type Activities and Proprietary Fund Net Position: Total net position is determined by summing total assets and deferred outflow of resources, less total liabilities and deferred inflow of resources reported on the statement of net position. Total net position is reported in three components: net investment in capital assets; restricted net position; and unrestricted net position.

Net investment in capital assets represents the applicable financed capital assets less accumulated depreciation and the outstanding liability (excluding unspent proceeds) for debt specifically related to the acquisition of the capital assets.

Restricted net position are reported based on enforceable constraints imposed by either creditors, contributors or laws or regulations of other governments.

Unrestricted net position represents total net position less net investment in capital assets and restricted net position.

U. Retirement and Other Postemployment Benefits

The County funds accrued pension costs on its contributory defined benefit pension plan covering substantially all employees. Prior service costs have been fully amortized.

Additionally, the County offers postemployment health benefits to employees who opt to pay for the coverage themselves post-termination of service. By permitting retired employees the ability to participate in the employee health plan at the same premium rate as active employees, albeit 100% paid for by the retirees, the County is providing an implicit rate subsidy to its retirees. These benefits are financed on a pay-as-you-go basis. The County provides no other postemployment benefits to County employees.

V. New Accounting Pronouncements

The following list reflects only those pronouncements initially effective in the current or upcoming reporting periods which based on our review, may be applicable to the County's reporting requirements.

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset) for a period of time in an exchange or exchange-like transaction. This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements for this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The County does not participate in any public-private or public-public partnerships or availability payment arrangements.

In May 2020, the GASB issued Statement No. 96 *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements for this Statement are effective for fiscal years beginning after June 15, 2022. The County will be implementing GASB No. 96 during 2023.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Some of the practice issues addressed by this Statement are as follows: 1) Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives, 2) Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology*

Arrangements, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability. The requirements for these sections are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter; 3) Disclosures related to nonmonetary transactions, 4) Pledges of future revenues when resources are not received by the pledging government, 5) Clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements, 6) Terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, 7) Terminology used in Statement No. 53 to refer to resource flows statements.

The County implemented GASB No. 87 (Leases) during 2022. The County will be implementing GASB No. 96 (Subscription-Based Information Technology) during 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are currently being evaluated to determine the effect if any on the County’s financial statements. All of the other requirements in this Statement were considered and implemented, if applicable, during 2022.

In June 2022, GASB issued Statement No. 100, Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The County adopted GASB Statement No. 100 during 2022 and determined that there is no effect from GASB Statement No. 100 on the financial statements for 2022.

In June 2022, GASB issued Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. With respect to

financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The County adopted GASB Statement No. 101 during 2022 and determined that there is no effect from GASB Statement No. 101 on the financial statements for 2022.

2. Deposits and Investments

The County reports deposits and investments in accordance with U.S. generally accepted accounting principles (GAAP), which requires enhanced disclosure of their valuation basis and risks of loss to which the County's deposits and investments are subject. Specifically, the following disclosures regarding the County's pension and non-pension deposits and investments are required:

- Policies
- Risks
 - Custodial credit risk
 - Interest rate risk
 - Credit risk
 - Concentration of credit risk
 - Foreign currency risk
- Fair Value Measurement

A. Policies

(1) Policies – non-pension investments - Deposits and investments for the primary government and its discretely presented components units are governed by Pennsylvania law (County Code, Section 1706). Except for the County's pension trust fund (discussed below), the Commonwealth of Pennsylvania restricts the County's investments, including the County's workers' compensation self-insurance trust investments, to the following:

- Savings and demand deposits
- Insured or collateralized time deposits with financial institutions
- Insured or collateralized certificates of deposit from financial institutions
- Negotiable or brokered certificates of deposit
- U.S. Treasury bills
- Certain repurchase agreements
- Bankers' acceptances
- Obligations of the U.S. Government or its agencies
- Obligations of the Commonwealth or any of its political subdivisions
- Commercial paper, defined in County Code Section 1706 as investment grade corporate promissory obligations
- Shares of an investment company registered under the Investment Company Act of 1940 provided its investments are of the aforementioned types in pools that are managed in accordance with SEC Rule 2a7

The County's investment policy, which governs its non-pension cash and investments, is consistent with the restrictions cited above and provides the following further restrictions on the County's investments:

- Limits investments in commercial paper to 25 percent of County available funds,
- Prohibits the placement of more than 35 percent of aggregate cash and investments in any one financial institution,
- Restricts repurchase agreements to those invested in U.S. Government obligations and its agencies and instrumentalities that are U.S. Government backed and requires a 102 percent margin for underlying collateral, and
- Requires that the purchase of securities be executed on a delivery versus payment basis through an independent third party and that securities be held by the custodian as evidenced by safekeeping receipts.

(2) Policies – pension investments – The County Retirement Board, which according to law consists of the three Commissioners, the Controller and the Treasurer, oversees the investments of the pension trust fund in a fiduciary capacity. The Retirement Board has adopted an investment policy (Pension Policy) that governs the investments of the County's pension trust fund. The Pension Policy establishes a target return of 7.0 percent for the pension trust fund and an objective of meeting or exceeding the pension plan's assumed actuarial rate of return. The Pension Policy also establishes an objective of meeting or exceeding the annualized investment performance of the pension plan's weighted asset-class benchmark indices.

The Pension Policy establishes targeted investment allocations of:

Investment	Target	Benchmark
Domestic equity	47%	Russell 3000
International equity	18%	MSCI ACWI ex U.S. (net)
Bonds	24%	Barclay Intermediate Government Credit
Real estate	5%	NCREIF ODCE Index
Private Infrastructure	5%	Secured Overnight Financing Rate Index +3%
Cash	1%	ML 90-day T-Bill

The Pension Policy provides that initial investments and subsequent fair value of investments held in the common stock of any one corporation may not exceed 5 percent and 8 percent, respectively, of the equity portion of any portfolio.

The Pension Policy restricts holdings in the following areas to the below stated percentages of the fixed income portfolio:

- Mortgage-backed securities – 30 percent,
- Zero coupon bonds – 20 percent,
- Baa or fourth investment grade bonds – 30 percent,
- Foreign fixed income securities, if rated A or above, including Canadian securities denominated in U.S. dollars – 20 percent,
- Securities whose price movements are exacerbated by interest rate changes or principal prepayments, including but not limited to: range accrual notes, interest-only security (IO), principal-only security (PO) – 20 percent.

The County's written Pension Policy includes the following risk mitigation measures:

- To manage custodial credit risk, investment custodians and deposit administrators shall exercise fund safekeeping and securities settlement procedures by participation in one or more appropriate securities depositories (e.g. Depository Trust Company, New York) and, as necessary, correspondent participation in other major depositories (e.g. the Federal Reserve System).
- In order to limit foreign currency exposure, hedging is permitted to protect against currency fluctuations for securities denominated in foreign currencies.
- To limit exposure to emerging markets and their associated risks, investments in emerging market equity securities are limited to 15 percent of the international equity portfolio at fair value.
- Credit risk is managed by requiring that any single fixed income security be rated investment grade by two of the three major rating agencies. Commercial paper holdings shall be A1 or P1 or Prime.
- To limit concentration of credit risk, holdings of fixed income securities of any one issuer cannot exceed 5 percent of the total fair value of the fixed income portfolio. Debt securities issued by the U.S. Treasury and Federal agencies are not subject to this restriction.
- Interest rate risk is managed by limiting duration to no more than 25 percent greater or 50 percent less than the effective duration of the portfolio benchmark. Holdings of zero coupon bonds (limited to U.S. Treasury securities) are capped at 20 percent of the fixed income portfolio. Range accrual notes, interest only and principal only securities are limited, as a group, to 20 percent of the fixed income portfolio.
- In regard to investments in mutual funds, the Pension Policy recognizes that, given the nature of mutual funds, the diversification limitations regarding both concentrations in individual securities and other objectives and specific requirements may at times be exceeded.

The Pension Policy prohibits the following transactions and purchases:

- Buying or short selling securities on margin and/or the use of any other form of leverage, including the lending of securities unless approved in writing in advance by the Board,
- Privately placed or otherwise unregistered securities except fixed income securities, issued under SEC Rule 144(a), which are demonstrably marketable and otherwise within guidelines,
- Investments in commodities or in any commodity contract, forward or futures trading activities, and all forms of portfolio hedging, excepting the use of stock options and/or currency hedges,
- Fixed income investments may not include deep discount or zero coupon (except U.S. Treasury) securities, tax exempt, derivative or synthetic securities such as collateralized debt obligation, credit default swaps, interest rate swaps and any total return swaps,
- The purchase of speculative or “naked” currency contracts undertaken without a demonstrable exposed investment position to be hedged in a specific currency, and
- Fixed income securities rated below investment grade by two of the three large rating agencies.

B. Risks

(1) Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of a bank failure, the County will not be able to recover its deposits or will not be able to recover collateral securities.

Custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty to an investment transaction, the County will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The Federal Deposit Insurance Corporation (FDIC) insures for each official government custodian up to \$250,000 of demand deposits per custodian per depository and, separately, up to \$250,000 of time and savings deposits per custodian per depository.

Funds in bank accounts held in a fiduciary capacity including the brokered certificates of deposit held by the County's Pension Fund are subject to separate FDIC coverage up to \$250,000 per applicable beneficiary.

Act 72 in the Commonwealth requires banks to hold collateral at least equal to the amount of public deposits held which exceed FDIC coverage limits in order to secure the deposits of public funds.

Custodial credit risk – non-pension deposits – As of December 31, 2022, \$130,804,746 of the County's bank balance of \$136,201,963 was exposed to custodial credit risk as follows:

Uninsured and collateral held by pledging bank's trust department or agent but not in the County's name	\$ 130,804,746
Total	<u>\$ 130,804,746</u>

Custodial credit risk – fiduciary fund deposits – Excluding the brokered certificates of deposit held by the County's Pension Fund as of December 31, 2022, \$2,769,440 of the County's bank balance of its fiduciary funds of \$5,480,364 was exposed to custodial credit risk as a result of it being uninsured and its collateral held by the bank's trust department or agent but not in the County's name.

Custodial credit risk – pension investments – The investments in the County's pension trust fund are exposed to custodial credit risk. The investments are held by the custodian in the custodian's name and not the name of the County and are recorded by the custodian only in book entry form in the name of the County.

Custodial credit risk – non-pension investments – As of December 31, 2022, \$691,382 of investments held in the County's self-insured workers compensation fund are exposed to custodial credit risk. The investments are held by the custodian in the custodian's name and not in the name of the County and are recorded by the custodian only in book entry form in the name of the County.

Though external investment pool participants, such as the County, in the County's aggregate \$20,181,478 of investments in the Pennsylvania Local Government Investment Trust (PLGIT) investment pools are not subject directly to the custodial credit risk of the pool, the County has indirect exposure to PLGIT's custodial credit risk. PLGIT's custodial credit risk disclosures are contained in their most recent audited annual financial statements.

(2) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Debt securities with interest rates that are fixed for longer periods are likely to be subject to more variability in their fair values as a result of future changes in interest rates.

Interest rate risk – non-pension investments – As of December 31, 2022, the County had debt securities with the following maturities:

Workers' Compensation Fund Investments

Investment Type	Fair Value	Investment Maturities (in years)	
		Less than 1	1-5
Debt securities			
U.S. government	\$ 293,800	—	293,800
U.S. agencies	397,582	397,582	—
Total debt securities	<u>\$ 691,382</u>	<u>397,582</u>	<u>293,800</u>
		58%	42%

Monies in the County's self-insured workers' compensation trust are invested for the satisfaction of short and long-term workers' compensation claims.

The County's various funds hold \$14,180,691 and \$787 of shares in external investment pools PLGIT/Prime and PLGIT-Class, respectively, on December 31, 2022, that both maintain a weighted average maturity of pooled investments of 60 days or less.

The County's various funds hold \$6,000,000 in external investment pool PLGIT/Term, on December 31, 2022, that maintains a weighted average maturity of pooled investments of not greater than one year.

Though the GASB does not require a reconciliation between non-pension investments as reported on the statement of net position, as of December 31, 2022, and non-pension investments per GASB 40 in Note 2, the \$34,590,032 of aggregate non-pension investments reported on the County's statement of net position includes \$26,750,000 of bank certificates of deposit which are not considered investments for GASB 40 footnote disclosures. Further, \$14,180,691 and \$787 of shares in external investment pools PLGIT/Prime and PLGIT-Class, respectively, are reported as cash and cash equivalents on the County's statement of net position yet are considered investments by GASB 40 for footnote disclosure purposes.

In aggregate, the County reports \$22,021,510, as of December 31, 2022, of non-pension investments in Note 2, consisting of an aggregate \$20,181,478 in PLGIT external investment pools across several funds, \$691,382 of U.S. government and agency securities in the County's self-insurance fund, and \$1,148,650 of investments reported by the County's blended component unit, the CAEDC.

Interest rate risk – pension investments – As of December 31, 2022, the County's pension trust fund had the following investments:

Investment Type	Fair Value	Investment Maturities (in years)			
		Less than 1	1-5	6-10	More than 10
<u>Debt investments</u>					
Money market mutual funds	\$ 1,757,453	1,757,453	—	—	—
Brokered bank certificates of deposit	2,126,541	—	2,126,541	—	—
U.S. government	1,305,564	—	770,189	535,375	1,534,529
U.S. agencies	17,398,978	—	9,927,724	5,936,725	472,934
Corporate bonds and notes	12,854,120	344,170	9,273,136	2,763,880	—
Asset backed securities	2,017,543	44,463	1,973,080	—	—
Collateralized mortgage obligations	314,311	—	—	8,203	306,108
Commercial mortgage-backed securities	1,260,415	—	—	—	1,260,415
Intermediate-term Treasury mutual fund	9,364,804	—	—	9,364,804	—
Short-duration debt mutual fund	9,132,964	—	9,132,964	—	—
High yield debt mutual fund	619,929	—	—	619,929	—
Total debt investments	58,152,622	<u>2,146,086</u>	<u>33,203,634</u>	<u>19,228,916</u>	<u>3,573,986</u>
		3.7%	57.1%	33.1%	6.1%
<u>Other investments</u>					
Equity securities-U.S.	13,926,217				
Equity mutual funds-U.S.	76,379,501				
Equity mutual funds-global	36,965,867				
Equity mutual funds-non-U.S.	29,695,642				
Infrastructure	13,856,360				
Real estate-U.S.	16,528,821				
Total investments	\$ <u>245,505,030</u>				

The fair value of the intermediate-term Treasury, short-duration debt, and the high yield debt mutual funds are reported in the columns above that correspond to weighted average maturities of their holdings at December 31, 2022

The total pension trust fund investments of \$245,505,030, include \$1,757,453 of short-term, liquid investments that are classified as cash and cash equivalents on the Pension Trust Employees' Retirement Fund Statement of Fiduciary Net Position.

Certain debt security interest terms may cause a debt security's fair value to be highly sensitive to interest rate changes such as securities that are callable or subject to prepayment as with asset-backed securities. The pension trust fund holds \$2,017,543 of asset backed securities, \$10,167,583 of corporate securities, \$253,669 of collateralized mortgage obligations, \$731,351 of commercial mortgage backed securities, and \$17,398,978 of U.S. agency securities of at December 31, 2022, that are highly sensitive to interest rate changes due to their risk of being called by the issuer and/or pre-paid by the underlying borrowers or mortgage holders.

(3) Credit Risk

Credit risk is the risk that an issuer of debt securities or other counterparty to an investment will not fulfill its obligations.

Credit risk – non-pension investments – The County's credit risk on its non-pension investments in its self-insured workers compensation fund at December 31, 2022, is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Quality Ratings**</u>
<u>Debt securities</u>		
U.S. government	\$ 293,800	AAA
U.S. agencies	397,582	AAA
Total debt securities	<u><u>\$ 691,382</u></u>	

** Moody's credit rating

The County's various funds hold \$14,180,691 and \$787 of shares in external investment pools, PLGIT/Prime and PLGIT-Class, respectively, on December 31, 2022, that are both rated AAA by Standard & Poor's. The County's various funds hold \$6,000,000 in external investment pool PLGIT/Term, on December 31, 2022, which is not rated.

Credit risk – pension investments – Exposure to credit risk in the County pension trust fund at December 31, 2022, is as follows:

Investment Type	Fair Value	Credit Quality Ratings*			
		AAA	AA	A	BBB
<u>Debt investments</u>					
Money market mutual funds	\$ 1,757,453	1,757,453	-	-	-
Brokered bank certificates					
of deposit	2,126,541	-	2,126,541	-	-
U.S. government	1,305,564	-	1,305,564	-	-
U.S. agencies	17,398,978	-	17,398,978	-	-
Corporate bonds and notes	12,854,120	-	1,431,601	5,584,632	5,837,887
Asset backed securities	2,017,543	1,198,493	654,530	164,520	-
Collateralized mortgage obligations	314,311	73,514	60,642	180,155	-
Commercial mortgage-backed securities	1,260,415	1,105,969	154,446	-	-
Total debt investments	\$ 39,034,925	4,135,429	23,132,302	5,929,307	5,837,887
		10.6%	59.2%	15.2%	15.0%

* Standard & Poors rating or equivalent

Brokered bank certificates of deposits are subject to FDIC coverage as per regulations.

The County pension trust fund holdings, on December 31, 2022, of an intermediate-term Treasury mutual fund, short-duration debt mutual fund, and high yield debt mutual fund are unrated.

(4) Concentration of Credit Risk

Concentration of credit risk is the risk of loss that is attributed to the magnitude of an investment in the debt securities of a single issuer.

Neither the County nor the County pension trust fund holds more than five percent of its investments as of December 31, 2022, in any one issuer, other than investments issued or explicitly guaranteed by the U.S. government.

(5) Foreign Currency Risk

Foreign currency risk – pension investments – Foreign currency risk is the risk that the fair value of such securities will be adversely affected by changes in exchange rates. The County retirement trust fund's asset managers manage foreign currency risk through hedging activities. The pension trust fund is exposed to foreign currency risk through its \$29,695,642 investment in foreign equity mutual funds as of December 31, 2022. The pension trust fund is exposed to foreign currency risk through the foreign equity holdings of global equity mutual funds of \$36,965,867 at December 31, 2022. The pension trust fund is also exposed to foreign currency risk in its \$13,513,192 of investments in international infrastructure limited partnerships. Exposure by currency denomination is unavailable.

C. Fair Value Measurement***Pension Investments***

The pension trust fund characterizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The pension trust fund has the following recurring fair value measurements at December 31, 2022:

Investment Types	Pension Trust Fund Investments			Fair Value Measurements Using	
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)		
Reported at fair value					
Debt investments					
Money market mutual fund	\$ 1,757,453	1,757,453	-	-	
Brokered bank certificates of deposit	2,126,541	-	2,126,541	-	
U.S. government	1,305,564	1,305,564	-	-	
U.S. agencies	17,398,978	-	17,398,978	-	
Corporate bonds and notes	12,854,120	-	12,854,120	-	
Asset backed securities	2,017,543	-	2,017,543	-	
Collateralized mortgage obligations	314,311	-	314,311	-	
Commercial mortgage-backed securities	1,260,415	-	673,414	587,001	
Intermediate-term Treasury mutual fund	9,364,804	9,364,804	-	-	
Short-duration debt mutual fund	9,132,964	9,132,964	-	-	
High yield debt mutual fund	619,929	619,929	-	-	
Total debt investments	58,152,622	22,180,714	35,384,907	587,001	
Other investments					
Equity securities - U.S.	13,926,217	13,926,217	-	-	
Equity mutual funds - U.S.	76,379,501	76,379,501	-	-	
Equity mutual funds - global	36,965,867	36,965,867	-	-	
Equity mutual fund - non-U.S.	29,695,642	29,695,642	-	-	
Infrastructure mutual fund-global	343,168	343,168	-	-	
Total investments at fair value level	215,463,017	179,491,109	35,384,907	587,001	
Reported at net asset value (NAV)					
Infrastructure	13,513,192				
Real estate - U.S.	16,528,821				
Total investments at NAV	30,042,013				
Total investments measured at fair value	\$ 245,505,030				

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for identical securities.

Investments classified in Level 2 of the fair value hierarchy are valued using pricing data for securities with similar terms, conditions and characteristics.

Investments classified as Level 3 of the fair value hierarchy are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available and are used in situations where there is little, if any, market activity for the asset or liability at the measurement date.

The County retirement fund's shares in two private real estate limited partnerships determine fair value for their shares using, as individually appropriate for each property in the portfolio, a market, income or cost approach. Properties are appraised generally on an annual basis by professionally certified appraisers. The fair values of related mortgage loans payable are determined by an independent firm and are considered in arriving at the portfolio's valuation.

The two private infrastructure limited partnerships that the County retirement fund holds shares in determine fair value for their shares using predominantly third-party valuers on a quarterly basis. The underlying projects - their assets and liabilities - which the limited partnerships are invested in are predominantly valued based on level 3 inputs.

Retirement Fund Investments Measured at Net Asset Value (NAV); Commitments and Redemptions

<u>Investment</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency, if applicable</u>	<u>Redemption Notice Period</u>
Infrastructure:				
IFM Global Infrastructure (US), L.P.	\$8,030,445	None	A limited partner may request to withdraw all or any portion of its interest in the partnership at any time. Redemption will occur at the prevailing unit price when funds are available. Significant volumes of redemption requests may require a meeting of investors to agree on an orderly process.	90 days advance notice required.
JPMorgan Infrastructure Investment Fund (IIF) Hedged L.P.	\$5,482,747	None	Redemption dates occur on March 31 and September 30th and are subject to the fund manager's discretion. Investors are subject to a 4 year soft lockup. Investors whose 4 year lock has not expired will be subject to a 4% repurchase discount on redemptions made within 4 years of the date that the last portion of their commitment is drawn.	90 days advance notice required.

Real estate - U.S.:

TA Realty Core Property Fund, L.P.	\$5,217,706	None	Redemptions are permitted on a quarterly calendar basis with settlement generally within one month after the quarter-end redemption date. There are no amount restrictions; however, the manager may delay the payment of redemption proceeds in the best interests of the remaining investors.	45 days advance notice required.
Clarion Lion Properties Fund, L.P.	\$11,311,115	None	Redemptions are permitted on a quarterly calendar basis with settlement generally within one month after the quarter-end redemption date. There are no amount restrictions; however, the manager may delay the payment of redemption proceeds in the best interests of the remaining investors.	90 day advance notice is required.

Non-pension investments

The \$293,800 and \$397,582 of investments in the County's workers' compensation self-insurance internal service fund, consisting of U.S. Treasury and U.S. agency securities respectively, are all Level 1, which are valued using prices quoted in active markets for identical securities.

The County's various funds hold \$14,180,691 and \$787 in external investment pools PLGIT/Prime and PLGIT-Class, respectively, on December 31, 2022.

The County's various funds hold \$6,000,000 in external investment pool PLGIT/Term, on December 31, 2022.

Per PLGIT's Annual Report as of December 31, 2022, PLGIT's investment pools meet the GASB Statement No. 79 criteria allowing the valuation of pool investments at amortized cost which, PLGIT asserts in their Annual Report, approximates fair value. As PLGIT/Prime, PLGIT-Class and PLGIT/Term are reported at amortized cost, the County also reports their shares in the investment pool at amortized cost.

PLGIT seeks to manage its PLGIT/Prime and PLGIT-Class portfolios to maintain a stable net asset value of \$1.00 per share. PLGIT seeks to manage its PLGIT/Term portfolio to maintain \$1.00 per share at maturity. However, PLGIT does not guarantee that they will be able to maintain \$1.00 per share.

PLGIT's separately issued financial statements are available on their website.

The County investment in the PLGIT's pools represents no unfunded commitments and imposes no redemption restrictions other than limiting the number of withdrawals to two per month (PLGIT/Prime) or at maturity (PLGIT/Term).

The Commonwealth of Pennsylvania provides external regulatory oversight of PLGIT's investment pools.

PLGIT is organized as a trust and is overseen by an elected Board of Trustees responsible for its overall management, and investment and operating policies. PLGIT is not required to be registered with the Security and Exchange Commission as an investment company. All participation in PLGIT is voluntary.

3. Real Estate Taxes

Real estate taxes attach as an enforceable lien on property as of January 1 and are levied on March 1 and fund operations in the year of levy. The County bills these taxes which are collected by elected tax collectors. Taxes paid through April 30 are given a two percent discount. Amounts paid after June 30 are assessed a ten percent penalty. The County collects delinquent real estate taxes on behalf of itself and other taxing authorities.

The County is permitted by the County Code of the Commonwealth of Pennsylvania to levy real estate taxes up to 25 mills on every dollar of adjusted valuation for general County purposes exclusive of the requirements for the payment of interest and principal on bonded debt. For 2022, County real estate taxes were levied at the rate of 2.195 mills for general County purposes.

An additional levy was approved by the electorate for the County library system at 0.166 mills. This tax is accounted for as an agency transaction and the associated library taxes receivable, unearned taxes and tax revenues are not recognized by the County.

4. Receivables

Taxes receivable is reduced by an allowance for uncollectible accounts of \$737,327 for 2022 which is determined by a review of account status. Of the County's delinquent taxes receivable, \$355,727 is expected to be collected beyond one year.

Amounts due from other governments are primarily grants receivable from the Commonwealth of Pennsylvania as of December 31, 2022, which are expected to be collected within one year.

Within the accounts receivable balance of \$8,988,090 a substantial portion (\$8,375,669) is attributable to the opioid class action lawsuit settlement that will be distributed to the County by court order over eighteen years through a trust established by the Pennsylvania Legislature. The County will fully collect that balance, however, \$7,817,419 is expected to be collected in greater than one year.

Court costs and fines receivable are collectible balances on the day they are imposed through the County's court system. The County collects these balances through the Clerk of Court, Court Administration and probation offices. The court costs and fines receivable as of December 31, 2022, is \$9,875,657. Of that balance, the County has recognized an allowance for doubtful accounts of \$7,832,442. Of the County's court costs and fines receivable, \$1,062,144 is expected to be collected beyond one year.

5. Capital Assets

Capital asset activity for the year ended December 31, 2022, was as follows:

	Beginning Balance	Additions	Sales and Other Dispositions *	Ending Balance
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 2,900,407	—	—	2,900,407
Construction in progress	4,234,267	9,088,688	(5,533,887)	7,789,068
Agricultural easements	<u>12,360,857</u>	<u>478,500</u>	<u>—</u>	<u>12,839,357</u>
Total capital assets, not being depreciated	<u>19,495,531</u>	<u>9,567,188</u>	<u>(5,533,887)</u>	<u>23,528,832</u>
Capital assets, being depreciated:				
Buildings and systems	86,491,330	21,777	—	86,513,107
Leased buildings	3,349,162	428,294	—	3,777,456
Improvements other than buildings	2,728,245	—	—	2,728,245
Machinery and equipment	33,160,882	1,224,780	(125,623)	34,260,039
Bridges	<u>35,495,640</u>	<u>4,905,063</u>	<u>—</u>	<u>40,400,703</u>
Total capital assets, being depreciated	<u>161,225,259</u>	<u>6,579,914</u>	<u>(125,623)</u>	<u>167,679,550</u>
Less accumulated depreciation for:				
Buildings and systems	(50,194,723)	(2,409,250)	—	(52,603,973)
Leased buildings	(2,295,916)	(385,481)	—	(2,681,397)
Improvements other than buildings	(1,289,730)	(139,479)	—	(1,429,209)
Machinery and equipment	(20,261,452)	(2,126,247)	125,623	(22,262,076)
Bridges	<u>(6,667,795)</u>	<u>(694,082)</u>	<u>—</u>	<u>(7,361,877)</u>
Total accumulated depreciation	<u>(80,709,616)</u>	<u>(5,754,539)</u>	<u>125,623</u>	<u>(86,338,532)</u>
Total capital assets, being depreciated, net	<u>80,515,643</u>	<u>825,375</u>	<u>—</u>	<u>81,341,018</u>
Governmental activities capital assets, net	\$ <u>100,011,174</u>	<u>10,392,563</u>	<u>(5,533,887)</u>	<u>104,869,850</u>

(continued)

* The balance of sales and other dispositions includes disposals and transfers.

5. Capital Assets (continued)

	Beginning Balance	Additions	Sales and Other Dispositions*	Ending Balance
Business-type activities				
Capital assets, not being depreciated:				
Construction in progress	\$ —	—	—	—
Total capital assets, not being depreciated	—	—	—	—
Capital assets, being depreciated:				
Buildings and systems	27,032,842	98,328	(27,131,170)	—
Improvements other than buildings	738,972	—	(738,972)	—
Machinery and equipment	2,974,048	—	(2,974,048)	—
Total capital assets, being depreciated	30,745,862	98,328	(30,844,190)	—
Less accumulated depreciation for:				
Buildings and systems	(20,934,220)	(284,895)	21,219,115	—
Improvements other than buildings	(674,955)	(5,891)	680,846	—
Machinery and equipment	(2,181,102)	(70,264)	2,251,366	—
Total accumulated depreciation	(23,790,277)	(361,050)	24,151,327	—
Total capital assets, being depreciated, net	6,955,585	(262,722)	(6,692,863)	—
Business-type activities capital assets, net	\$ 6,955,585	(262,722)	(6,692,863)	—

* The balance of sales and other dispositions includes disposals and transfers.

5. Capital Assets (continued)

Depreciation expense was charged to the functions/programs of the County in 2022 as follows:

Governmental activities

General government - administrative	\$ 1,697,892
General government - judicial	602,007
Corrections	1,276,431
Emergency telephone	728,764
Public safety	589,775
Roads and bridge maintenance	694,082
Recycling and waste management	114,561
Human services:	
Mental health/intellectual and developmental disabilities	12,140
Children and youth	2,897
Food and shelter	1,929
Office of aging	12,961
Other	175
Culture and recreation	12,726
Conservation	2,633
Economic development and assistance	5,566
Governmental activities-depreciation expense	\$ <u><u>5,754,539</u></u>

Business-type activities

County nursing home	\$ 361,050
Business-type activities-depreciation expense	\$ <u><u>361,050</u></u>

6. Interfund and Transfer Accounts

The composition of interfund balances at December 31, 2022, follows:

Receivable Fund	Payable Fund	Amount
General	Mental health/intellectual and developmental disabilities	\$ 475,665
	Children and youth	2,099,266
	Non-major governmental funds	1,805,391
	Internal service fund	135,187
American rescue plan	General	14,914,824
Non-major governmental funds	General	2,383,048
	Non-major governmental funds	557,078
Total		\$ <u>22,370,459</u>

Interfund payable balances for the governmental and proprietary funds are the result of normal business processes at the County where the general fund pays outstanding bills, invoices and payroll on their behalf. The general fund is reimbursed biweekly, or as funds become available.

The composition of interfund transfers for the year ended December 31, 2022, follows:

	Transfer in:					
	General Fund	Mental health/ Intellectual and Developmental Disabilities	Children and Youth	Governmental Non-major	Internal service funds	Total
Transfer out:						
General fund	\$ -	2,314,480	4,836,738	6,502,006	-	13,653,224
Children and Youth	-	-	-	69,500	-	69,500
American rescue plan	34,283,788	-	-	-	-	34,283,788
County nursing home	12,486,199	-	-	-	356,550	12,842,749
Governmental non- major funds	220,030	-	-	6,303,690	-	6,523,720
Total transfers out	\$ 46,990,017	2,314,480	4,836,738	12,875,196	356,550	67,372,981

Transfers from the general fund are used, in part, to help finance various grant programs in other funds. Additionally, transfers are used to subsidize operations such as the emergency telephone and human service programs. Transfers are also used to move unrestricted funds from the general fund and non-major governmental funds such as emergency telephone and capital projects to pay debt service.

Other common recurring non-major governmental fund transfers occurred between the hotel tax fund and the economic development fund (CAEDC) in the amount of \$2,432,003.

Further, during the year ended December 31, 2022, the County made two transfers that are infrequent in nature to the general fund. The first was between the governmental major fund American rescue plan act to the general fund in the amount of \$34,283,788. The other transfer occurred between the County nursing home and the general fund in the amount of \$12,486,199.

7. Long-term Liabilities

The following is a summary of the changes in the County's long-term liabilities for the year ended December 31, 2022:

Liabilities	Balance			Balance	Due
	January 1, 2022	Additions	Reductions	December 31, 2022	Within One Year
Governmental activities					
Bonds and notes payable:					
Bonds	\$ 19,110,000	14,395,000	1,935,000	31,570,000	2,495,000
CAEDC Notes	1,518,823	-	213,853	1,304,970	64,241
Premium on bonds	<u>1,533,235</u>	<u>841,430</u>	<u>222,733</u>	<u>2,151,932</u>	<u>-</u>
Total bonds and notes payable	22,162,058	15,236,430	2,371,586	35,026,902	2,559,241
Direct borrowing:					
Notes	5,271,611	-	2,460,214	2,811,397	501,217
Sick and vacation	4,527,632	5,174,701	5,016,869	4,685,464	472,913
Other postemployment benefit obligations	1,907,751	312,959	270,225	1,950,485	-
Net pension liability	-	36,166,404	4,354,090	31,812,314	-
Workers' compensation	543,992	98,650	149,071	493,571	91,143
Leases	<u>1,102,100</u>	<u>428,295</u>	<u>422,479</u>	<u>1,107,916</u>	<u>412,836</u>
Governmental activities long-term liabilities	<u>\$ 35,515,144</u>	<u>57,417,439</u>	<u>15,044,534</u>	<u>77,888,049</u>	<u>4,037,350</u>
Business-type activities					
Bonds payable:					
Bonds	\$ 795,000	-	795,000	-	-
Premium on bonds	<u>11,194</u>	<u>-</u>	<u>11,194</u>	<u>-</u>	<u>-</u>
Total bonds payable	<u>806,194</u>	<u>-</u>	<u>806,194</u>	<u>-</u>	<u>-</u>
Sick and vacation	243,264	100,862	344,126	-	-
Other postemployment benefit obligations	<u>312,959</u>	<u>-</u>	<u>312,959</u>	<u>-</u>	<u>-</u>
Business-type activities long-term liabilities	<u>\$ 1,362,417</u>	<u>100,862</u>	<u>1,463,279</u>	<u>-</u>	<u>-</u>

For the governmental activities, bonds are exclusively liquidated by the general fund transferring amounts to the debt service fund for principal and interest payments.

For notes payable, the CAEDC has funded the repayment of the outstanding balances. The 2020 direct borrowing issued note of \$5,000,000 from the PA Infrastructure Bank will be liquidated by the liquid fuels special revenue fund.

For sick and vacation liabilities, the general fund normally liquidates 64 percent, and the Children and Youth, Emergency Telephone and Department of Aging liquidate 10 percent, 8 percent and 7 percent, respectively.

For other post-employment benefit obligations, the general fund normally liquidates 58 percent, and the Children and Youth, MHIDD and Department of Aging liquidate 8 percent, 5 percent and 3 percent, respectively.

Lease and equipment lease notes are primarily funded by the general fund.

The County issues general obligation bonds and notes to provide funds primarily for the acquisition and construction of major capital facilities. General obligation bonds and notes have been issued for governmental-type activities.

The County is subject to federal arbitrage laws governing the use of proceeds of tax exempt debt. There was no arbitrage payable due as of December 31, 2022.

All bonds and notes outstanding at December 31, 2022, except for the CAEDC note, are general obligation debt supported by the full faith and credit of the County and are summarized as follows:

	Interest Rate	Final Maturity	Original Issue	Governmental Activities
General obligation bonds:				
G.O. bonds – 2016 issue	2% - 5%	2028	\$ 11,470,000	7,430,000
G.O. bonds – 2018 issue	1.4% - 3%	2031	12,140,000	9,745,000
G.O. bonds – 2022 issue	1.85% - 3.9%	2042	<u>14,395,000</u>	<u>14,395,000</u>
Total general obligation bonds			<u>38,005,000</u>	<u>31,570,000</u>
Notes from direct borrowing:				
PA infrastructure bank note	2.625%	2030	<u>5,000,000</u>	<u>2,811,397</u>
Total direct borrowing			<u>5,000,000</u>	<u>2,811,397</u>
Long-term debt at December 31, 2022				34,381,397
Premium/Discount on notes				<u>2,151,932</u>
Net long-term debt at December 31, 2022				\$ <u>36,533,329</u>

Of the outstanding balance at December 31, 2022, of the 2016 bond issue, \$7,430,000 benefits the general fund, therefore, repayment will be budgeted in the general fund.

Of the outstanding balance at December 31, 2022, of the 2018 bond issue, \$9,745,000 benefits the general fund, therefore, repayment will be budgeted in the general fund.

In 2022, the County issued general obligation note, series 2022 to fund the P25 radio infrastructure project. Of the 2022 issue, \$14,395,000 benefits the emergency telephone fund, therefore, repayment will be budgeted in the emergency telephone fund.

The \$2,811,397 outstanding balance at December 31, 2022 of the 2020 \$5,000,000 direct borrowing from the PA Infrastructure Bank, benefits the County bridge program, therefore, repayment will be budgeted in the liquid fuels fund.

- The County's 2020 direct borrowing in the amount of \$5,000,000 from the Commonwealth of Pennsylvania (PennDOT) Infrastructure Bank is evidenced by a Loan Agreement, dated October 1st, 2020, the terms of which provide that upon the occurrence of an event of default the loan shall be accelerated, and PennDOT may withhold all or part of the County's liquid fuels tax allocation under the Liquid Fuels Municipal Allocation Law. Events of Default under the Loan Agreement include: (i) the County fails to pay principal within ten days of when due; (ii) the County fails to observe a term of the Loan Agreement; (iii) the County makes a materially false or erroneous statement, certificate, report, representation, or warranty in connection with the loan; (iv) the proceeds of the loan are used for purposes other than the project described in the Loan Agreement; (v) the County becomes insolvent, enters bankruptcy, or has a receiver appointed on its behalf. An event of default shall not occur until after the expiration of a thirty-day cure period.

The County's December 31, 2022, net nonelectoral debt limit, and combined net nonelectoral debt and net lease rental debt limit are \$397,822,697 and \$541,890,727, respectively.

The annual debt service requirements for the next five years and thereafter, in five-year increments, on long-term debt outstanding as of December 31, 2022, including interest payments, are as follows:

Governmental-type Activities				
	Bonds		Notes from direct borrowing	
	Principal	Interest	Principal	Interest
2023	\$ 2,495,000	1,167,775	501,217	70,531
2024	2,615,000	1,040,025	514,460	57,288
2025	2,730,000	924,925	528,053	43,695
2026	2,830,000	823,350	542,006	29,743
2027	2,935,000	722,925	556,327	15,421
2028-2042	<u>17,965,000</u>	<u>4,262,625</u>	<u>169,334</u>	<u>22,223</u>
Total	\$ <u>31,570,000</u>	<u>8,941,625</u>	<u>2,811,397</u>	<u>238,901</u>

8. Leases

The County leases building space for certain County and magisterial district court offices. These terms range from five to ten years.

The County's building leases contain scheduled rents payable. Building leases have expiration dates extending through 2027.

The following is a schedule of future minimum lease payments for leases with initial or remaining terms in excess of one year as of December 31, 2022:

Governmental Activities		
	Principal	Interest
2023	\$ 412,836	26,539
2024	331,425	17,399
2025	230,832	11,230
2026	117,288	2,480
2027	15,535	154
Total	\$ 1,107,916	57,802

9. Other Postemployment Benefits (OPEB)

The County reports the recognition in government-wide and proprietary fund financial statements of earned other postemployment benefits as part of the compensation package of active employees for services rendered. The cost and obligation for other postemployment benefits are required to be measured by an actuarial valuation.

A. Plan Description

Cumberland County sponsors and administers a postemployment benefits plan entitled Cumberland County Retiree Medical Plan (OPEB Plan). It is a single-employer plan that covers health insurance benefits where County retirees and their beneficiaries may continue to participate in the County's health coverage. The County's health coverage is provided through an insurance company. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

To be eligible to receive the benefits of the health insurance plan, a retiree must be receiving annuity payments from the Cumberland County Retirement Plan. The County Commissioners established the OPEB Plan and may amend the OPEB Plan at any time. The County is under no statutory or contractual obligation to provide this postemployment benefit.

Retirees opting to participate are asked to pay a premium amount that is less than the County's actual cost to provide health care coverage to retirees. The premium amount retirees pay is a blended rate for covering both active and retired OPEB Plan members. The fact that the blended rate that retirees pay is less than the cost of covering retired members and their beneficiaries results in what is known as an "implicit rate subsidy" by the County, which gives rise to the benefit.

The County has opted not to charter a trust for the County's OPEB, therefore the County does not issue a separate financial report and the financial statements are included below.

Membership of the OPEB Plan consisted of the following at January 1, 2022, the date of the latest actuarial valuation:

	Primary Government	Component Unit	Total
Retirees and beneficiaries receiving benefits	32	-	32
Retirees entitled to but not receiving benefits	-	-	-
Active employees	984	7	991
Total membership	1,016	7	1,023

At retirement, we assume that 25 percent of employees will elect to participate in the plan.

Because the OPEB Plan relates solely to the County's decision to provide other postemployment benefits through the payment of the implied subsidy by extending medical benefits to retirees at the above mentioned blended rate, no stand-alone financial report for the plan is available. The OPEB Plan is not included in the financial report of another entity.

B. Total OPEB Liability

The County's total OPEB liability of \$1,970,784 was measured as of December 31, 2022.

The calculations were based on an actuarial valuation as of January 1, 2022. Update procedures were used by the actuary to roll forward the total OPEB liability to the measurement date.

C. Actuarial Assumptions

The total OPEB liabilities at December 31, 2022, were determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0 percent
Wage increases	3.50 percent, average, including inflation
Discount rate	4.31 percent
Healthcare cost trend rates	5.75 percent from 2023 to 2024 decreasing to an ultimate rate of 3.94 percent by 2075
Retirees' share of benefit-related costs	100 percent of projected health insurance premiums for retirees

The discount rate of 4.31 percent is based on the S&P Municipal Bond 20-Year High Grade Index as of December 31, 2022.

Mortality rates were based on the Pub-2010 Headcount-Weighted table General Employees projected fully generationally using MP-2021.

The actuarial assumptions are based on past experience under the plan and reasonable future expectations which represent our best estimate of anticipated experience under the plan.

D. Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at January 1, 2022	\$ 2,238,619
Changes for the year:	
Service cost	115,392
Interest	46,510
Changes in benefit terms	-
Difference between expected and actual experience	83,062
Changes in assumptions or other inputs	(341,512)
Benefit payments	(171,287)
Net changes	(267,835)
Balance at December 31, 2022	\$ 1,970,784

There were no changes of benefit terms. The changes in assumptions or other inputs were as a result of a change in discount rate from 2.05 to 4.31 percent. Health care cost trend rates changed from last year's assumption of 6.00 percent for 2022 to 2023 decreasing to 3.94 percent by 2075, to this year's assumption of 5.75 percent for 2023 to 2024 decreasing to 3.94 percent by 2075.

E. Sensitivity of Assumptions

Sensitivity of the total OPEB liability to change in the discount rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be, if it were calculated using a discount rate that is 1-percentage-point lower (3.31 percent) or 1-percentage-point higher (5.31 percent) than the current discount rate:

	1% Decrease (3.31%)	Discount Rate (4.31%)	1% Increase (5.31%)
Primary government	\$ 2,095,937	1,950,485	1,813,748
Component unit	<u>21,813</u>	<u>20,299</u>	<u>18,876</u>
Total OPEB Liability	\$ 2,117,750	1,970,784	1,832,624

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be, if it were calculated using healthcare cost trend rate that are 1-percentage-point lower (4.75 percent decreasing to 2.94) or 1-percentage-point higher (6.75 percent decreasing to 4.94 percent)

	1% Decrease (4.75% decreasing to 2.94%)	Healthcare Cost Trend Rates (5.75% decreasing to 3.94%)	1% Increase (6.75% decreasing to 4.94%)
Primary government	\$ 1,745,523	1,950,485	2,190,689
Component unit	18,166	20,299	22,799
Total OPEB Liability	\$ 1,763,689	1,970,784	2,213,488

F. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2022, the County recognized an OPEB expense of \$171,654. At December 31, 2022, the County reported deferred outflows and inflows of resources related to OPEB from the following sources:

Deferred outflows of resources:

	Primary Government	Component Unit	Total
Expected and actual OPEB experience	\$ 556,993	5,797	562,790
Total deferred outflow of resources	\$ 556,993	5,797	562,790

Deferred inflow of resources:

	Primary Government	Component Unit	Total
Expected and actual OPEB experience	\$ 220,311	2,293	222,604
Changes of OPEB assumptions	129,264	1,345	130,609
Total deferred inflow of resources	\$ 349,575	3,638	353,213

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:

	Primary Government	Component Unit	Total
2023	\$ 179,171	1,865	181,036
2024	165,102	1,718	166,820
2025	(4,155)	(43)	(4,198)
2026	(90,740)	(944)	(91,684)
2027	(41,960)	(437)	(42,397)
	\$ 207,418	2,159	209,577

10. Cumberland County Retirement Plan**A. Summary of Significant Accounting Policies**

Method used to value investments. Investments are reported at fair value.

B. Plan Description***Plan Administration***

Cumberland County's Employees' Retirement Trust Fund (the Plan) is a single-employer defined benefit pension plan that covers full-time employees of the County. The Plan is covered by the County Pension Law, Act 96 of 1971 of the General Assembly of the Commonwealth of Pennsylvania, as amended.

Management of the Plan is vested in the Plan's board, which consists of five members—the Controller, the Treasurer and the three Commissioners.

Plan Membership

As of December 31, 2022, employee membership data related to the pension plan was as follows:

	Primary Government	Component Unit	Total
Inactive plan members or beneficiaries currently receiving benefits	816	4	820
Inactive plan members entitled to but not yet receiving benefits	238	2	240
Active employees	881	10	891
Total membership	1,935	16	1,951

Benefits Provided

All full-time employees are required to participate in the Plan. The pension plan provides retirement, disability and death benefits. Retirement benefits for Plan member with normal retirement at age 60 (or 55 with 20 years of service) are based on a formula including final average salary and years of credited service, in addition to the member's accumulated contribution to the Plan. The County share of the annual benefit is from one percent to 1.429 percent (depending on the date the employee entered into the plan) of the average of the employee's three highest annual salaries times the years of service. Early retirement is available upon 20 years of service or after eight years if involuntarily terminated. Members become vested after five years of service. County employees who terminate and choose to remain vested after five years of credited service will receive a deferred annuity commencing at retirement age. A plan member who leaves the County with less than 5 years may withdraw his or her contributions, plus any accumulated interest.

The death benefits of an active Plan member with 10 years of service are either a lump sum payment of both the County and members contributions or an optional pension annuity to their surviving beneficiary.

Disability retirement benefits are available to active plan members with more than 5 years of service and who collect Social Security disability insurance payments. They are entitled to disability compensation of 25% of the average three highest compensation years.

Benefit terms provide for an ad hoc post-employment benefit change. Cost-of-living adjustments for pensioners are provided at the discretion of the Retirement Board and must be reviewed once every three years. The adjustment, should the County elect to give one, is a percentage of the change in the Consumer Price Index.

Contributions

The Retirement Board may, at any time, either authorize active members of the retirement system, whether original or new members, to transfer from one member contribution class to another in which contribution rates can vary from 5 percent currently to a potential 9 percent, if elected. For further information see Section 7 of the County Pension Law, Act 96 of 1971.

As a condition of participation the Retirement Board, under Section 7 of the County Pension Law, Act 96 of 1971, currently requires employees to contribute five percent of their salary. Employees may elect to contribute up to 15 percent of their salary. Interest is credited to the employee's account each year at the currently approved annual rate of four percent as voted upon by the County Retirement Board.

Section 6 of the County Pension Law requires the actuary of the Pension board to annually certify the amount of appropriation to be made by the County to the Retirement fund to build up and maintain adequate reserves for the payment of the County's share of retirement allowances. The actuarially computed annual determined contribution for 2022 was \$4,039,124 and is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability.

The Cumberland County's Employees' Retirement Trust Fund (the Plan) does not issue a separate report; therefore financial statements are included below.

C. Investments***Investment policy***

The Retirement Board's investment policy is described in Note 2, Deposits and Investments.

Concentrations

The limit on concentrations is part of the investment policy described in the Policies section of Note 2, Deposits and Investments.

Rate of return

For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (12.02) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amount actually invested.

D. Receivables

As of December 31, 2022, the County's pension plan does not contain any outstanding receivables for contributions from the County or any other non-employer contributing entity.

E. Allocated Insurance Contracts

As of December 31, 2022, the pension plan does not have any allocated insurance contracts that are excluded from pension plan assets.

F. Reserves

As of December 31, 2022, the pension plan does not have any reserves set aside for future benefit increases or decreased employer contributions.

G. Deferred Retirement Option Program

The County does not offer plan participants a deferred retirement option program upon retirement.

H. Net Pension Liability

The components of net pension liability at December 31, 2022, were as follows:

	Primary government	Component unit	Total
Total pension liability	\$ 274,674,909	3,364,274	278,039,183
Plan fiduciary net position (allocated)	<u>242,862,595</u>	<u>2,974,630</u>	<u>245,837,225</u>
Net pension liability	<u>\$ 31,812,314</u>	<u>389,644</u>	<u>32,201,958</u>
Plan fiduciary net position as a percentage of the total pension liability	88.42%	88.42%	88.42%

There is a \$74,221 difference between the Pension Trust statement of fiduciary net position on page 46 and the plan fiduciary net position recorded in the components of net pension liability of this note due to other liabilities reported in the statement of fiduciary net position.

I. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0%
Salary increases	3.5%
Investment rate of return	7.0%, net of administrative expense, including inflation

Mortality rates are based on the PubG-2010 RP annuitant and non-annuitant mortality tables for males and females set forward one year with generational mortality improvement using MP2020.

The actuarial assumptions used in the December 31, 2022, valuation were based on past experience under the plan and reasonable future expectations which represent the Retirement Board's best estimate of anticipated experience under the plan.

No ad hoc postemployment benefit changes were included in future liabilities.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2022, (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	5.2%
International equity	5.6
Infrastructure	5.1
Real estate	4.9
Fixed income	0.9
Cash	0.0

J. Discount Rate

In 2022, the discount rate (long-term expected rate of return) used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at equal monthly installments to fund the actuarially determined amounts. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods to determine the total net pension liability.

K. Changes in Components of Net Pension Liability**Changes in the Net Pension Liability (Asset)**

	Total Pension Liability	Increase/(Decrease)	Net Pension Liability/(Asset)
	Plan Fiduciary Net Position		
Balances as of December 31, 2021	\$ 256,408,106	282,876,736	(26,468,630)
Changes for the year:			
Service cost	4,601,734	-	4,601,734
Interest	18,680,566	-	18,680,566
Differences between expected and actual experience	2,498,704	-	2,498,704
Changes of assumptions	10,613,590	-	10,613,590
Contributions-employer	-	8,189,124	(8,189,124)
Contributions-member	-	3,923,727	(3,923,727)
Net investment income	-	(34,156,247)	34,156,247
Benefit payments, including refunds of members contribution	(14,763,517)	(14,763,517)	-
Plan administration expense	-	(232,598)	232,598
Net changes	21,631,077	(37,039,511)	58,670,588
Balances as of December 31, 2022	\$ 278,039,183	245,837,225	32,201,958

Sensitivity of the net pension liability to changes in the discount rate

The net pension liability/(asset) of the County is calculated using the current discount rate of 7.00 percent. The table below illustrates what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) and 1-percentage-point higher (8.00 percent) than the current rate.

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
Primary government	\$ 63,818,395	31,812,314	5,305,192
Component unit	781,661	389,644	64,979
Total net pension liability/ (asset)	<u><u>\$ 64,600,056</u></u>	<u><u>32,201,958</u></u>	<u><u>5,370,171</u></u>

L. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Pension Plan

For the year ended December 31, 2022, pension expense was \$7,644,776. Pension expense for the primary government and component unit was a credit of \$7,567,250 and \$77,526, respectively.

At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	Primary Government	Component Unit	Total
Deferred outflows of resources:			
Deferred difference-expected and actual pension experience	\$ 5,023,075	61,522	5,084,597
Deferred difference- projected and actual pension earnings	22,992,194	281,613	23,273,807
Deferred difference-change of pension assumptions	<u>8,575,542</u>	<u>105,035</u>	<u>8,680,577</u>
Total deferred outflows of resources	<u><u>\$ 36,590,811</u></u>	<u><u>448,170</u></u>	<u><u>37,038,981</u></u>
Deferred inflows of resources:			
Deferred difference-expected and actual pension experience	38,210	468	38,678
Total deferred inflows of resources	<u><u>\$ 38,210</u></u>	<u><u>468</u></u>	<u><u>38,678</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:**Net deferred inflows (outflows) of resources:**

	Primary		
	Government	Component Unit	Total
2023	\$ 4,951,219	60,644	5,011,863
2024	9,005,059	110,296	9,115,355
2025	10,515,687	128,798	10,644,485
2026	12,080,636	147,964	12,228,600
	<hr/> <hr/> \$ 36,552,601	<hr/> <hr/> 447,702	<hr/> <hr/> 37,000,303

At December 31, 2022, the County's contributions were fully funded to the pension plan as required for the year.

The schedules of 1) changes in net pension liability and related ratios, 2) County contributions, and 3) investment returns are presented as required supplementary information (RSI) following the notes to the financial statements.

11. Litigation

The County is involved in several lawsuits arising in the normal course of business. It is the County solicitor's opinion that the aggregate amount of potential claims not covered by insurance resulting from actions against the County would not materially affect the financial position of the County at December 31, 2022.

12. Commitments and Contingencies**Commitments**

The County has significant contractual commitments related to various construction projects. At December 31, 2022, the County's commitments are as follows:

Project	Expended Through December 31, 2022	Remaining Commitment
Radio tower upgrade project	\$ 2,447,739	811,242
Emergency telephone radio project	3,796,000	16,855,000
County recovery grant program	76,450	7,228,383

The radio tower upgrade and emergency telephone radio projects, in the County's non-major funds, will be funded with a 2022 bond issue.

The County recovery grant program, in the County general fund, will be funded by funds made available for use from ARPA funds.

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

13. Self-Insurance**Workers' Compensation**

The County has established a workers' compensation fund (an internal service fund) to account for and finance its uninsured risks of loss due to employee claims. Under this program, the workers' compensation fund provides coverage for up to a maximum of \$500,000 for each individual worker's compensation occurrence, except for CNRC and prison employees where the maximum is \$600,000. The County purchases commercial insurance for claims in excess of coverage provided by the fund. Settled claims have not exceeded this commercial coverage in the last three years.

All County employees are covered by the workers' compensation fund. Elected officials, excluding the coroner, are not covered by workers' compensation. The County funds the program by making payments to the workers' compensation fund from various County departments/funds based upon estimates of the amounts needed to pay prior and current year claims. Liabilities include an estimated amount for claims that have been incurred but not reported (IBNR). Liabilities for claims do not include non-incremental claims adjustment expenses. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs, and other economic and social factors.

The County establishes claims liabilities for its workers' compensation self-insurance activities. The liability is based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and estimates of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the claims involved. Estimated amounts of subrogation and reinsurance that are recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit because reliance is placed on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to operations in the periods in which they are made.

The carrying amount for unpaid claim liabilities, including IBNR, are reported at their estimated future value and are not discounted to present value using a discount rate.

Changes in the fund's claims liability (net of excess insurance) for the years ended December 31, 2022, and December 31, 2021, were:

	Provision for Claims			Claim Payments			End of Year Liability
	Beginning of Year Liability	Current Year	Prior Years	Current Year	Prior Years		
2022	\$ 543,992	341,842	(243,192)	164,117	(15,046)	493,571	
2021	\$ 914,916	(4,950)	(254,914)	99,430	11,630	543,992	

Health Care Self Insurance

Beginning January 1, 2018, the County became self-funded for both the HRA and HSA medical plans. This change was made to help control health care cost for the County. A self-funded plan is when an employer assumes the financial risk for providing health care benefits to its employees. Rather than paying fixed premiums to an insurance carrier, who in turn assumes the financial risk, an employer will only fund the actual claims incurred by their employees. The County carries stop-loss insurance that provides protection for claims exceeding \$250,000 for an individual. Claims may be submitted no longer than twelve months from the date of service. The County estimates year-end claim liabilities based on the IBNR received from USI for the fourth quarter.

	Provision for Claims		Claim Payment			End of Year Liability
	Beginning of Year Liability	Current Year	Prior Year	Current Year	Prior Year	
2022	\$ 1,062,000	14,164,296	(1,052,118)	13,161,296	9,882	1,003,000
2021	\$ 881,000	14,515,895	(880,072)	13,453,895	928	1,062,000

14. Disposal of Operations

On March 13, 2022, the County sold operating assets and associated operations related to the Claremont Nursing and Rehabilitation Center, an enterprise fund of the County, in the amount of \$22,250,000. The proceeds were recorded in the enterprise fund. The enterprise fund recorded a special item - gain on sale of the nursing home in the amount of \$11,308,016, net of \$10,941,984 in expenses that primarily include loss on sale of capital assets, construction credit towards new purchaser and write-off of accounts receivable balances.

The proceeds of the sale were transferred to the general fund (\$12,486,199), pension fund (\$4,150,000) and self-insurance fund (\$356,550).

With the sale of the nursing home, governmental activities assumed an asset of \$684,012 from internal service credits, net OPEB liability of \$222,220 and net pension asset of \$1,382,458 recorded in the statement of net position.

Required Supplementary Information

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)**
General Fund *For the year ended December 31, 2022*

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Taxes:				
Real estate taxes	\$ 56,722,115	56,722,115	56,660,437	(61,678)
Per capita taxes	550	550	363	(187)
Library taxes	4,287,480	4,287,480	4,271,653	(15,827)
Licenses and permits	212,103	212,103	239,581	27,478
Grants	4,553,839	7,623,839	7,947,521	323,682
County charges	13,577,860	13,577,860	13,963,344	385,484
Court costs, fines, and forfeitures	1,591,347	1,591,347	1,170,326	(421,021)
Interest	374,300	374,300	984,647	610,347
Contributions and other	180,425	180,425	394,097	213,672
Payment in lieu of taxes	207,662	207,662	205,154	(2,508)
Total revenues	<u>81,707,681</u>	<u>84,777,681</u>	<u>85,837,123</u>	<u>1,059,442</u>
EXPENDITURES				
Current:				
General government – administrative:				
Commissioners	1,036,636	1,121,136	1,054,207	66,929
Solicitors	373,878	373,878	330,216	43,662
Elections	1,523,906	2,363,284	1,796,266	567,018
Controller	1,263,863	1,263,895	1,234,760	29,135
Finance office	1,458,549	1,488,565	1,441,224	47,341
Tax claims	237,698	245,198	202,416	42,782
Treasurer	402,606	402,608	400,340	2,268
Tax collectors administration	345,973	351,204	346,027	5,177
Personnel	925,363	926,863	752,808	174,055
Communications	290,000	290,007	290,329	(322)
Tax assessment	1,362,906	1,382,867	1,155,172	227,695
Recorder of Deeds	458,438	458,438	460,908	(2,470)
Administrative services	123,275	136,650	72,474	64,176
Information management and technology office	3,028,608	3,052,887	2,848,780	204,107
Enterprise resource management office	1,162,419	1,162,426	716,726	445,700
CARES act technology agreements	57,040	57,040	56,936	104
Insurance	485,153	485,153	461,055	24,098
County buildings	3,940,984	3,983,582	2,920,090	1,063,492
Planning	1,047,938	1,050,138	1,039,898	10,240
Pooled reserves-program innovation, improvements and contingencies	550,000	(83,538)	—	(83,538)
Pooled reserves-contingencies	1,650,000	152,626	—	152,626
Debt retirement	2,658	3,908	3,282	626
Homestead	66,774	76,774	75,459	1,315
Uniform Parcel Identifier	117,644	118,352	118,719	(367)
Program subsidy	159,300	159,300	102,930	56,370
Total general government – administrative	<u>22,071,609</u>	<u>21,023,241</u>	<u>17,881,022</u>	<u>3,142,219</u>
General government – judicial:				
Courts	7,397,572	7,716,774	7,292,060	424,714
Court appointed advocate	315,255	326,890	340,637	(13,747)
District judges	1,450,313	1,564,826	1,388,291	176,535
Law library	266,132	266,132	264,844	1,288
Clerk of Court	760,351	774,268	667,229	107,039
Coroner	1,714,550	1,724,320	1,597,501	126,819

(continued)

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)**

General Fund

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

(continued)	Budget		Variance with	
	Original	Amended	Actual	Amended
EXPENDITURES			Amounts	Budget
Current (continued):				
General government - judicial (continued):				
Public defender	\$ 1,860,883	2,135,883	2,235,075	(99,192)
District Attorney	3,157,657	3,180,404	3,118,906	61,498
Prothonotary	620,981	620,981	573,456	47,525
Register of Wills	689,786	689,786	643,427	46,359
Sheriff	4,390,700	4,499,277	4,101,585	397,692
Total general government – judicial	22,624,180	23,499,541	22,223,011	1,276,530
Public safety:				
DA crime investigation	683,010	675,360	625,425	49,935
Forensic investigation division	1,108,304	1,582,868	1,554,051	28,817
Hazmat	303,972	303,972	218,041	85,931
Vector control	305,150	305,154	283,947	21,207
Fire training	28,662	28,662	16,062	12,600
Public safety	677,430	756,552	718,270	38,282
Total public safety	3,106,528	3,652,568	3,415,796	236,772
Corrections:				
County prison	14,657,440	14,986,628	15,284,737	(298,109)
Probation and parole	5,747,885	5,821,525	5,637,244	184,281
Total corrections	20,405,325	20,808,153	20,921,981	(113,828)
Human services				
Culture and recreation	281,004	294,178	247,087	47,091
Conservation and development	5,467,343	6,270,583	6,018,081	252,502
Economic development	1,911,168	2,644,668	1,687,366	957,302
Total expenditures	2,805,254	4,475,254	4,400,374	74,880
Excess (deficiency) of revenues over expenditures	78,672,411	82,668,186	76,794,718	5,873,468
OTHER FINANCING SOURCES (USES)				
Transfers in	154,277	50,154,277	47,007,430	(3,146,847)
Transfers out	(19,047,831)	(58,122,055)	(15,637,386)	42,484,669
Sale of general assets	500	500	1,348	848
Leases (as lessee)	366,000	366,000	428,295	62,295
Total other financing sources (uses)	(18,527,054)	(7,601,278)	31,799,687	39,400,965
Net change in fund balance	(15,491,784)	(5,491,783)	40,842,092	46,333,875
Fund balance, beginning of year	37,392,832	37,392,832	50,665,875	13,273,043
Fund balance, end of year	\$ 21,901,048	31,901,049	91,507,967	59,606,918

The notes to required supplementary information are an integral part of this schedule.

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

Mental Health/Intellectual and Developmental Disabilities For the fiscal year ended June 30, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Variance with Amended Budget	
	Original	Amended	Actual Amounts	
REVENUES				
Grants	\$ 16,418,701	17,716,636	17,575,215	(141,421)
County charges	1,961,200	2,080,228	1,953,191	(127,037)
Interest	27,000	27,000	18,591	(8,409)
Contributions and other	159,893	164,784	160,916	(3,868)
Total revenues	<u>18,566,794</u>	<u>19,988,648</u>	<u>19,707,913</u>	<u>(280,735)</u>
EXPENDITURES				
Current:				
Human services	19,205,199	21,248,208	20,555,763	692,445
Total expenditures	<u>19,205,199</u>	<u>21,248,208</u>	<u>20,555,763</u>	<u>692,445</u>
Deficiency of revenues under expenditures	<u>(638,405)</u>	<u>(1,259,560)</u>	<u>(847,850)</u>	<u>411,710</u>
OTHER FINANCING SOURCES				
Transfers in	638,405	1,259,560	929,531	(330,029)
Total other financing sources	<u>638,405</u>	<u>1,259,560</u>	<u>929,531</u>	<u>(330,029)</u>
Net change in fund balance	—	—	81,681	81,681
Fund balance, beginning of year	104,176	104,176	135,630	31,454
Fund balance, end of year	<u>\$ 104,176</u>	<u>104,176</u>	<u>217,311</u>	<u>113,135</u>

The notes to required supplementary information are an integral part of this schedule.

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

Children and Youth

For the fiscal year ended June 30, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Variance with Amended Budget
	Original	Amended	
REVENUES			
Grants	\$ 21,212,706	21,212,706	18,062,133
County charges	423,369	423,369	405,725
Total revenues	21,636,075	21,636,075	(3,168,217)
EXPENDITURES			
Current:			
Human services	26,066,620	26,066,620	22,418,254
Total expenditures	26,066,620	26,066,620	3,648,366
Deficiency of revenues under expenditures	(4,430,545)	(4,430,545)	(3,950,396)
OTHER FINANCING SOURCES (USES)			
Transfers in	4,500,045	4,500,045	4,019,896
Transfers out	(69,500)	(69,500)	(69,500)
Total other financing sources (uses)	4,430,545	4,430,545	(480,149)
Net change in fund balance	—	—	—
Fund balance, beginning of year	—	—	—
Fund balance, end of year	\$ —	—	—

The notes to required supplementary information are an integral part of this schedule.

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

American Rescue Plan

For the fiscal year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Variance with Amended Budget	
	Original	Amended	Actual Amounts	
REVENUES				
Grants	\$ 25,000,000	40,000,000	34,349,328	(5,650,672)
Total revenues	25,000,000	40,000,000	34,349,328	(5,650,672)
EXPENDITURES				
Current:				
Economic development	25,002,448	68,448	65,540	2,908
Total expenditures	25,002,448	68,448	65,540	2,908
Excess (deficiency) of revenues over expenditures	(2,448)	39,931,552	34,283,788	(5,647,764)
OTHER FINANCING USES				
Transfers out	—	(39,934,000)	(34,283,788)	5,650,212
Total other financing uses	—	(39,934,000)	(34,283,788)	5,650,212
Net change in fund balance	(2,448)	(2,448)	—	2,448
Fund balance, beginning of year	5,000	5,000	—	(5,000)
Fund balance, end of year	\$ 2,552	2,552	—	(2,552)

The notes to required supplementary information are an integral part of this schedule.

REQUIRED SUPPLEMENTARY INFORMATION

EMPLOYEES' RETIREMENT PLAN SCHEDULES

COUNTY OF CUMBERLAND, PENNSYLVANIA

Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios Last 10 Years Available

	2014	2015	2016
Pension liability			
Service cost	\$ 4,816,633	4,826,080	5,076,860
Interest	12,375,857	13,010,850	13,894,384
Changes of benefit terms	-	-	-
Differences between expected and actual experience	11,257,243	61,932	3,037,001
Changes of assumptions	-	-	-
Benefit payments, including refunds of member contributions	(8,425,180)	(9,071,203)	(9,494,172)
Net change in total pension liability	<u>20,024,553</u>	<u>8,827,659</u>	<u>12,514,073</u>
Total pension liability-beginning	<u>154,556,942</u>	<u>174,581,495</u>	<u>183,409,154</u>
Total pension liability-ending	<u><u>\$ 174,581,495</u></u>	<u><u>183,409,154</u></u>	<u><u>195,923,227</u></u>
Plan fiduciary net position			
Contributions-employer	\$ 4,134,246	3,620,219	4,046,264
Contributions-member	2,913,238	3,021,193	3,149,641
Net investment income	9,714,262	(623,463)	11,625,004
Benefit payments, including refunds of member contributions	(8,425,180)	(9,071,203)	(9,494,172)
Administrative expense	<u>(150,259)</u>	<u>(235,911)</u>	<u>(231,535)</u>
Net change in plan fiduciary net position	8,186,307	(3,289,165)	9,095,202
Plan fiduciary net position-beginning	<u>174,657,294</u>	<u>182,843,601</u>	<u>179,554,436</u>
Plan fiduciary net position-ending	<u><u>\$ 182,843,601</u></u>	<u><u>179,554,436</u></u>	<u><u>188,649,638</u></u>
Net pension liability/(asset)	<u><u>\$ (8,262,106)</u></u>	<u><u>3,854,718</u></u>	<u><u>7,273,589</u></u>
Plan fiduciary net position as a percentage of the total pension liability	104.73 %	97.90 %	96.29 %
Covered payroll	\$ 52,236,859	50,760,752	53,864,765
Net pension liability/(asset) as a percentage of covered payroll	(15.82) %	7.59 %	13.50 %

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, information for those years for which information is available is shown.

December 31, 2022

(unaudited)

2017	2018	2019	2020	2021	2022
5,309,011	4,139,378	4,407,504	4,524,592	4,564,600	4,601,734
14,522,698	14,949,775	15,736,110	16,422,452	17,220,170	18,680,566
-	-	-	-	-	-
(769,513)	(1,005,613)	3,032,936	1,539,523	3,207,756	2,498,704
-	11,064,623	-	-	-	10,613,590
(10,428,840)	(10,551,987)	(11,782,546)	(12,215,447)	(13,402,303)	(14,763,517)
8,633,356	18,596,176	11,394,004	10,271,120	11,590,223	21,631,077
195,923,227	204,556,583	223,152,759	234,546,763	244,817,883	256,408,106
204,556,583	223,152,759	234,546,763	244,817,883	256,408,106	278,039,183
3,805,364	2,854,381	3,856,188	4,202,702	3,872,671	8,189,124
3,352,587	3,551,808	3,859,308	4,144,052	3,898,874	3,923,727
28,128,035	(12,138,299)	38,752,976	26,193,722	35,408,284	(34,156,247)
(10,428,840)	(10,551,987)	(11,782,546)	(12,215,447)	(13,402,303)	(14,763,517)
(208,237)	(253,043)	(243,382)	(240,006)	(189,764)	(232,598)
24,648,909	(16,537,140)	34,442,544	22,085,023	29,587,762	(37,039,511)
188,649,638	213,298,547	196,761,407	231,203,951	253,288,974	282,876,736
213,298,547	196,761,407	231,203,951	253,288,974	282,876,736	245,837,225
(8,741,964)	26,391,352	3,342,812	(8,471,091)	(26,468,630)	32,201,958
104.27 %	88.17 %	98.57 %	103.46 %	110.32 %	88.42 %
54,909,779	55,755,116	58,391,246	59,660,040	59,963,352	58,404,966
(15.92) %	47.33 %	5.72 %	(14.20) %	(44.14) %	55.14 %

**REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYEES' RETIREMENT PLAN SCHEDULES**

COUNTY OF CUMBERLAND, PENNSYLVANIA

Schedule of County Contributions

Last 10 Years Available

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Actuarially determined contribution	\$ 4,134,246	3,620,219	4,046,264	3,805,364
Contributions in relation to the actuarially determined contribution	<u>4,134,246</u>	<u>3,620,219</u>	<u>4,046,264</u>	<u>3,805,364</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered payroll	\$ 52,236,859	50,760,752	53,864,765	54,909,779
Contributions as a percentage of covered payroll	7.91 %	7.13 %	7.51 %	6.93 %

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, information for those years for which information is available is shown.

December 31, 2022

(unaudited)

2018	2019	2020	2021	2022
2,854,381	3,856,188	4,202,702	3,872,671	4,039,124
<u>2,854,381</u>	<u>3,856,188</u>	<u>4,202,702</u>	<u>3,872,671</u>	<u>8,189,124</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,150,000)</u>
55,755,116	58,391,246	59,660,040	59,963,352	58,404,966
5.12 %	6.60 %	7.04 %	6.46 %	14.02 %

REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYEES' RETIREMENT PLAN SCHEDULES

COUNTY OF CUMBERLAND, PENNSYLVANIA

Schedule of Investment Returns

Last 10 Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Annual money weighted rate of return, net of investment expense	6.73 %	(0.32) %	6.90 %	15.15 %

The schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, information for those years for which information is available is shown.

December 31, 2022

(unaudited)

2018	2019	2020	2021	2022
(5.39) %	20.30 %	11.77 %	14.50 %	(12.02) %

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (unaudited) December 31, 2022

1. Employees' Retirement Plan

For 2022, the inflation rate assumption was three percent, the same as last year. The overall payroll growth rate was three and a half percent, the same as last year. The long-term expected rate of return was seven percent.

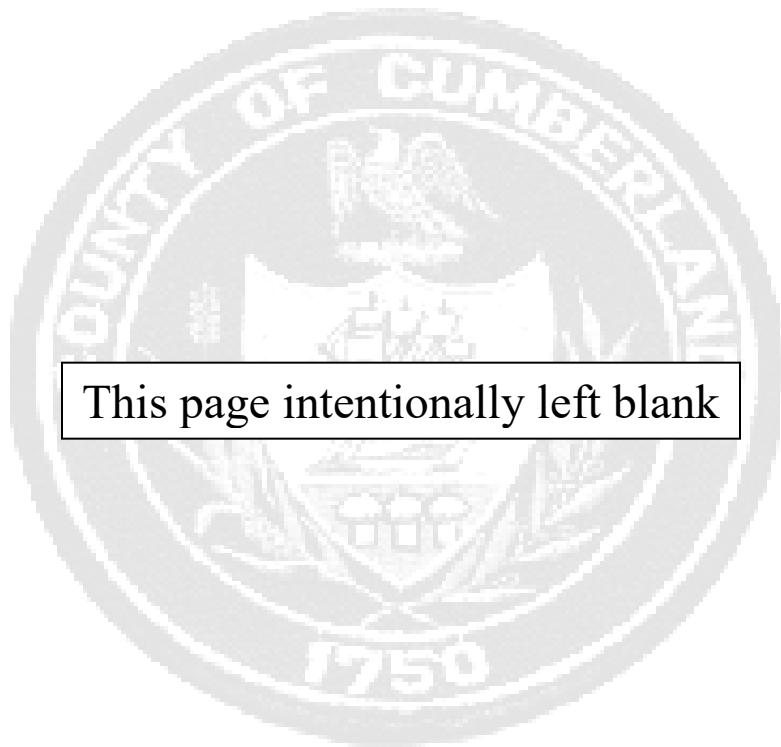
The actuarial asset valuation method changed from the *fair value adjusted for unrecognized gain and losses from prior year* to the *market value for unrecognized gain and losses from prior years*. Additionally, the mortality rates were changed from the *2013 RP annuitant and non-annuitant mortality tables for males and females with no projected improvement* to the *PubG-2010 RP annuitant and non-annuitant mortality tables for males and females set forward one year with generational mortality improvement using MP2020*.

Also, retirement benefits for plan members are calculated as a percent of the member's highest three year average salary times the member's years of service depending on class basis. Beginning January 1st, 2022, new hires class basis is a 1/80th factor whereas any employee hired before January 1st, 2022 are a 1/70th factor.

Finally, the County contributed \$4,150,000 in addition to the actuarially determined contribution.

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Actuarial Valuation Date	January 1, 2022
Measurement Date	December 31, 2022
Actuarial Cost Method	Entry-Age Normal
Asset Valuation Method	Market Value
Assumptions:	
Inflation	3.0%
Active member payroll growth	3.5% average, including inflation
Investment Rate of Return	7.0%, net of pension plan investment expense, including inflation
Discount Rate	7.0%
Retirement Age	Age 60, or 55 with 20 years of service
Mortality	PubG-2010 RP annuitant and non-annuitant mortality tables for males and females set forward one year with generational mortality improvement using MP2020
Cost of Living Adjustments	Ad hoc, N/A



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REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFITS PLAN SCHEDULES

COUNTY OF CUMBERLAND, PENNSYLVANIA

Schedule of Changes in the County's Total OPEB Liability and Related Ratios
Last 10 Years Available

	2017	2018	2019	2020
OPEB liability				
Service cost	\$ 58,180	80,243	98,922	103,260
Interest	56,911	53,243	57,118	58,290
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	-	851,460	419,503
Changes of assumptions	63,493	69,840	174,647	105,418
Benefit payments	(123,115)	(188,555)	(575,799)	(318,202)
Net change in total OPEB liability	55,469	14,771	606,348	368,269
Total OPEB liability-beginning	1,505,570	1,561,039	1,575,810	2,182,158
Total OPEB liability-ending	\$ 1,561,039	1,575,810	2,182,158	2,550,427

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, information for those years for which information is available is shown.

December 31, 2022

(unaudited)

2021	2022
127,134	115,392
55,031	46,510
-	-
(333,906)	83,062
4,338	(341,512)
<u>(164,405)</u>	<u>(171,287)</u>
(311,808)	(267,835)
<u>2,550,427</u>	<u>2,238,619</u>
<u>2,238,619</u>	<u>1,970,784</u>

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (unaudited) December 31, 2022

2. Other Postemployment Benefits (OPEB)

There are no changes in actuarial methods. Salary increases were assumed to be 3.50% and inflation was assumed to be 3.0%. Both are the same as last year.

There are no assets accumulated in a qualifying trust to offset OPEB liabilities.

The mortality table used for 2022 changed from using *Pub-2010 Headcount-Weighted table General Employees projected fully generationally using MP-2020* to *Pub-2010 General Employees/Retirees Headcount-Weighted Mortality table projected fully generationally using MP-2021*.

The assumed healthcare cost trend rate used for each reporting year are as follows:

2022	5.75% from 2023 to 2024 decreasing to an ultimate rate of 3.94% by 2075
2021	6.00% from 2022 to 2023 decreasing to an ultimate rate of 3.94% by 2075
2020	5.40% from 2020 to 2021 decreasing to an ultimate rate of 3.94% by 2075
2019	5.40% from 2019 to 2020 decreasing to an ultimate rate of 3.94% by 2075
2018	5.50% for 2019 decreasing to an ultimate rate of 3.84% by 2075
2017	5.90% for 2018 decreasing to an ultimate rate of 3.84% by 2075

The discount rate for the 2022 OPEB valuation was 4.31% based on the S&P Municipal Bond 20-Year Grade Index as of December 31, 2022 which is different from last year which used the Bond Buyer 20-Bond GO Index.

The discount rates used in the actuarial assumptions have changed over the prior years as follows:

2022	4.31%
2021	2.05
2020	2.12
2019	2.74
2018	4.11
2017	3.44

The net OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Actuarial Valuation Date	January 1, 2021
Measurement Date	December 31, 2022
Inflation	3.00%
Salary Increases	3.50%
Discount Rate	4.31%
Mortality Table	Pub-2010 General Employees/Retirees Headcount-Weighted table Projected fully generationally using MP-2021
Medical/Rx Trends	Actual rates increased from 2022 to 2023, then 5.75% from 2023 to 2024 decreasing gradually to an ultimate rate of 3.94% by 2075

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (unaudited) December 31, 2022

3. Budgetary Information

Formal budgetary accounting is employed as a management control in the County's governmental funds. Annual operating budgets are adopted each year through the passage of an annual budget ordinance.

With the exception of the general fund, all funds perform their budgeting according to generally accepted accounting principles (GAAP).

The general fund presentation in the basic financial statements is made up of several consolidated funds; whereas, in the legally adopted budget, these funds are budgeted separately. Therefore, these funds are added to the general fund on a budgetary basis in order to reconcile to the general fund presentation in the basic financial statements. The schedule of revenues, expenditures and changes in fund balances – budget and actual schedules for the other general fund programs are presented in Supplementary Information.

The legally adopted budget does not include the Cumberland Area Economic Development Corporation (a blended component unit reported as a special revenue fund), Cumberland County Industrial Development Authority (a component unit) and certain District Attorney Programs. Additionally, the County budgets for indirect costs and library taxes as revenue and expenditures, but they are not reported as such under GAAP. Accordingly, the applicable columns of the general fund schedule of revenues, expenditures and changes in fund balances – budget and actual (budget basis) exclude amounts relating to the unbudgeted amounts and include amounts related to indirect costs.

Funds contained in the legally adopted budget are presented on either a calendar year ended December 31, 2022, or on a fiscal year ended June 30, 2022. The year ended is indicated on each statement.

A reconciliation of the net change in fund balance from a budget basis to a GAAP basis for budgeted and unbudgeted activity and for fund structure differences for the year ended December 31, 2022, follows:

<u>General Fund</u>	
Budgetary basis- net change in fund balance, December 31, 2022	\$ 40,842,092
Adjustments:	
To adjust revenues, expenditures and other financing sources/uses:	
Net fund budget-related revenues, expenditures and other financing sources/uses:	(39,065)
Fund balance effect from funds included in GAAP statements:	
District attorney federal forfeiture account	(13,628)
Offender supervision fund	(160,066)
Demolition-blighted property fund	<u>148,116</u>
GAAP basis - net change in fund balance, December 31, 2022	\$ <u>40,777,449</u>

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (unaudited) December 31, 2022

A reconciliation of the net change in fund balance for Mental Health/Intellectual and Developmental Disabilities (MH/IDD), a major special revenue fund, from a budget basis to a GAAP basis is provided below as a result of differing fiscal year end reporting dates.

	<u>MH/IDD</u>
Budgetary basis - net change in fund balance as of June 30, 2022	\$ 81,681
Adjustments for timing difference between fiscal years:	
Revenue	401,451
Expenditures	(1,724,648)
Other financing sources	<u>1,384,949</u>
GAAP basis - net change in fund balance as of December 31, 2022	<u>\$ 143,433</u>

A reconciliation of the net change in fund balance for Children and Youth, a major special revenue fund, from a budget basis to a GAAP basis is provided below as a result of differing fiscal year end reporting dates.

	<u>Children and Youth</u>
Budgetary basis- net change in fund balance as of June 30, 2022	\$ -
Adjustments for timing difference between fiscal years:	
Revenue	380,728
Expenditures	(1,197,570)
Other financing sources	<u>816,842</u>
GAAP basis - net change in fund balance as December 31, 2022	<u>\$ -</u>

The County of Cumberland follows these procedures in establishing the budget data presented in the budgetary comparison schedules:

1. During the months of February and March for fiscal budgets, and July and August for calendar funds, each department reviews current and prior year financial information to develop budget projections for the upcoming fiscal year. These projections often are developed in consultation with the County Finance Office. The results are submitted by each department in a standard format to the County Finance Office as a preliminary budget proposal.
2. The County Finance Office reviews all submissions and consults with departments as needed to substantiate the basis for requests and to refine the budget projections. The County Finance Office makes necessary adjustments to department submissions and compiles the data for presentation to the Board of County Commissioners, which occurs during a public hearing process.
3. The County Finance Office and the Chief Clerk develop a revenue projection and financing strategy in support of the proposed budget. A preliminary budget including revenue and expenditure projections is submitted to the County Commissioners for consideration.
4. The final budget is presented to the County Commissioners and after proper public notice is placed on display for a period of 20 days in accordance with the County Code. The County Commissioners adopt the budget after the necessary inspection period by enacting a formal budget resolution. The resulting budget is published in written form.

5. The County Commissioners may at any time, by resolution, make supplemental appropriations for any lawful purpose from any funds on hand. These funds include amounts estimated to be received within the fiscal year and not otherwise appropriated as well as the proceeds of any borrowing authorized by law. The County Commissioners may authorize the transfer of all or part of any unencumbered balances. The County Commissioners must approve changes to overall appropriations at the fund level. Therefore, the legal level of budgetary responsibility is by fund.

During the year, there were two general fund supplemental budget resolutions which increased appropriations and revenues in the amount of \$5,771,904 and \$535,904, respectively. The schedule of revenues, expenditures and changes in fund balances – budget and actual (budget basis) reflects this.

Actual expenditures and transfers out may not legally exceed “budget” appropriations at the individual fund level.

Encumbered and unencumbered appropriations lapse at the close of the fiscal year to the extent that they have not been expended.

Supplementary Information

Nonmajor Governmental Fund Combining Statements

NONMAJOR GOVERNMENTAL FUNDS

DESCRIPTION OF FUNDS

Special Revenue Funds

Governmental fund type used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Restricted inflows comprise a substantial portion of the following fund's inflows:

Liquid Fuels Tax – Used to account for state aid revenues used for building and improving roads and bridges.

Domestic Relations Office – Used to account for expenditures and reimbursement revenue related to the operation of the County's child support enforcement program, which is funded with federal, state and County funds.

Human service-related special revenue funds are used to account for revenue received from various federal, state and local sources. These funds, the majority of inflows of which are restricted for the provision of specified social services to eligible residents, are as follows:

- **Office of Aging**
- **Human Services Development**
- **Food and Shelter**
- **Drug and Alcohol**

Fiscal Employer Agent – This fund represents the County's "employer agent" activities whereby the County assists consumers and their representatives in employing individuals to assist them with independent living. The employer agent assists with employment and payroll compliance. The activities administered by this fund were taken over by the Commonwealth as of January 1, 2013.

The courts and justice-related special revenue funds are used to account for revenue received from various federal and state sources and fines and costs collected those charged with crimes. These funds, which are restricted to providing specified judicial services, are as follows:

- **Witness Assistance**
- **Accelerated Rehabilitative Disposition/Driving Under the Influence (ARD/DUI) Program**

Records Improvement – Used to account for revenues received from improvement fees collected on Recorder of Deeds transactions to fund records improvement projects within the County.

Recycling and Waste – Used to account for grants and fees to fund the operation of the County recycling and waste plan.

Affordable Housing – Used to account for revenues received from fees charged for recording deeds and mortgages to finance affordable housing efforts in the County.

Hotel Tax – Used to account for revenues received from the hotel occupancy tax to fund countywide tourism.

NONMAJOR GOVERNMENTAL FUNDS

DESCRIPTION OF FUNDS

Emergency Telephone – Used to account for the operation of the County’s emergency 9-1-1 call center. The 9-1-1 call center operates 24/7, 365 days a year responding promptly to emergency calls in the community, alerting public safety providers and coordinating and facilitating emergency responses.

Cumberland Area Economic Development Corporation (CAEDC) – CAEDC’s mission is to preserve, facilitate, promote and foster economic development within Cumberland County and the surrounding region. CAEDC is a governmental not-for-profit entity that, despite being legally separate, is reported as a blended component unit (a non-major, special revenue fund).

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest for the governmental funds of the County.

Capital Projects Fund

The capital projects fund is used to account for the financial resources used for the acquisition and capital construction of major capital projects and facilities (other than those financed by proprietary funds).

COMBINING BALANCE SHEET

Nonmajor Governmental Funds

December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Special Revenue						
	Liquid Fuels Tax	Domestic Relations Office	Office of Aging	Human Services Development	Food and Shelter	Drug and Alcohol	Fiscal Employer Agent
ASSETS							
Cash and cash equivalents	\$ 2,653,859	244,045	412,874	—	—	14,456	—
Investments	—	—	—	—	—	—	—
Restricted cash	—	—	—	—	—	—	—
Receivables (net of allowance):							
Taxes	—	—	—	—	—	—	—
Due from other governments	255,770	367,056	410,906	—	36,071	588,446	—
Accounts receivable	—	—	207,738	—	39,581	13,652	—
Due from other funds	—	—	—	5,367	1,038,999	994,986	—
Prepaid items	—	3,985	638	—	—	—	—
Total assets	\$ 2,909,629	615,086	1,032,156	5,367	1,114,651	1,611,540	—
LIABILITIES							
Accounts payable	\$ 530,929	13,292	84,977	197	51,932	286,979	—
Accrued liabilities and withholdings	—	92,220	71,231	5,170	6,612	52,555	—
Due to other funds	—	495,642	265,749	—	—	—	—
Due to other governments	—	—	—	—	—	—	—
Unearned revenue	—	—	146,777	—	4,566	—	—
Funds held as fiduciary	—	13,932	—	—	—	—	—
Total liabilities	\$ 530,929	615,086	568,734	5,367	63,110	339,534	—
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	—	—	—	—	—	—	—
Total deferred inflows of resources	—	—	—	—	—	—	—
FUND BALANCES							
Nonspendable:							
Prepaid items	—	3,985	638	352	—	—	—
Restricted:							
Roads and bridge maintenance	2,378,700	—	—	—	—	—	—
Human services	—	—	237,210	—	161,298	1,272,006	—
Public safety	—	—	—	—	—	—	—
Row office automation	—	—	—	—	—	—	—
Marcellus shale	—	—	—	—	—	—	—
Conservation	—	—	—	—	—	—	—
Economic development and assistance	—	—	—	—	—	—	—
Debt service	—	—	—	—	—	—	—
Assigned:							
Human services	—	—	225,574	—	890,243	—	—
Capital projects	—	—	—	—	—	—	—
Economic development and assistance	—	—	—	—	—	—	—
Unassigned	—	(3,985)	—	(352)	—	—	—
Total fund balances	\$ 2,378,700	—	463,422	—	1,051,541	1,272,006	—
Total liabilities, deferred inflows of resources and fund balances	\$ 2,909,629	615,086	1,032,156	5,367	1,114,651	1,611,540	—

(continued)

COMBINING BALANCE SHEET

Nonmajor Governmental Funds

December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Special Revenue						
	Recycling						
	Witness Assistance	ARD/DUI Program	Records Improvement	and Waste	Affordable Housing	Hotel Tax	Emergency Telephone
(continued)							
ASSETS							
Cash and cash equivalents	\$ 5,147	—	283,475	923,537	193,255	1,170,003	920,674
Investments	—	—	—	—	—	—	—
Restricted cash	—	—	—	—	—	—	—
Receivables (net of allowance):							
Taxes	—	—	—	—	—	191,654	—
Due from other governments	97,291	—	—	122,148	—	—	1,484,245
Accounts receivable	—	—	—	—	—	—	—
Due from other funds	192,739	16,837	93,017	—	—	—	41,103
Prepaid items	2,400	—	—	2,186	—	—	276,536
Total assets	\$ 297,577	16,837	376,492	1,047,871	193,255	1,361,657	2,722,558
LIABILITIES							
Accounts payable	\$ 5,803	16,729	839	16,826	89,473	—	57,851
Accrued liabilities and withholdings	21,740	108	1,808	4,663	—	—	164,056
Due to other funds	—	—	—	8,874	9,167	1,361,657	—
Due to other governments	—	—	—	—	—	—	—
Unearned revenue	—	—	—	—	—	—	5,262
Funds held as fiduciary	—	—	—	—	—	—	—
Total liabilities	27,543	16,837	2,647	30,363	98,640	1,361,657	227,169
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	—	—	—	—	—	—	—
Total deferred inflows of resources	—	—	—	—	—	—	—
FUND BALANCES							
Nonspendable:							
Prepaid items	2,400	—	—	2,186	—	—	276,536
Restricted:							
Roads and bridge maintenance	—	—	—	—	—	—	—
Human services	—	—	—	—	—	—	—
Public safety	267,634	—	—	—	—	—	2,218,853
Row office automation	—	—	373,845	—	—	—	—
Marcellus shale	—	—	—	—	—	—	—
Conservation	—	—	—	1,015,322	—	—	—
Economic development and assistance	—	—	—	—	94,615	—	—
Debt service	—	—	—	—	—	—	—
Assigned:							
Human services	—	—	—	—	—	—	—
Capital projects	—	—	—	—	—	—	—
Economic development and assistance	—	—	—	—	—	—	—
Unassigned	—	—	—	—	—	—	—
Total fund balances	270,034	—	373,845	1,017,508	94,615	—	2,495,389
Total liabilities, deferred inflows of resources and fund balances	\$ 297,577	16,837	376,492	1,047,871	193,255	1,361,657	2,722,558

(continued)

COMBINING BALANCE SHEET

Nonmajor Governmental Funds

December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	<u>Special Revenue</u>		Debt Service	Capital Projects Fund	Total Nonmajor Governmental Funds			
	CAEDC	Total						
(continued)								
ASSETS								
Cash and cash equivalents	\$ 2,901,171	9,722,496	12	11,741,389	21,463,897			
Investments	1,148,650	1,148,650	—	—	1,148,650			
Restricted cash	205,418	205,418	—	—	205,418			
Receivables (net of allowance):								
Taxes	—	191,654	—	—	191,654			
Due from other governments	—	3,361,933	—	—	3,361,933			
Accounts receivable	1,773,101	2,034,072	—	—	2,034,072			
Due from other funds	557,078	2,940,126	—	—	2,940,126			
Prepaid items	75,207	360,952	—	—	360,952			
Total assets	\$ 6,660,625	19,965,301	12	11,741,389	31,706,702			
LIABILITIES								
Accounts payable	\$ 250,137	1,405,964	—	832,490	2,238,454			
Accrued liabilities and withholdings	—	420,163	—	—	420,163			
Due to other funds	—	2,141,089	—	221,380	2,362,469			
Due to other governments	—	—	—	—	—			
Unearned revenue	—	156,605	—	—	156,605			
Funds held as fiduciary	—	13,932	—	—	13,932			
Total liabilities	\$ 250,137	4,137,753	—	1,053,870	5,191,623			
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	324	324	—	—	324			
Total deferred inflows of resources	324	324	—	—	324			
FUND BALANCES								
Nonspendable:								
Prepaid items	75,207	361,304	—	—	361,304			
Restricted:								
Roads and bridge maintenance	—	2,378,700	—	—	2,378,700			
Human services	—	1,670,514	—	—	1,670,514			
Public safety	—	2,486,487	—	10,492,621	12,979,108			
Row office automation	—	373,845	—	—	373,845			
Marcellus shale	—	—	—	39,286	39,286			
Conservation	—	1,015,322	—	—	1,015,322			
Economic development and assistance	205,418	300,033	—	—	300,033			
Debt service	—	—	12	—	12			
Assigned:								
Human services	—	1,115,817	—	—	1,115,817			
Capital projects	—	—	—	155,612	155,612			
Economic development and assistance	6,129,539	6,129,539	—	—	6,129,539			
Unassigned	—	(4,337)	—	—	(4,337)			
Total fund balances	\$ 6,410,164	15,827,224	12	10,687,519	26,514,755			
Total liabilities, deferred inflows of resources and fund balances	\$ 6,660,625	19,965,301	12	11,741,389	31,706,702			

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Nonmajor Governmental Funds

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Special Revenue						
	Liquid Fuels Tax	Domestic Relations Office	Office of Aging	Human Services Development	Food and Shelter	Drug and Alcohol	Fiscal Employer Agent
REVENUES							
Taxes	\$ —	—	—	—	—	—	—
Grants	661,097	2,505,481	3,771,898	143,366	843,127	3,350,489	—
County charges	1,232,331	940	563,763	—	233	444,343	—
Court costs, fines and forfeitures	—	1,300	—	—	—	181,665	—
Investment earnings	29,141	958	2,226	—	505	—	3,688
Contributions and other	22,541	—	33,978	—	—	19,059	1,190,504
Total revenues	<u>1,945,110</u>	<u>2,508,679</u>	<u>4,371,865</u>	<u>143,366</u>	<u>843,865</u>	<u>3,995,556</u>	<u>1,194,192</u>
EXPENDITURES							
Current:							
General government – administrative	—	—	—	—	—	—	—
General government – judicial	—	3,753,376	—	—	—	—	—
Emergency telephone	—	—	—	—	—	—	—
Public works and enterprises	243,044	—	—	—	—	—	—
Human services	—	—	4,457,881	214,858	866,807	4,396,694	—
Economic development and assistance	—	—	—	—	—	—	—
Debt service:							
Principal retirement	—	—	—	—	—	—	—
Debt interest	—	—	—	—	—	—	—
Fiscal charges	—	—	—	—	—	—	—
Capital outlay	4,057,197	—	—	—	—	—	—
Payments to other governments	5,121	—	—	—	—	13,509	—
Total expenditures	<u>4,305,362</u>	<u>3,753,376</u>	<u>4,457,881</u>	<u>214,858</u>	<u>866,807</u>	<u>4,410,203</u>	<u>—</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,360,252)</u>	<u>(1,244,697)</u>	<u>(86,016)</u>	<u>(71,492)</u>	<u>(22,942)</u>	<u>(414,647)</u>	<u>1,194,192</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	—	1,244,697	332,599	86,836	933,128	313,360	—
Transfers out	(570,568)	—	—	(15,344)	(8,846)	(57,587)	(1,243,638)
Issuance of long term note	—	—	—	—	—	—	—
Bond premium	—	—	—	—	—	—	—
Total other financing sources (uses)	<u>(570,568)</u>	<u>1,244,697</u>	<u>332,599</u>	<u>71,492</u>	<u>924,282</u>	<u>255,773</u>	<u>(1,243,638)</u>
Net changes in fund balances	<u>(2,930,820)</u>	<u>—</u>	<u>246,583</u>	<u>—</u>	<u>901,340</u>	<u>(158,874)</u>	<u>(49,446)</u>
Fund balances, beginning of year	5,309,520	—	216,839	—	150,201	1,430,880	49,446
Fund balances, end of year	<u>\$ 2,378,700</u>	<u>—</u>	<u>463,422</u>	<u>—</u>	<u>1,051,541</u>	<u>1,272,006</u>	<u>—</u>

(continued)

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Nonmajor Governmental Funds

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

(continued)	Special Revenue							
	Witness Assistance	ARD/DUI Program	Records Improvement	Recycling and Waste		Affordable Housing	Hotel Tax	Emergency Telephone
				and	Waste			
REVENUES								
Taxes	\$ —	—	—	—	—	—	2,483,252	—
Grants	446,045	—	—	112,596	—	—	—	176,040
County charges	26,238	187,901	169,020	355,653	197,225	—	—	5,847,409
Court costs, fines and forfeitures	540	—	—	—	—	—	—	—
Investment earnings	13	—	100	4,103	664	—	—	4,178
Contributions and other	—	—	—	30,000	—	—	—	363
Total revenues	<u>472,836</u>	<u>187,901</u>	<u>169,120</u>	<u>502,352</u>	<u>197,889</u>	<u>2,483,252</u>	<u>6,027,990</u>	
EXPENDITURES								
Current:								
General government – administrative	—	—	118,930	—	38,784	—	—	—
General government – judicial	—	91,978	—	—	—	—	—	—
Emergency telephone	—	—	—	—	—	—	—	6,396,646
Public works and enterprises	—	—	—	381,118	—	—	—	—
Human services	833,187	—	—	—	—	—	—	—
Economic development and assistance	—	—	—	—	—	49,633	—	—
Debt service:								
Principal retirement	—	—	—	—	—	—	—	—
Debt interest	—	—	—	—	—	—	—	—
Fiscal charges	—	—	—	—	—	—	—	—
Capital outlay	—	—	—	—	—	—	—	3,641
Payments to other governments	—	—	—	—	210,600	—	—	—
Total expenditures	<u>833,187</u>	<u>91,978</u>	<u>118,930</u>	<u>381,118</u>	<u>249,384</u>	<u>49,633</u>	<u>6,400,287</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>(360,351)</u>	<u>95,923</u>	<u>50,190</u>	<u>121,234</u>	<u>(51,495)</u>	<u>2,433,619</u>	<u>(372,297)</u>	
OTHER FINANCING SOURCES (USES)								
Transfers in	378,040	—	—	—	—	—	—	580,417
Transfers out	—	(95,923)	—	—	—	(2,433,619)	—	(208,120)
Issuance of long term note	—	—	—	—	—	—	—	—
Bond premium	—	—	—	—	—	—	—	—
Total other financing sources (uses)	<u>378,040</u>	<u>(95,923)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(2,433,619)</u>	<u>372,297</u>	
Net changes in fund balances	17,689	—	50,190	121,234	(51,495)	—	—	—
Fund balances, beginning of year	252,345	—	323,655	896,274	146,110	—	2,495,389	
Fund balances, end of year	<u>\$ 270,034</u>	<u>—</u>	<u>373,845</u>	<u>1,017,508</u>	<u>94,615</u>	<u>—</u>	<u>2,495,389</u>	

(continued)

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Nonmajor Governmental Funds

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

		<u>Special Revenue</u>		<u>Debt Service</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>
(continued)		<u>CAEDC</u>	<u>Total</u>			
REVENUES						
Taxes	\$	—	2,483,252	—	—	2,483,252
Grants		943,315	12,953,454	—	433,505	13,386,959
County charges		289,269	9,314,325	—	—	9,314,325
Court costs, fines and forfeitures		—	183,505	—	—	183,505
Investment earnings		42,074	87,650	12	171,751	259,413
Contributions and other		—	1,296,445	—	—	1,296,445
Total revenues		1,274,658	26,318,631	12	605,256	26,923,899
EXPENDITURES						
Current:						
General government – administrative		—	157,714	—	—	157,714
General government – judicial		—	3,845,354	—	—	3,845,354
Emergency telephone		—	6,396,646	—	—	6,396,646
Public works and enterprises		—	624,162	—	—	624,162
Human services		—	10,769,427	—	—	10,769,427
Economic development and assistance		2,180,697	2,230,330	—	—	2,230,330
Debt service:						
Principal retirement		—	—	4,817,693	—	4,817,693
Debt interest		—	—	1,050,529	—	1,050,529
Fiscal charges		—	—	235,536	—	235,536
Capital outlay		82,688	4,143,526	—	4,670,789	8,814,315
Payments to other governments		—	229,230	—	778,703	1,007,933
Total expenditures		2,263,385	28,396,389	6,103,758	5,449,492	39,949,639
Excess (deficiency) of revenues over (under) expenditures		(988,727)	(2,077,758)	(6,103,746)	(4,844,236)	(13,025,740)
OTHER FINANCING SOURCES (USES)						
Transfers in		2,532,003	6,401,080	5,868,222	605,894	12,875,196
Transfers out		—	(4,633,645)	(605,894)	(1,284,181)	(6,523,720)
Issuance of long term note		—	—	—	14,395,000	14,395,000
Bond premium		—	—	841,430	—	841,430
Total other financing sources (uses)		2,532,003	1,767,435	6,103,758	13,716,713	21,587,906
Net changes in fund balances		1,543,276	(310,323)	12	8,872,477	8,562,166
Fund balances, beginning of year		4,866,888	16,137,547	—	1,815,042	17,952,589
Fund balances, end of year	\$	6,410,164	15,827,224	12	10,687,519	26,514,755

Nonmajor Governmental Fund Budgetary Schedules

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Liquid Fuels Tax

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Variance with Amended Budget	
	Original	Amended		
REVENUES				
Grants:				
Liquid fuels tax	\$ 615,760	615,760	661,097 45,337	
County charges	1,200,000	1,200,000	1,232,331 32,331	
Investment earnings	8,050	8,050	29,141 21,091	
Contribution and other	—	—	22,541 22,541	
Total revenues	<u>1,823,810</u>	<u>1,823,810</u>	<u>1,945,110</u> 121,300	
EXPENDITURES				
Current:				
Public works and enterprises	935,155	864,124	243,044 621,080	
Capital outlay	4,916,380	4,780,011	4,057,197 722,814	
Payments to other governments	291,125	677,025	5,121 671,904	
Total expenditures	<u>6,142,660</u>	<u>6,321,160</u>	<u>4,305,362</u> 2,015,798	
Deficiency of revenues under expenditures	<u>(4,318,850)</u>	<u>(4,497,350)</u>	<u>(2,360,252)</u> 2,137,098	
OTHER FINANCING USES				
Transfer out	<u>(571,755)</u>	<u>(618,255)</u>	<u>(570,568)</u> 47,687	
Total other financing uses	<u>(571,755)</u>	<u>(618,255)</u>	<u>(570,568)</u> 47,687	
Net change in fund balance	<u>(4,890,605)</u>	<u>(5,115,605)</u>	<u>(2,930,820)</u> 2,184,785	
Fund balance, beginning of year	<u>4,940,550</u>	<u>4,940,550</u>	<u>5,309,520</u> 368,970	
Fund balance, end of year	<u>\$ 49,945</u>	<u>(175,055)</u>	<u>2,378,700</u> 2,553,755	

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Domestic Relations Office

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Grants	\$ 2,611,659	2,611,659	2,505,481	(106,178)
County charges	2,050	2,050	940	(1,110)
Court costs, fines, and forfeitures	—	—	1,300	1,300
Investment earnings	1,000	1,000	958	(42)
Total revenues	2,614,709	2,614,709	2,508,679	(106,030)
EXPENDITURES				
Current:				
General government – judicial	3,964,637	3,964,637	3,753,376	211,261
Total expenditures	3,964,637	3,964,637	3,753,376	211,261
Deficiency of revenues under expenditures	(1,349,928)	(1,349,928)	(1,244,697)	105,231
OTHER FINANCING SOURCES				
Transfers in	1,349,928	1,349,928	1,244,697	(105,231)
Total other financing sources	1,349,928	1,349,928	1,244,697	(105,231)
Net change in fund balance	—	—	—	—
Fund balance, beginning of year	—	—	—	—
Fund balance, end of year	\$ —	—	—	—

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Office of Aging

For the fiscal year ended June 30, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Variance with Amended Budget
	Original	Amended	
REVENUES			
Grants	\$ 3,427,302	4,077,642	3,751,276 (326,366)
County charges	341,250	341,050	463,069 122,019
Investment earnings	1,500	1,500	695 (805)
Contributions and other	17,600	17,600	29,247 11,647
Total revenues	<u>3,787,652</u>	<u>4,437,792</u>	<u>4,244,287</u> (193,505)
EXPENDITURES			
Current:			
Human services	<u>4,245,170</u>	<u>4,607,608</u>	<u>4,336,743</u> 270,865
Total expenditures	<u>4,245,170</u>	<u>4,607,608</u>	<u>4,336,743</u> 270,865
Deficiency of revenues under expenditures	<u>(457,518)</u>	<u>(169,816)</u>	<u>(92,456)</u> 77,360
OTHER FINANCING SOURCES			
Transfers in	<u>457,518</u>	<u>457,518</u>	<u>106,387</u> (351,131)
Total other financing sources	<u>457,518</u>	<u>457,518</u>	<u>106,387</u> (351,131)
Net change in fund balance	—	287,702	13,931 (273,771)
Fund balance, beginning of year	<u>240,457</u>	<u>240,457</u>	<u>240,408</u> (49)
Fund balance, end of year	<u>\$ 240,457</u>	<u>528,159</u>	<u>254,339</u> (273,820)

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Human Services Development

For the fiscal year ended June 30, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Grants	\$ 129,187	129,187	129,187	—
Total revenues	129,187	129,187	129,187	—
EXPENDITURES				
Current:				
Human services	181,243	201,496	200,087	1,409
Total expenditures	181,243	201,496	200,087	1,409
Deficiency of revenues over expenditures	(52,056)	(72,309)	(70,900)	1,409
OTHER FINANCING SOURCES (USES)				
Transfers in	85,653	87,653	86,244	(1,409)
Transfers out	(33,597)	(15,344)	(15,344)	—
Total other financing sources (uses)	52,056	72,309	70,900	(1,409)
Net change in fund balance	—	—	—	—
Fund balance, beginning of year	—	—	—	—
Fund balance, end of year	\$ —	—	—	—

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Food and Shelter

For the fiscal year ended June 30, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Grants	\$ 759,338	790,581	782,335	(8,246)
County charges	2,200	2,200	1,700	(500)
Investment earnings	20	20	505	485
Total revenues	<u>761,558</u>	<u>792,801</u>	<u>784,540</u>	<u>(8,261)</u>
EXPENDITURES				
Current:				
Human services	<u>770,700</u>	<u>825,883</u>	<u>801,933</u>	<u>23,950</u>
Total expenditures	<u>770,700</u>	<u>825,883</u>	<u>801,933</u>	<u>23,950</u>
Deficiency of revenues under expenditures	<u>(9,142)</u>	<u>(33,082)</u>	<u>(17,393)</u>	<u>15,689</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	18,962	38,962	43,669	4,707
Transfers out	(9,820)	(5,880)	(5,880)	—
Total other financing sources (uses)	<u>9,142</u>	<u>33,082</u>	<u>37,789</u>	<u>4,707</u>
Net change in fund balance	—	—	20,396	20,396
Fund balance, beginning of year	<u>120,694</u>	<u>12,694</u>	<u>120,713</u>	<u>108,019</u>
Fund balance, end of year	<u>\$ 120,694</u>	<u>12,694</u>	<u>141,109</u>	<u>128,415</u>

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Drug and Alcohol

For the fiscal year ended June 30, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Variance with Amended Budget
	Original	Amended	
REVENUES			
Grants	\$ 3,184,405	3,184,405	3,254,317 69,912
County charges	701,501	701,501	487,070 (214,431)
Court costs, fines and forfeitures	206,000	206,000	188,671 (17,329)
Contributions and other	14,037	14,037	19,059 5,022
Total revenues	4,105,943	4,105,943	3,949,117 (156,826)
EXPENDITURES			
Current:			
Human services	4,450,405	4,403,087	4,274,624 128,463
Payments to other governments	5,035	13,535	13,509 26
Total expenditures	4,455,440	4,416,622	4,288,133 128,489
Deficiency of revenues over expenditures	(349,497)	(310,679)	(339,016) (28,337)
OTHER FINANCING SOURCES (USES)			
Transfers in	349,497	349,497	322,447 (27,050)
Transfers out	—	(38,818)	(38,818) —
Total other financing sources (uses)	349,497	310,679	283,629 (27,050)
Net change in fund balance	—	—	(55,387) (55,387)
Fund balance, beginning of year	1,380,000	1,380,000	1,383,741 3,741
Fund balance, end of year	\$ 1,380,000	1,380,000	1,328,354 (51,646)

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Fiscal Employer Agent

For the fiscal year ended June 30, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Investment earnings	\$ —	—	6,627	6,627
Total revenues	—	—	6,627	6,627
EXPENDITURES				
Current:				
Human services	—	—	—	—
Payments to other governments	—	—	—	—
Total expenditures	—	—	—	—
Excess of revenues over expenditures	—	—	6,627	6,627
Fund balance, beginning of year	—	—	41,423	41,423
Fund balance, end of year	\$ —	—	48,050	48,050

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Witness Assistance

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Grants	\$ 433,803	433,803	446,045	12,242
County charges	30,000	30,000	26,238	(3,762)
Court, costs, fines and forfeitures	500	500	540	40
Investment earnings	—	—	13	13
Total revenues	464,303	464,303	472,836	8,533
EXPENDITURES				
Current:				
Human services	865,786	865,786	833,187	32,599
Total expenditures	865,786	865,786	833,187	32,599
Deficiency of revenues under expenditures	(401,483)	(401,483)	(360,351)	41,132
OTHER FINANCING SOURCES				
Transfers in	401,483	401,483	378,040	(23,443)
Total other financing sources	401,483	401,483	378,040	(23,443)
Net change in fund balance	—	—	17,689	17,689
Fund balance, beginning of year	242,160	242,160	252,345	10,185
Fund balance, end of year	\$ 242,160	242,160	270,034	27,874

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
ARD/DUI Program *For the year ended December 31, 2022*

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Variance with Amended Budget
	Original	Amended	
REVENUES			
County charges	\$ 260,000	260,000	187,901 (72,099)
Total revenues	260,000	260,000	187,901 (72,099)
EXPENDITURES			
Current:			
General government – judicial	128,275	128,275	91,978 36,297
Total expenditures	128,275	128,275	91,978 36,297
Excess of revenues over expenditures	131,725	131,725	95,923 (35,802)
OTHER FINANCING USES			
Transfers out	(131,725)	(131,725)	(95,923) 35,802
Total other financing uses	(131,725)	(131,725)	(95,923) 35,802
Net change in fund balance	—	—	—
Fund balance, beginning of year	—	—	—
Fund balance, end of year	\$ —	—	—

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Records Improvement

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
County charges	\$ 162,000	162,000	169,020	7,020
Investment earnings	25	25	100	75
Total revenues	<u>162,025</u>	<u>162,025</u>	<u>169,120</u>	<u>7,095</u>
EXPENDITURES				
Current:				
General government – administrative	218,699	218,699	118,930	99,769
Total expenditures	<u>218,699</u>	<u>218,699</u>	<u>118,930</u>	<u>99,769</u>
Excess (deficiency) of revenues over (under) expenditures	(56,674)	(56,674)	50,190	106,864
OTHER FINANCING USES				
Transfers out	—	(147,808)	—	147,808
Total other financing uses	<u>—</u>	<u>(147,808)</u>	<u>—</u>	<u>147,808</u>
Net change in fund balance	(56,674)	(204,482)	50,190	254,672
Fund balance, beginning of year	<u>217,700</u>	<u>217,700</u>	<u>323,655</u>	<u>105,955</u>
Fund balance, end of year	<u>\$ 161,026</u>	<u>13,218</u>	<u>373,845</u>	<u>360,627</u>

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Recycling and Waste

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Grants	\$ 127,880	127,880	112,596	(15,284)
County charges	384,435	384,435	355,653	(28,782)
Investment earnings	3,000	3,000	4,103	1,103
Contributions and other	—	—	30,000	30,000
Total revenues	<u>515,315</u>	<u>515,315</u>	<u>502,352</u>	<u>(12,963)</u>
EXPENDITURES				
Current:				
Public works and enterprises	<u>488,614</u>	<u>488,614</u>	<u>381,118</u>	<u>107,496</u>
Total expenditures	<u>488,614</u>	<u>488,614</u>	<u>381,118</u>	<u>107,496</u>
Excess of revenues over expenditures	<u>26,701</u>	<u>26,701</u>	<u>121,234</u>	<u>94,533</u>
Fund balance, beginning of year	<u>906,684</u>	<u>906,684</u>	<u>896,274</u>	<u>(10,410)</u>
Fund balance, end of year	<u>\$ 933,385</u>	<u>933,385</u>	<u>1,017,508</u>	<u>84,123</u>

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Affordable Housing

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
County charges	\$ 196,000	196,000	197,225	1,225
Investment earnings	—	—	664	664
Total revenues	<u>196,000</u>	<u>196,000</u>	<u>197,889</u>	<u>1,889</u>
EXPENDITURES				
Current:				
General government - administrative	39,503	39,503	38,784	719
Payments to other governments	240,600	240,600	210,600	30,000
Total expenditures	<u>280,103</u>	<u>280,103</u>	<u>249,384</u>	<u>30,719</u>
Deficiency of revenues under expenditures	(84,103)	(84,103)	(51,495)	32,608
Fund balance, beginning of year	<u>140,647</u>	<u>140,647</u>	<u>146,110</u>	<u>5,463</u>
Fund balance, end of year	<u>\$ 56,544</u>	<u>56,544</u>	<u>94,615</u>	<u>38,071</u>

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Hotel Tax

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Taxes	\$ 2,000,550	2,850,550	2,483,252	(367,298)
County charges	20	20	—	(20)
Investment earnings	2,000	2,000	—	(2,000)
Total revenues	<u>2,002,570</u>	<u>2,852,570</u>	<u>2,483,252</u>	<u>(369,318)</u>
EXPENDITURES				
Current:				
Economic development and assistance	<u>40,010</u>	<u>57,010</u>	<u>49,633</u>	<u>7,377</u>
Total expenditures	<u>40,010</u>	<u>57,010</u>	<u>49,633</u>	<u>7,377</u>
Excess of revenues over expenditures	<u>1,962,560</u>	<u>2,795,560</u>	<u>2,433,619</u>	<u>(361,941)</u>
OTHER FINANCING USES				
Transfers out	<u>(1,962,560)</u>	<u>(2,795,560)</u>	<u>(2,433,619)</u>	<u>361,941</u>
Total other financing uses	<u>(1,962,560)</u>	<u>(2,795,560)</u>	<u>(2,433,619)</u>	<u>361,941</u>
Net change in fund balance	—	—	—	—
Fund balance, beginning of year	—	—	—	—
Fund balance, end of year	\$ —	—	—	—

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Emergency Telephone

For the fiscal year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Grants	\$ 350,000	350,000	176,040	(173,960)
County charges	5,831,842	5,831,842	5,847,409	15,567
Investment earnings	18,100	18,100	4,178	(13,922)
Contributions and other	500	500	363	(137)
Total revenues	<u>6,200,442</u>	<u>6,200,442</u>	<u>6,027,990</u>	<u>(172,452)</u>
EXPENDITURES				
Current:				
Emergency telephone	6,924,114	6,941,361	6,396,646	544,715
Capital outlay	1,029,000	1,011,753	3,641	1,008,112
Total expenditures	<u>7,953,114</u>	<u>7,953,114</u>	<u>6,400,287</u>	<u>1,552,827</u>
Deficiency of revenues under expenditures	<u>(1,752,672)</u>	<u>(1,752,672)</u>	<u>(372,297)</u>	<u>1,380,375</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,752,672	1,752,672	580,417	(1,172,255)
Transfers out	—	(210,000)	(208,120)	1,880
Total other financing sources (uses)	<u>1,752,672</u>	<u>1,542,672</u>	<u>372,297</u>	<u>(1,170,375)</u>
Net change in fund balance	—	(210,000)	—	210,000
Fund balance, beginning of year	<u>2,495,389</u>	<u>2,495,389</u>	<u>2,495,389</u>	<u>—</u>
Fund balance, end of year	<u>\$ 2,495,389</u>	<u>2,285,389</u>	<u>2,495,389</u>	<u>210,000</u>

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Debt Service

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Investment earnings	\$ —	—	12	12
Total revenues	—	—	12	12
EXPENDITURES				
Debt service:				
Principal retirement	4,678,906	4,828,906	4,817,693	11,213
Debt interest	848,646	1,058,646	1,050,529	8,117
Fiscal charges	—	235,600	235,536	64
Total expenditures	5,527,552	6,123,152	6,103,758	19,394
Deficiency of revenues under expenditures	(5,527,552)	(6,123,152)	(6,103,746)	19,406
OTHER FINANCING SOURCES (USES)				
Transfer in	5,527,552	5,887,552	5,868,222	(19,330)
Transfer out	—	(605,895)	(605,894)	1
Bond premium	—	841,495	841,430	(65)
Total other financing sources (uses)	5,527,552	6,123,152	6,103,758	(19,394)
Net change in fund balance	—	—	12	12
Fund balance, beginning of year	—	—	—	—
Fund balance, end of year	\$ —	—	12	12

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
Capital Projects *For the year ended December 31, 2022*

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Grants	\$ 248,000	248,000	433,505	185,505
Investment earnings	6,000	6,000	171,751	165,751
Total revenues	<u>254,000</u>	<u>254,000</u>	<u>605,256</u>	<u>351,256</u>
EXPENDITURES				
Current expenditures	67,700	67,700	—	67,700
Capital outlay	12,600,000	12,610,000	4,670,789	7,939,211
Payments to other governments	1,126,500	1,126,500	778,703	347,797
Total expenditures	<u>13,794,200</u>	<u>13,804,200</u>	<u>5,449,492</u>	<u>8,354,708</u>
Deficiency of revenues under expenditures	<u>(13,540,200)</u>	<u>(13,550,200)</u>	<u>(4,844,236)</u>	<u>8,705,964</u>
OTHER FINANCING SOURCES (USES)				
Issuance of long term bond	12,667,200	12,667,200	14,395,000	1,727,800
Transfer in	—	—	605,894	605,894
Transfer out	<u>(1,200,000)</u>	<u>(1,290,000)</u>	<u>(1,284,181)</u>	<u>5,819</u>
Total other financing sources (uses)	<u>11,467,200</u>	<u>11,377,200</u>	<u>13,716,713</u>	<u>2,339,513</u>
Net change in fund balance	<u>(2,073,000)</u>	<u>(2,173,000)</u>	<u>8,872,477</u>	<u>11,045,477</u>
Fund balance, beginning of year	<u>2,234,496</u>	<u>2,234,496</u>	<u>1,815,042</u>	<u>(419,454)</u>
Fund balance, end of year	<u>\$ 161,496</u>	<u>61,496</u>	<u>10,687,519</u>	<u>10,626,023</u>

Other General Fund Budgetary Schedules

OTHER GENERAL FUND BUDGETARY SCHEDULES

DESCRIPTION OF FUNDS

Other General Fund Programs

The general fund presented in the basic financial statements is made up of several consolidated funds. The following programs are not included in the general fund schedule of revenues, expenditures and changes in fund balances – budget and actual. This section presents their budgetary schedules.

County Grant Program – To provide County organizations economic assistance for projects and grants determined and approved by the Board of Commissioners.

Insurance Fraud Prevention Authority – To conduct criminal investigations into all allegations of insurance fraud and other related theft offenses, either through direct referrals or in cooperation with other law enforcement agencies.

Criminal Justice Services – To assist key decision makers with the development of a managed response to the issue of prison overcrowding.

Offender Supervision – To subsidize the operations of adult probation by providing additional monies for probation officers' salaries, safety equipment, and office supplies.

STOP Grant – To provide a coordinated approach using a detective, a victim advocate, and trial staff to combat the pervasive problem of violence against women with a concentration on the enforcement of protection from abuse orders.

Demolition Fund – To account for Recorder of Deeds fees established by Pennsylvania Act 152 of 2016 for the demolition of qualifying blighted Cumberland County buildings.

District Attorney-Federal Forfeitures – To account for equitable shared funds received directly from the U.S. Department of Justice and/or Treasury for special law enforcement purposes.

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
County Grant Program *For the year ended December 31, 2022*

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Variance with Amended Budget
	Original	Amended	
REVENUES			
Grants	\$ —	—	—
Total revenues	—	—	—
EXPENDITURES			
Current:			
Economic development and assistance	—	32,645,167	949,450
Payment to other governments	—	6,354,833	—
Total expenditures	—	39,000,000	949,450
Deficiency of revenues under expenditures	—	(39,000,000)	(949,450)
OTHER FINANCING SOURCES (USES)			
Transfers in	—	40,000,000	949,450
Transfers out	—	(1,000,000)	—
Total other financing sources (uses)	—	39,000,000	949,450
Net change in fund balance	—	—	—
Fund balance, beginning of year	—	—	—
Fund balance, end of year	\$ —	—	—

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
Insurance Fraud Prevention Authority *For the fiscal year ended June 30, 2022*

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Grants	\$ 239,864	239,864	207,044	(32,820)
County charges	30	30	32	2
Investment earnings	150	150	19	(131)
Total revenues	<u>240,044</u>	<u>240,044</u>	<u>207,095</u>	<u>(32,949)</u>
EXPENDITURES				
Current:				
Public safety	<u>240,044</u>	<u>240,044</u>	<u>207,095</u>	<u>32,949</u>
Total expenditures	<u>240,044</u>	<u>240,044</u>	<u>207,095</u>	<u>32,949</u>
Deficiency of revenues under expenditures	—	—	—	—
Fund balance, beginning of year	—	—	—	—
Fund balance, end of year	\$ <u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
Criminal Justice Services *For the fiscal year ended June 30, 2022*

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Grants	\$ 524,985	524,985	410,839	(114,146)
County charges	2,000	2,000	2,080	80
Court costs, fines and forfeitures	—	—	490	490
Contributions and other	7,000	7,000	—	(7,000)
Total revenues	<u>533,985</u>	<u>533,985</u>	<u>413,409</u>	<u>(120,576)</u>
EXPENDITURES				
Current:				
Human services	<u>1,762,742</u>	<u>1,757,465</u>	<u>1,391,644</u>	<u>365,821</u>
Total expenditures	<u>1,762,742</u>	<u>1,757,465</u>	<u>1,391,644</u>	<u>365,821</u>
Deficiency of revenues under expenditures	<u>(1,228,757)</u>	<u>(1,223,480)</u>	<u>(978,235)</u>	<u>245,245</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,228,757	1,228,757	983,511	(245,246)
Transfers out	—	(5,277)	(5,276)	1
Total other financing sources (uses)	<u>1,228,757</u>	<u>1,223,480</u>	<u>978,235</u>	<u>(245,245)</u>
Net change in fund balance	—	—	—	—
Fund balance, beginning of year	<u>7,802</u>	<u>7,802</u>	<u>7,803</u>	<u>1</u>
Fund balance, end of year	<u>\$ 7,802</u>	<u>7,802</u>	<u>7,803</u>	<u>1</u>

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Offender Supervision

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Variance with Amended Budget
	Original	Amended	
REVENUES			
Court costs, fines, and forfeitures	\$ 825,000	825,000	671,993 (153,007)
Total revenues	825,000	825,000	671,993 (153,007)
EXPENDITURES			
Current:			
Public safety	810,829	810,829	751,976 58,853
Total expenditures	810,829	810,829	751,976 58,853
Excess (deficiency) of revenues over expenditures	14,171	14,171	(79,983) (94,154)
OTHER FINANCING USES			
Transfers out	(75,000)	(75,000)	(75,000) —
Total other financing uses	(75,000)	(75,000)	(75,000) —
Net change in fund balance	(60,829)	(60,829)	(154,983) (94,154)
Fund balance, beginning of year	1,291,585	1,291,585	1,291,586 1
Fund balance, end of year	\$ 1,230,756	1,230,756	1,136,603 (94,153)

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

STOP Grant

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Grants	\$ 125,000	125,000	125,000	—
County charges	—	—	99	99
Investment earnings	2	2	60	58
Total revenues	<u>125,002</u>	<u>125,002</u>	<u>125,159</u>	<u>157</u>
EXPENDITURES				
Current:				
Public safety	183,012	190,152	190,308	(156)
Total expenditures	<u>183,012</u>	<u>190,152</u>	<u>190,308</u>	<u>(156)</u>
Deficiency of revenues under expenditures	(58,010)	(65,150)	(65,149)	1
OTHER FINANCING SOURCES				
Transfers in	58,010	65,150	65,149	(1)
Total other financing sources	<u>58,010</u>	<u>65,150</u>	<u>65,149</u>	<u>(1)</u>
Net change in fund balance	—	—	—	—
Fund balance, beginning of year	—	—	—	—
Fund balance, end of year	\$ —	—	—	—

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Demolition Fund

For the ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
County charges	\$ 325,000	325,000	257,250	(67,750)
Total revenues	325,000	325,000	257,250	(67,750)
EXPENDITURES				
Current:				
Economic development and assistance	20,025	20,025	9,942	10,083
Payments to other governments	200,000	200,000	99,192	100,808
Total expenditures	220,025	220,025	109,134	110,891
Excess of revenues over expenditures	104,975	104,975	148,116	43,141
Fund balance, beginning of year	414,960	414,960	432,914	17,954
Fund balance, end of year	\$ 519,935	519,935	581,030	61,095

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

District Attorney-Federal Forfeitures

For the ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Budget		Actual Amounts	Variance with Amended Budget
	Original	Amended		
REVENUES				
Investment earnings	\$ 6	6	117	111
Total revenues	6	6	117	111
EXPENDITURES				
Current:				
Human services	8,500	20,500	13,745	6,755
Total expenditures	8,500	20,500	13,745	6,755
Excess (deficiency) of revenues excess (under) expenditures	(8,494)	(20,494)	(13,628)	6,866
Fund balance, beginning of year	50,189	50,189	50,204	15
Fund balance, end of year	\$ 41,695	29,695	36,576	6,881

Internal Service Fund Combining Statements

INTERNAL SERVICE FUNDS
DESCRIPTION OF FUNDS

Internal Service Funds

Funds used to report activity that provides goods and services to other funds and departments of the primary government and one of its component units, Conservation District, on a cost reimbursement basis.

Workers' Compensation – Used to account for the County's self-insured risk management activities related to liabilities incurred as a result of workplace injuries.

Health Care Self Insurance – Used to account for the County's self-insured health insurance claims.

COMBINING STATEMENT OF NET POSITION

Internal Service Funds

December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Workers' Compensation	Health Care Self Insurance	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 137,464	3,797,469	3,934,933
Investments	691,382	1,000,000	1,691,382
Accounts receivable (net of allowance)	2,100	8,084	10,184
Total current assets	<u>830,946</u>	<u>4,805,553</u>	<u>5,636,499</u>
Total assets	<u>830,946</u>	<u>4,805,553</u>	<u>5,636,499</u>
LIABILITIES			
Current liabilities:			
Accounts payable	5,800	536	6,336
Accrued payroll	582	1,985	2,567
Due to other funds	12,189	122,998	135,187
Unearned revenue	—	1,073	1,073
Self-insurance claims payable	91,143	1,003,000	1,094,143
Total current liabilities	<u>109,714</u>	<u>1,129,592</u>	<u>1,239,306</u>
Noncurrent liabilities:			
Due in more than one year:			
Self-insurance claims payable	<u>402,428</u>	<u>—</u>	<u>402,428</u>
Total noncurrent liabilities	<u>402,428</u>	<u>—</u>	<u>402,428</u>
Total liabilities	<u>512,142</u>	<u>1,129,592</u>	<u>1,641,734</u>
NET POSITION			
Unrestricted	318,804	3,675,961	3,994,765
Total net position	<u>\$ 318,804</u>	<u>3,675,961</u>	<u>3,994,765</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION**

Internal Service Funds

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Workers' Compensation	Health Care Self Insurance	Totals
Operating revenues:			
Charges for sales and services:			
County charges	\$ 114,030	12,771,521	12,885,551
Total operating revenues	114,030	12,771,521	12,885,551
Operating expenses:			
Patient/client services	271,499	13,112,180	13,383,679
Total operating expenses	271,499	13,112,180	13,383,679
Operating income	(157,469)	(340,659)	(498,128)
Nonoperating revenues:			
Interest income	9,700	45,310	55,010
Total nonoperating revenues (loss)	9,700	45,310	55,010
Transfers			
Transfer in	—	356,550	356,550
Change in net position	(147,769)	61,201	(86,568)
Total net position, beginning of year	466,573	3,614,760	4,081,333
Total net position, end of year	\$ 318,804	3,675,961	3,994,765

COMBINING STATEMENT OF CASH FLOWS

Internal Service Funds

For the year ended December 31, 2022

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	Workers' Compensation	Health Care Self Insurance	Totals
CASH FLOWS FROM OPERATING ACTVITIES			
Cash received on county charges	\$ 53,123	12,771,782	12,824,905
Payments to vendors	(202,058)	(13,018,801)	(13,220,859)
Payments to employees	—	(91,613)	(91,613)
Net cash provided by (used in) operating activities	<u>(148,935)</u>	<u>(338,632)</u>	<u>(487,567)</u>
CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTVITIES			
Transfers from other funds	—	356,550	356,550
Net cash provided by non-capital and related financing activities	—	356,550	356,550
CASH FLOWS FROM INVESTING ACTVITIES			
Sale (purchase) of investments	119,338	(1,000,000)	(880,662)
Gain/loss on investments	9,100	37,302	46,402
Net cash provided by (used in) investing activities	<u>128,438</u>	<u>(962,698)</u>	<u>(834,260)</u>
Net increase (decrease) in cash and cash equivalents	(20,497)	(944,780)	(965,277)
Cash and cash equivalents, January 1	157,961	4,742,249	4,900,210
Cash and cash equivalents, December 31	<u>\$ 137,464</u>	<u>3,797,469</u>	<u>3,934,933</u>
Reconciliation of operating income (loss) to net cash used by operating activities:			
Operating income	\$ (157,469)	(340,659)	(498,128)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Changes in assets and liabilities in:			
Accounts receivable	—	50,281	50,281
Due from other funds	(38,347)	16,110	(22,237)
Prepaid	93,615	352	93,967
Accounts payable	3,800	(4,240)	(440)
Accrued liabilities and withholdings	(113)	(1,346)	(1,459)
Unearned revenues	—	(130)	(130)
Self-insurance debt-claims payable	(50,421)	(59,000)	(109,421)
Total adjustments	<u>8,534</u>	<u>2,027</u>	<u>10,561</u>
Net cash provided by (used in) operating activities	<u>\$ (148,935)</u>	<u>(338,632)</u>	<u>(487,567)</u>

There were no material non-cash financing and investing transactions.

Custodial Funds Combining Statements

CUSTODIAL FUNDS

DESCRIPTION OF FUNDS

Custodial Funds

Funds used to report resources held by the primary government in a purely custodial capacity.

Prison Work Release and Inmate Accounts – Used to account for work release earnings and disbursements and the personal funds held by individuals incarcerated at the County prison.

Row Office Funds – Used to account for the fees, fines, taxes, and other monies collected by elected row officers that are subsequently disbursed to the County, other governments or other not-for-profit entities or citizens for whom they were collected. These funds are as follows:

- Clerk of Court
- Prothonotary
- Recorder of Deeds
- Treasurer
- Register of Wills
- Sheriff
- District Attorney

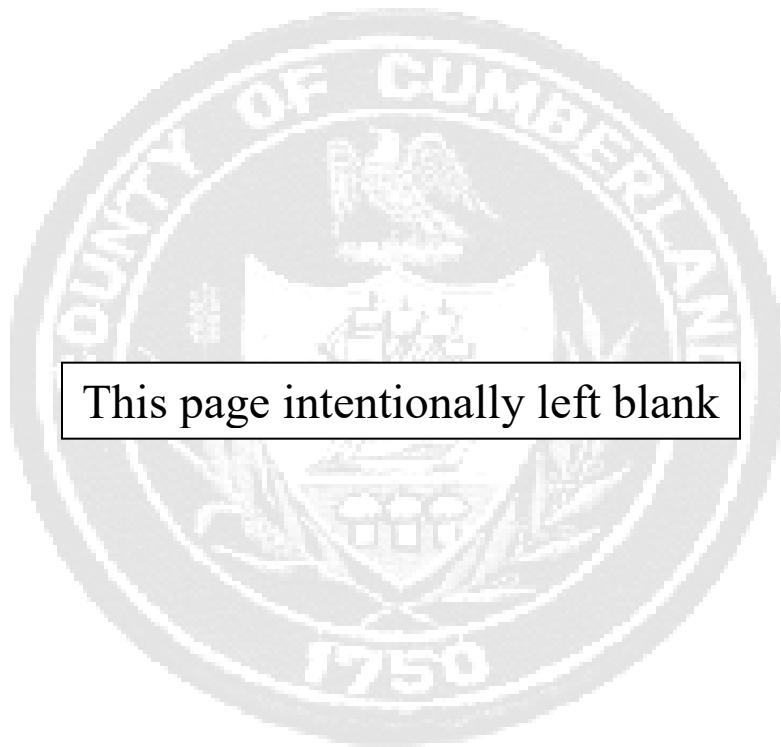
Flexible Spending Account – Used to account for funds set aside pre-tax by employees in the County's flexible spending plan to pay eligible daycare costs of dependent children or parents.

Human Services Guardianship Accounts – Used to account for monies of human services clients for which the County has been appointed by the courts or otherwise agrees to act in a fiduciary capacity in the administration of client monies.

Tax Sale Surplus – Used to account for net proceeds from Judicial Tax Sales held by the Cumberland County Tax Claim Bureau.

Deferred Taxes – Used to account for municipal and school district taxes collected by the Cumberland County Tax Claim Bureau.

Magisterial District Court Accounts – Used to account for costs, fines and other monies collected by magisterial district courts that are subsequently disbursed to the County, other governments and other entities for whom they were collected.



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**Combining Statement of Fiduciary Net Position
All Custodial Funds**

COUNTY OF CUMBERLAND, PENNSYLVANIA

	Prison Work Release	Prison Inmate Accounts	Clerk of Court	Prothonotary	Recorder of Deeds	Treasurer
ASSETS						
Cash and cash equivalents	\$ 27,413	196,492	645,525	465,281	1,375,722	13,782
Total assets	\$ 27,413	196,492	645,525	465,281	1,375,722	13,782
LIABILITIES						
Due to other governments	\$ —	—	110,127	6,669	1,375,722	13,782
Total liabilities	—	—	110,127	6,669	1,375,722	13,782
Net Position	\$ 27,413	196,492	535,398	458,612	—	—

December 31, 2022

(unaudited)

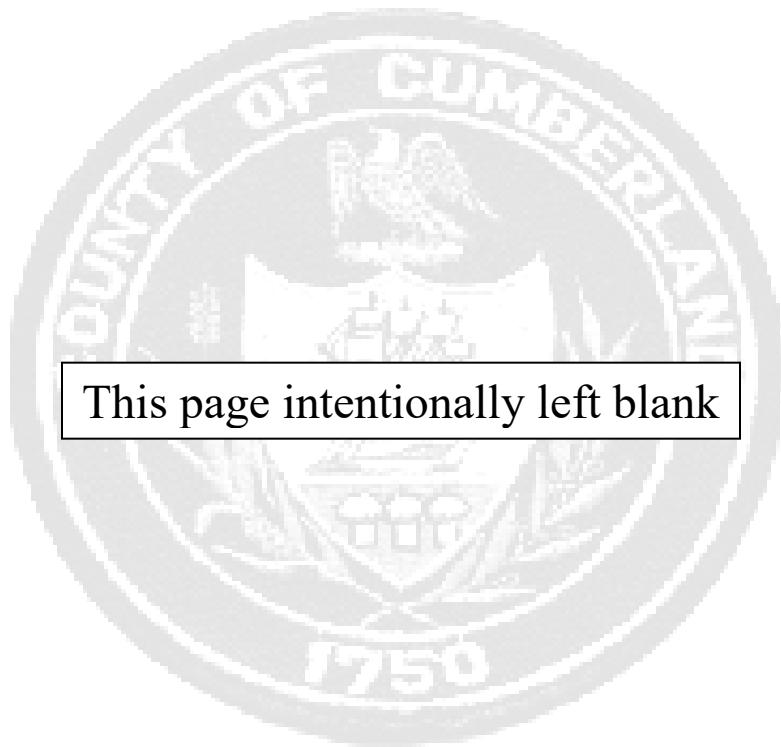
Register of Wills	Sheriff	District Attorney	Flexible Spending Account	Human Services			Magisterial District	
				Guardianship Accounts	Tax Sale Surplus	Deferred Taxes	Court Accounts	Total
5,237	1,346,947	462,501	20,301	—	319,793	6,815	180,882	5,066,691
5,237	1,346,947	462,501	20,301	—	319,793	6,815	180,882	5,066,691
5,237	19,784	—	—	—	—	6,815	87,984	1,626,120
5,237	19,784	—	—	—	—	6,815	87,984	1,626,120
—	1,327,163	462,501	20,301	—	319,793	—	92,898	3,440,571

Combining Statement of Change in Fiduciary Net Position
All Custodial Funds

	Prison Work Release	Prison Inmate Accounts	Clerk of Court	Prothonotary	Recorder of Deeds	Treasurer	Register of Wills
Additions							
Other governments:							
Fees, costs, fines & licenses	\$ —	—	1,483,312	117,244	—	196,901	81,456
Taxes	—	—	—	—	45,805,112	—	29,880,139
Escrow	379,971	1,309,928	1,329,410	80,317	—	—	—
Total additions	379,971	1,309,928	2,812,722	197,561	45,805,112	196,901	29,961,595
Deductions							
Other governments:							
Fees, costs, fines & licenses	—	—	1,483,312	117,244	—	196,901	81,456
Taxes	—	—	—	—	45,805,112	—	29,880,139
Escrow	353,740	1,424,125	1,444,950	305,436	—	—	—
Total deductions	353,740	1,424,125	2,928,262	422,680	45,805,112	196,901	29,961,595
Net increase (decrease) in Fiduciary Net Position	26,231	(114,197)	(115,540)	(225,119)	—	—	—
Net position - beginning	1,182	310,689	650,938	683,731	—	—	—
Net position - ending	\$ 27,413	196,492	535,398	458,612	—	—	—

For the year ended December 31, 2022

Sheriff	District Attorney	Flexible Spending Account	Human Services Guardianship Accounts	Tax Sale Surplus	Deferred Taxes	Magisterial District Court Accounts	Total
135,911	—	—	—	—	—	4,388,092	6,402,916
—	—	—	—	118,537	6,703,383	—	82,507,171
4,424,095	86,414	63,772	19,659	38,342	16,788	541,774	8,290,470
4,560,006	86,414	63,772	19,659	156,879	6,720,171	4,929,866	97,200,557
<hr/>							
135,911	—	—	—	—	—	4,388,092	6,402,916
—	—	—	—	92,764	6,703,383	—	82,481,398
4,040,808	15,408	63,899	37,264	372,373	16,788	554,788	8,629,579
4,176,719	15,408	63,899	37,264	465,137	6,720,171	4,942,880	97,513,893
<hr/>							
383,287	71,006	(127)	(17,605)	(308,258)	-	(13,014)	(313,336)
943,876	391,495	20,428	17,605	628,051	-	105,912	3,753,907
1,327,163	462,501	20,301	-	319,793	-	92,898	3,440,571



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This section presents trend, contextual and detail information to help users evaluate the financial information presented in the preceding sections. This information is presented in five categories:

Financial Trends

Financial trends information is intended to help readers understand and assess how the County's financial position has changed over time.

Revenue Capacity

Revenue capacity information is intended to assist readers in understanding and assessing the factors affecting the County's ability to generate its own revenues – principally real estate taxes.

Debt Capacity

Debt capacity information is intended to assist readers in understanding and assessing the County's current debt burden and its ability to issue additional debt.

Demographic and Economic Information

Demographic and economic information is intended to help readers understand the socio-economic environment in which the County operates.

Operating Information

Operating information is intended to provide readers with information for evaluating the County's financial statement information as it relates to the services the County provides and activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year. Where available, ten years of data has been included.

FINANCIAL TRENDS

Net Position by Component

COUNTY OF CUMBERLAND, PENNSYLVANIA

(accrual basis of accounting)

	2013	2014	2015	2016
Governmental activities				
Net investment in capital assets	\$ 27,357,708	30,386,044	34,018,215	36,791,935
Restricted	8,345,285	8,832,346	10,851,199	12,085,563
Unrestricted	25,596,675	27,835,433	31,827,828	37,147,508
Total governmental activities net position	\$ <u>61,299,668</u>	<u>67,053,823</u>	<u>76,697,242</u>	<u>86,025,006</u>
Business-type activities				
Net investment in capital assets	\$ 4,675,435	1,768,189	2,269,224	2,975,768
Restricted	-	-	-	-
Unrestricted	5,033,865	4,807,185	5,371,159	5,695,517
Total business-type activities net position	\$ <u>9,709,300</u>	<u>6,575,374</u>	<u>7,640,383</u>	<u>8,671,285</u>
Primary government				
Net investment in capital assets	\$ 32,033,143	32,154,233	36,287,439	39,767,703
Restricted	8,345,285	8,832,346	10,851,199	12,085,563
Unrestricted	30,630,540	32,642,618	37,198,987	42,843,025
Total primary government net position	\$ <u>71,008,968</u>	<u>73,629,197</u>	<u>84,337,625</u>	<u>94,696,291</u>

As of the year ended indicated

(unaudited)

2017	2018	2019	2020	2021	2022
44,481,499	49,481,224	56,035,497	69,736,180	74,098,369	77,516,379
13,675,898	19,408,754	17,604,860	19,690,572	22,391,580	31,515,480
43,859,985	37,280,435	41,525,905	47,511,675	52,659,963	91,103,521
<u>102,017,382</u>	<u>106,170,413</u>	<u>115,166,262</u>	<u>136,938,427</u>	<u>149,149,912</u>	<u>200,135,380</u>
3,720,244	4,270,322	5,321,075	6,202,927	6,149,391	-
-	-	-	-	-	-
4,802,623	3,109,735	1,243,989	5,799,002	2,644,087	-
<u>8,522,867</u>	<u>7,380,057</u>	<u>6,565,064</u>	<u>12,001,929</u>	<u>8,793,478</u>	<u>-</u>
48,201,743	53,751,546	61,356,572	75,939,107	80,247,760	77,516,379
13,675,898	19,408,754	17,604,860	19,690,572	22,391,580	31,515,480
48,662,608	40,390,170	42,769,894	53,310,677	55,304,050	91,103,521
<u>110,540,249</u>	<u>113,550,470</u>	<u>121,731,326</u>	<u>148,940,356</u>	<u>157,943,390</u>	<u>200,135,380</u>

FINANCIAL TRENDS

Changes in Net Position

COUNTY OF CUMBERLAND, PENNSYLVANIA

(accrual basis of accounting)

	2013	2014	2015
Expenses			
Governmental activities			
General government - administrative	\$ 14,144,701	13,728,858	13,631,117
General government - judicial	18,545,493	18,396,045	18,751,395
Corrections (1)	18,165,075	18,955,396	18,568,390
Emergency telephone (2)	-	5,444,274	5,272,839
Public safety	3,826,455	4,125,147	4,029,829
Transportation services (2)	-	2,506,885	1,465,829
Roads and bridge maintenance	511,078	327,879	920,955
Recycling and waste management	330,697	266,872	271,432
Human services:			
Mental health/intellectual and developmental disabilities	16,409,341	17,837,104	16,842,101
HealthChoices - Cumberland County	28,879,387	28,653,048	29,681,949
Children and youth	14,186,821	14,873,696	16,660,594
Food and shelter	851,772	1,204,422	1,054,332
Office of aging	3,055,181	3,297,677	3,798,961
Other	3,651,819	3,907,128	3,514,705
Culture and recreation	191,890	38,657	435,407
Conservation	486,778	571,509	462,380
Community redevelopment and housing	237,269	198,051	180,019
Economic development and assistance	3,602,456	4,058,868	3,715,216
Interest on long-term debt	1,618,892	1,702,282	1,579,219
Indirect expenses	(716,180)	(676,395)	(560,442)
Total governmental activities expenses	<u>127,978,925</u>	<u>139,417,403</u>	<u>140,276,227</u>
Business-type activities			
County nursing home	24,005,271	24,480,806	24,481,218
Early Learning Center	-	-	-
Emergency telephone (2)	5,704,448	-	-
Hazardous materials protection (2)	157,291	-	-
Transportation services (2)	2,503,355	-	-
Indirect expenses	716,180	676,395	560,442
Total business-type activities expenses	<u>33,086,545</u>	<u>25,157,201</u>	<u>25,041,660</u>
Total primary government expenses	<u>\$ 161,065,470</u>	<u>164,574,604</u>	<u>165,317,887</u>

Program revenues

Governmental activities

Charges for services			
General government - administrative	\$ 4,838,303	3,954,301	4,408,795
General government - judicial	4,527,455	2,690,559	4,006,868
Corrections (1)	1,743,574	2,126,004	2,157,892
Emergency telephone (2)	-	1,638,261	5,719,438
Public safety	1,429,935	1,582,213	1,871,093
Transportation services (2)	-	1,280,478	604,374
Roads and bridge maintenance	2,952	80	971,680
Recycling and waste management	111,890	121,023	111,899
Human services	3,740,695	4,515,227	3,439,248
Culture and recreation	8,648	-	-
Conservation	18,716	53,613	37,207

For the year ended indicated

(unaudited)

2016	2017	2018	2019	2020	2021	2022
14,810,069	14,479,524	15,758,996	16,101,447	16,075,398	17,357,002	20,102,422
20,888,619	20,971,925	22,958,993	23,525,229	22,217,708	22,170,225	26,597,232
19,330,948	18,680,545	20,767,652	20,197,576	19,210,033	19,006,915	22,987,596
5,469,089	5,186,230	5,493,643	5,488,194	5,216,318	5,614,675	6,776,142
4,635,939	4,491,900	4,967,090	4,825,274	4,894,269	4,669,689	6,022,201
131,285	-	-	-	-	-	-
818,420	504,229	314,513	626,877	501,690	744,420	890,330
254,298	399,114	462,056	419,699	485,829	492,831	486,859
17,230,628	16,450,746	16,979,398	17,879,541	19,560,312	18,450,784	22,232,015
36,322,582	38,747,541	41,642,653	21,354,714	-	-	-
18,000,735	19,149,179	21,057,856	22,114,286	21,695,225	21,195,003	23,513,258
758,684	886,130	855,309	880,848	795,672	785,530	839,274
4,144,889	4,365,657	4,626,004	4,347,858	3,670,046	3,815,751	4,386,026
3,753,249	3,993,007	5,159,038	5,193,094	5,131,151	5,013,534	6,331,894
26,192	14,664	99,313	120,091	107,848	8,835	861,263
546,916	558,314	644,513	648,319	829,763	717,102	1,215,867
192,851	195,676	192,421	183,923	168,812	191,492	249,384
3,537,217	4,592,886	4,288,632	4,241,101	23,492,855	17,735,150	7,745,583
1,389,520	1,224,814	1,025,575	1,080,800	936,503	942,071	1,128,442
(635,987)	(660,484)	(659,621)	(665,900)	(585,220)	(683,427)	(128,171)
<u>151,606,143</u>	<u>154,231,597</u>	<u>166,634,034</u>	<u>148,562,971</u>	<u>144,404,212</u>	<u>138,227,582</u>	<u>152,237,617</u>
26,709,058	27,284,499	28,692,036	27,843,507	26,680,935	21,314,138	6,714,948
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>635,987</u>	<u>660,484</u>	<u>659,621</u>	<u>665,900</u>	<u>585,220</u>	<u>683,427</u>	<u>128,171</u>
<u>27,345,045</u>	<u>27,944,983</u>	<u>29,351,657</u>	<u>28,509,407</u>	<u>27,266,155</u>	<u>21,997,565</u>	<u>6,843,119</u>
<u>178,951,188</u>	<u>182,176,580</u>	<u>195,985,691</u>	<u>177,072,378</u>	<u>171,670,367</u>	<u>160,225,147</u>	<u>159,080,736</u>

4,264,648	4,330,066	4,120,742	4,107,225	4,814,928	5,592,379	4,748,484
4,202,217	4,620,892	4,745,433	4,790,761	4,366,473	4,415,451	3,951,005
2,207,594	2,456,615	2,744,455	2,416,267	2,133,024	2,468,067	2,380,354
5,935,193	6,116,261	5,713,151	5,945,523	6,284,881	6,032,963	5,847,409
1,689,680	1,872,049	2,010,638	1,900,834	1,737,098	1,725,250	1,753,803
-	-	-	-	-	-	-
1,201,297	1,506,085	1,063,036	1,363,154	1,313,500	1,339,980	1,232,331
120,571	253,064	310,821	334,865	311,341	374,228	355,653
3,640,729	3,322,160	3,655,136	3,730,998	3,911,604	3,667,632	3,709,632
-	-	-	-	-	-	-
53,412	45,558	59,272	87,335	42,448	74,778	59,233

(continued)

FINANCIAL TRENDS

Changes in Net Position

COUNTY OF CUMBERLAND, PENNSYLVANIA

(accrual basis of accounting)

	2013	2014	2015
(continued)			
Program revenues			
Community redevelopment and housing	223,797	176,318	190,107
Economic development and assistance	-	-	-
Operating grants and contributions			
General government - administrative	350,086	451,533	527,623
General government - judicial	2,829,612	2,722,094	2,747,005
Corrections (1)	699,760	738,753	665,351
Emergency telephone (2)	-	1,484,096	575,422
Public safety	598,286	708,927	776,487
Transportation services (2)	-	1,101,968	664,806
Roads and bridge maintenance	532,209	446,947	605,852
Recycling and waste management	68,822	75,303	348,835
Human services:			
Mental health/intellectual and developmental disabilities	13,928,418	14,403,100	14,423,979
HealthChoices - Cumberland County	28,879,053	28,652,699	29,681,670
Children and youth	12,395,912	12,083,726	13,534,980
Food and shelter	574,527	999,975	880,510
Office of aging	3,075,150	3,169,562	3,709,887
Other	2,581,674	2,656,276	2,159,564
Culture and recreation	92,272	-	500,000
Conservation	294,722	279,065	295,199
Economic development and assistance	1,462,951	1,901,964	1,387,870
Capital grants and contributions			
General government - administrative	-	109,043	68,602
Public safety	21,409	78,338	21,932
Roads and bridge maintenance	135,074	119,073	545,602
Economic development and assistance	-	-	-
Total governmental activities program revenues	85,165,902	90,320,519	97,639,777
Business-type activities			
Charges for services			
County nursing home (3)	24,474,978	25,693,602	26,084,652
Early Learning Center	-	-	-
Emergency telephone (2)	1,606,054	-	-
Hazardous materials protection (2)	58,377	-	-
Transportation services (2)	1,157,031	-	-
Operating grants and contributions			
County nursing home	15,434	220,525	6,747
Early Learning Center	-	-	-
Emergency telephone (2)	2,180,632	-	-
Hazardous materials protection (2)	36,427	-	-
Transportation services (2)	1,060,635	-	-
Capital grants and contributions			
Early Learning Center	-	-	-
Hazardous materials protection (2)	-	-	-
Transportation services (2)	715,541	-	-
Total business-type activities program revenues	31,305,109	25,914,127	26,091,399
Total primary government program revenues	\$ 116,471,011	116,234,646	123,731,176

For the year ended indicated

(unaudited)

2016	2017	2018	2019	2020	2021	2022
201,676	192,326	184,472	188,152	233,416	259,279	197,225
-	342,629	343,162	425,640	705,179	796,109	921,423
350,237	541,456	395,221	492,691	658,349	343,002	860,107
2,707,945	2,801,029	2,780,745	2,972,107	3,153,891	3,220,045	3,274,215
618,714	508,831	495,916	559,835	620,375	593,556	735,638
651	300	300	505	207,759	417	176,403
843,102	1,004,211	1,029,082	1,162,602	1,312,045	1,248,012	1,133,605
131,285	-	-	-	-	-	-
520,611	656,459	570,690	679,240	523,576	674,372	594,802
106,249	106,062	355,696	480,903	110,518	483,450	142,596
14,536,070	14,440,988	14,655,657	15,464,342	17,014,719	16,578,808	17,899,178
36,322,288	38,746,200	41,654,825	21,370,870	-	-	-
14,359,595	15,137,519	17,420,040	18,986,489	18,711,407	17,930,045	18,539,807
612,996	756,853	693,349	755,054	824,283	834,140	843,127
3,871,651	4,145,094	3,950,861	3,591,370	3,374,529	3,684,415	3,805,876
2,434,801	2,634,223	3,442,485	3,496,997	3,311,690	3,258,551	14,457,972
-	5,335	392	-	4,279	-	698,563
304,912	251,471	321,325	383,554	344,869	338,683	950,943
1,456,078	1,991,704	1,469,188	1,870,945	24,394,453	16,257,339	39,516,280
 	 	 	 	2,661,988	-	-
25,515	19,970	22,348	160,718	165,250	20,448	21,489
588,762	3,149,410	485,354	2,462,726	6,753,917	1,264,476	88,836
-	-	68,505	-	-	-	-
103,308,479	111,954,820	114,762,297	100,181,702	110,001,789	93,475,875	128,895,989
27,091,190	27,902,156	28,189,387	27,665,684	29,352,205	16,347,351	4,229,994
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9,961	2,063	1,215	6,461	2,816,588	1,746,009	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
27,101,151	27,904,219	28,190,602	27,672,145	32,168,793	18,093,360	4,229,994
130,409,630	139,859,039	142,952,899	127,853,847	142,170,582	111,569,235	133,125,983

(continued)

FINANCIAL TRENDS

Changes in Net Position

COUNTY OF CUMBERLAND, PENNSYLVANIA

(accrual basis of accounting)

	2013	2014	2015
(continued)			
Net expense:			
Governmental activities	\$ (42,813,023)	(49,096,884)	(42,636,450)
Business-type activities	(1,781,436)	756,926	1,049,739
Total primary government net expense	<u>\$ (44,594,459)</u>	<u>(48,339,958)</u>	<u>(41,586,711)</u>

General Revenues and Other Changes in Net Position

Governmental activities

Taxes:			
Real estate taxes	\$ 47,880,387	49,915,747	50,564,085
Per capita taxes	676,050	26,631	5,897
Hotel taxes	1,604,287	1,676,860	1,896,626
Special item	-	-	(378,887)
Unrestricted investment earnings	20,558	198,052	150,214
Transfers	(2,250,276)	-	-
Total governmental activities	<u>47,931,006</u>	<u>51,817,290</u>	<u>52,237,935</u>
Business-type activities			
Unrestricted investment earnings	-	4,744	3,657
Transfers	2,250,276	-	-
Special items	-	-	-
Total business-type activities	<u>2,250,276</u>	<u>4,744</u>	<u>3,657</u>
Total primary government	<u>\$ 50,181,282</u>	<u>51,822,034</u>	<u>52,241,592</u>

Changes in Net Position

Governmental activities	\$ 5,117,983	2,720,406	9,601,485
Business-type activities	468,840	761,670	1,053,396
Total primary government	<u>\$ 5,586,823</u>	<u>3,482,076</u>	<u>10,654,881</u>

Notes:

- (1) Beginning in 2013, public safety expenses were broken into two categories to provide better detail to the statement of activities. The new categories are called public safety and corrections.
- (2) Beginning in 2014, emergency telephone, transportation and hazmat were reclassified from a business-type program to a governmental-type in statement of activities.
- (3) On March 13, 2022, the County sold operating assets and associated operations related to Claremont Nursing and Rehabilitation Center.

For the year ended indicated

(unaudited)

2016	2017	2018	2019	2020	2021	2022
(48,297,664)	(42,276,777)	(51,871,737)	(48,381,269)	(34,402,423)	(44,751,707)	(23,341,628)
(243,894)	(40,764)	(1,161,055)	(837,262)	4,902,638	(3,904,205)	(2,613,125)
<u>(48,541,558)</u>	<u>(42,317,541)</u>	<u>(53,032,792)</u>	<u>(49,218,531)</u>	<u>(29,499,785)</u>	<u>(48,655,912)</u>	<u>(25,954,753)</u>
51,340,102	52,084,725	52,994,780	53,750,856	54,950,607	55,238,720	56,520,873
96	1,331	765	1,100	682	396	363
2,081,392	2,106,822	2,178,798	2,104,919	1,184,567	2,101,033	2,483,252
(706,760)	-	(220,978)	-	-	-	-
249,731	512,855	1,071,403	1,392,032	652,135	314,634	1,319,621
-	-	-	-	(515,501)	(691,591)	14,002,987
<u>52,964,561</u>	<u>54,705,733</u>	<u>56,024,768</u>	<u>57,248,907</u>	<u>56,272,490</u>	<u>56,963,192</u>	<u>74,327,096</u>
3,596	6,570	18,245	22,269	18,726	4,163	188,392
-	-	-	-	515,501	691,591	(14,002,987)
-	-	-	-	-	-	7,634,242
<u>3,596</u>	<u>6,570</u>	<u>18,245</u>	<u>22,269</u>	<u>534,227</u>	<u>695,754</u>	<u>(6,180,353)</u>
<u>52,968,157</u>	<u>54,712,303</u>	<u>56,043,013</u>	<u>57,271,176</u>	<u>56,806,717</u>	<u>57,658,946</u>	<u>68,146,743</u>
4,666,897	12,428,956	4,153,031	8,867,638	21,870,067	12,211,485	50,985,468
(240,298)	(34,194)	(1,142,810)	(814,993)	5,436,865	(3,208,451)	(8,793,478)
<u>4,426,599</u>	<u>12,394,762</u>	<u>3,010,221</u>	<u>8,052,645</u>	<u>27,306,932</u>	<u>9,003,034</u>	<u>42,191,990</u>

FINANCIAL TRENDS
Fund Balances of Governmental Funds

COUNTY OF CUMBERLAND, PENNSYLVANIA
(modified accrual basis of accounting)

	2013	2014	2015	2016
General fund				
Nonspendable:				
Prepaid items	\$ 353,803	240,956	387,486	339,389
Restricted:				
Landfill closure	275,863	203,492	130,438	56,443
Farmland preservation	270,217	318,409	437,718	658,973
Offender supervision	658,158	675,229	989,446	1,058,353
Juvenile probation restitution funds	-	18,920	27,402	33,818
Criminal investigation	821,979	747,271	672,896	540,179
Register of Wills-Act 34	72,750	74,025	74,925	75,450
Coroner - Act 122	48,022	33,861	35,061	38,589
Friends of Claremont	-	-	-	-
Veteran Affairs	50,000	-	-	-
Hoffer scholarship	13,615	10,503	-	-
Hazardous materials emergency planning	-	14,098	25,813	27,504
Row office automation	252,211	153,201	128,260	144,142
Marcellus Shale	348,659	324,283	375,815	351,338
Committed:				
County grant program	-	-	-	-
Future strategic initiative	-	-	-	-
Unrestricted:				
Assigned:				
Public safety	-	-	-	-
Future budgetary requirements	3,686,704	4,252,825	3,888,647	2,693,969
Capital projects	3,725,000	3,725,000	3,725,000	3,725,000
Risk liability	250,000	250,000	250,000	250,000
Farmland preservation	546,947	603,101	613,274	628,860
Nursing home proceeds	-	-	-	-
Prison canteen	314,835	425,502	473,203	557,861
Planning assistance	-	-	-	-
Stimulus	-	-	-	-
Technological improvements	-	-	-	-
Blighted property remediation	-	-	-	-
Criminal justice services	3,944	3,947	5,047	4,123
Unassigned	17,148,138	19,493,060	22,744,035	26,734,235
Total general fund	\$ 28,840,845	<u>31,567,683</u>	<u>34,984,466</u>	<u>37,918,226</u>
All other governmental funds				
Nonspendable:				
Prepaid items	\$ 11,916	115,233	165,182	157,018
Loans receivable greater than one year	-	-	-	-
Restricted:				
Roads and bridge maintenance	1,168,695	1,376,674	809,135	1,079,875
Human services	553,974	996,026	973,405	1,292,477
Public safety	36,974	39,660	2,688,735	3,606,138
Row office automation	744,951	511,936	320,125	337,731
Conservation	931,598	842,633	777,915	832,962
Marcellus shale	600,259	134,664	396,917	500
Economic development and housing	20,864	-	10,125	19,035
Debt service	-	-	-	-
Capital projects	1,177,907	697,246	7,171	500
Unrestricted:				
Assigned:				
Capital projects	500,000	500,000	500,000	500,000
Transportation	-	420,524	-	-
Economic development and housing	-	-	-	-
Human services	388,851	34,343	67,822	59,481
Unassigned	(5,523)	(102,563)	-	-
Total all other governmental funds	\$ 6,130,466	<u>5,566,376</u>	<u>6,716,532</u>	<u>7,885,717</u>

As of the year ended indicated

(unaudited)

2017	2018	2019	2020	2021	2022
375,395	418,519	1,524,014	1,077,859	946,913	785,054
-	-	-	-	-	-
943,857	1,054,979	803,394	1,040,557	1,427,691	2,007,238
1,184,513	1,285,121	1,340,654	1,288,648	1,259,275	1,099,210
31,493	18,243	18,226	18,278	28,148	35,433
399,283	290,393	315,007	167,959	279,982	226,290
76,500	77,325	78,000	78,300	78,300	78,525
55,988	74,807	97,558	100,920	95,000	101,981
-	-	-	-	-	38,138
-	-	-	-	-	-
-	-	-	-	-	-
16,975	9,131	9,613	29,363	32,345	32,345
206,084	291,614	339,315	320,660	352,784	382,545
391,489	421,532	581,115	578,552	582,779	609,539
-	-	-	-	-	31,650,228
-	-	-	-	-	7,482,045
-	-	-	-	-	-
429,953	913,778	1,386,350	1,386,350	1,386,350	1,386,350
4,980,133	5,655,783	6,228,397	11,877,030	15,491,784	29,925,684
4,831,870	5,646,596	7,346,596	6,625,000	6,625,000	6,625,000
250,000	250,000	250,000	250,000	250,000	250,000
641,748	715,000	715,000	715,000	715,000	-
-	-	-	-	-	3,796,639
669,358	744,493	592,631	663,201	906,924	1,004,452
-	-	84,100	73,634	73,634	73,634
-	-	-	620,478	71,332	71,332
-	-	-	242,532	-	-
-	-	-	-	432,914	581,030
6,076	405	8,167	7,802	7,802	7,802
26,720,906	28,171,978	28,598,196	26,223,935	21,550,888	5,121,800
42,211,621	46,039,697	50,316,333	53,386,058	52,594,845	93,372,294
-	-	-	-	-	-
323,866	311,556	307,538	1,288,921	1,575,409	364,984
1,056,268	895,310	-	-	-	-
-	-	-	-	-	-
1,519,101	2,572,229	3,598,794	6,498,952	6,593,643	2,378,700
1,292,477	1,452,441	1,629,386	1,712,066	1,856,995	1,914,143
3,697,867	4,091,487	3,091,843	2,570,601	2,411,322	12,979,108
160,368	157,651	170,380	239,261	322,950	373,845
865,680	911,081	815,914	883,684	895,220	1,015,322
298,541	669,326	1,044,443	1,353,725	383,305	39,286
432,493	415,338	244,497	359,306	367,945	1,277,652
-	14,793	-	-	-	12
2,708	-	-	-	-	-
-	-	-	-	-	-
504,579	469,336	141,753	104,583	147,614	155,612
-	-	-	-	-	-
2,317,132	2,162,908	2,830,415	2,174,909	3,480,379	5,151,920
7,533	17,681	32,844	45,513	50,831	1,115,817
-	-	-	-	(32,048)	(7,237)
12,478,613	14,141,137	13,907,807	17,231,521	18,053,565	26,759,164

FINANCIAL TRENDS

Changes in Fund Balances of Governmental Funds

COUNTY OF CUMBERLAND, PENNSYLVANIA
(modified accrual basis of accounting)

	2013	2014	2015	2016
Revenues:				
Taxes	\$ 50,104,058	51,491,496	52,645,000	53,488,317
Licenses and permits	148,860	185,585	195,612	216,698
Grants	68,165,204	71,866,816	73,829,762	79,475,324
County charges	13,031,309	16,605,675	20,424,530	20,364,725
Court, costs, fines and forfeitures	2,686,728	2,288,064	2,629,286	2,469,085
Investment earnings	20,558	165,456	131,984	236,531
Payment in lieu of taxes	126,630	134,637	133,151	131,075
Contributions and other	480,560	447,672	412,660	447,672
Total revenues	<u>134,763,907</u>	<u>143,185,401</u>	<u>150,401,985</u>	<u>156,829,427</u>
Expenditures:				
Current:				
General government - administrative	11,048,718	10,946,238	11,199,523	12,377,168
General government - judicial	18,585,289	18,381,527	18,873,288	20,302,969
Corrections (1)	17,186,818	17,555,792	17,490,930	17,644,252
Public safety	2,757,154	2,995,701	2,961,102	3,275,383
Emergency telephone (2)	-	4,606,338	4,567,837	4,545,142
Public works and enterprises	765,921	521,391	1,037,277	879,227
Transportation (2)	-	2,201,417	1,341,181	131,285
Human services:				
Mental health/intellectual and developmental disabilities	16,620,557	18,001,412	17,052,397	17,288,997
Children and youth	14,425,663	15,082,777	16,975,067	18,107,927
HealthChoices - Cumberland County	28,879,386	28,653,048	29,681,950	36,322,582
Food and shelter	869,959	1,209,950	1,104,063	771,121
Office of aging	3,261,904	3,385,571	3,874,498	4,228,387
Drug and alcohol	2,799,298	2,943,133	2,694,853	2,701,553
Fiscal Employer Agent	29,692	310	-	-
General fund	803,362	924,334	781,586	946,037
Witness assistance	446,175	443,565	497,410	515,377
Human services development	105,501	115,332	133,890	124,278
Culture and recreation	192,933	3,593	483,877	2,278
Conservation and development	404,532	445,748	382,018	409,951
Economic development and assistance	3,525,295	3,981,712	3,638,216	3,537,217
Debt service:				
Principal retirement	2,680,175	4,623,934	4,714,186	4,723,520
Debt interest	1,600,423	1,720,603	1,598,116	1,393,222
Fiscal charges	18,295	39,226	-	133,654
Payment to refunding bond escrow	-	-	-	-
Capital Outlay	4,375,453	2,457,080	4,346,320	2,449,417
Payments to other governments	367,243	367,473	295,169	340,429
Total expenditures	<u>131,749,746</u>	<u>141,607,205</u>	<u>145,724,754</u>	<u>153,151,373</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,014,161</u>	<u>1,578,196</u>	<u>4,677,231</u>	<u>3,678,054</u>
Other financing sources (uses):				
Transfers in	8,568,427	13,226,813	14,030,811	12,228,090
Transfers out	(10,594,831)	(13,226,813)	(14,030,811)	(12,228,090)
Debt issued	2,474,252	2,365,000	238,231	11,470,000
Payment to refund bonds	(2,745,437)	(2,401,932)	-	(12,706,082)
Bond premium (discount)	296,152	76,644	-	1,370,948

2017	2018	2019	2020	2021	2022
54,250,290	55,180,037	55,908,140	55,848,747	57,778,757	59,144,052
207,437	224,858	211,694	240,697	241,417	239,581
86,503,597	89,572,920	74,666,440	83,917,716	66,505,278	92,910,318
21,548,112	21,154,482	21,742,939	22,424,980	23,094,733	21,922,818
2,886,027	3,191,324	2,871,863	2,806,704	3,048,584	2,168,611
502,008	1,038,432	1,327,420	615,347	316,384	1,264,611
155,472	241,053	215,425	206,961	212,219	205,154
513,776	348,755	368,343	354,495	354,841	1,860,442
<u>166,566,719</u>	<u>170,951,861</u>	<u>157,312,264</u>	<u>166,415,647</u>	<u>151,552,213</u>	<u>179,715,587</u>
11,287,449	11,375,971	12,313,213	13,218,111	14,006,441	14,925,809
20,823,087	21,367,304	22,742,899	22,937,694	23,715,486	25,319,274
17,525,468	18,420,395	18,415,675	18,707,539	19,226,972	20,987,521
3,291,043	3,508,200	3,421,903	3,698,037	3,619,180	4,282,201
4,786,398	4,907,131	5,181,317	5,785,032	5,927,176	6,396,646
606,179	642,418	651,567	508,856	704,090	624,162
-	-	-	-	-	-
16,680,764	16,894,059	17,909,006	20,037,774	19,170,256	22,280,411
19,472,049	20,909,415	22,233,879	22,473,501	22,285,932	23,615,824
38,747,541	41,658,403	21,374,166	-	-	-
909,102	852,754	889,545	842,301	848,841	866,807
4,516,737	4,620,452	4,426,580	3,977,643	4,240,502	4,457,881
2,840,279	3,492,492	3,547,963	3,575,272	3,613,692	4,396,694
-	-	-	-	-	-
1,133,095	1,428,155	1,510,535	1,638,519	1,664,947	1,715,631
512,110	515,046	729,851	791,446	822,780	833,187
135,544	126,009	130,352	165,198	203,245	214,858
5,770	2,678	64,700	126,617	97,013	794,738
274,327	588,404	494,444	635,056	575,983	966,943
4,579,358	4,399,622	4,370,914	22,313,133	17,938,826	7,590,096
4,430,875	4,602,347	3,064,035	3,436,200	3,521,185	4,817,693
1,238,913	875,290	1,118,362	953,737	962,578	1,050,529
-	144,552	-	-	-	235,536
-	235,684	-	-	-	-
8,987,660	5,174,925	8,279,713	19,155,274	7,429,143	10,626,725
368,173	266,088	355,875	1,532,340	931,211	1,385,645
<u>163,151,921</u>	<u>167,007,794</u>	<u>153,226,494</u>	<u>166,509,280</u>	<u>151,505,479</u>	<u>158,384,811</u>
3,414,798	3,944,067	4,085,770	(93,633)	46,734	21,330,776

(continued)

FINANCIAL TRENDS**Changes in Fund Balances of Governmental Funds**

COUNTY OF CUMBERLAND, PENNSYLVANIA
(modified accrual basis of accounting)

	2013	2014	2015	2016
(continued)				
Other financing sources (uses):				
Sale of assets	-	4,897	-	8,969
Insurance recovery	482	5,884	30,364	58,558
Loss from insurance recovery denial	-	-	-	-
Total other financing sources (uses)	<u>(2,000,955)</u>	<u>50,493</u>	<u>268,595</u>	<u>202,393</u>
Special Item				
Discontinued operation	-	-	(378,887)	-
Total special item	-	-	(378,887)	-
Net change in fund balances	\$ <u>1,013,206</u>	<u>1,628,689</u>	<u>4,566,939</u>	<u>3,880,447</u>
Debt service as a percentage of noncapital expenditures	%	3.36	4.56	4.46
				4.08

(1) Beginning in 2013, public safety expenditures were broken into two categories to provide better detail to the statement of revenues, expenditures, and changes in fund balance. The new categories are public safety and corrections.
 (2) Beginning in 2014, emergency telephone, transportation and hazmat were reclassified from a proprietary fund programs to governmental funds in the Statement of Revenue, Expenditures and Changes in Fund Balance.

2017	2018	2019	2020	2021	2022
3,315	17,123	1,663	960,938	36,585	1,348
-	196,231	63,774	161,009	51,047	-
-	-	(106,580)	-	-	-
<u>1,595,018</u>	<u>1,546,533</u>	<u>(170,675)</u>	<u>6,480,197</u>	<u>(15,903)</u>	<u>28,152,272</u>
-	-	-	-	-	-
<u>5,009,816</u>	<u>5,490,600</u>	<u>3,915,095</u>	<u>6,386,564</u>	<u>30,831</u>	<u>49,483,048</u>

3.67 3.62 2.89 2.98 3.11 4.13

REVENUE CAPACITY

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Years

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

Fiscal Year	Residential Property	Commercial Property	Agricultural	Recreation	Total Taxable Assessed Value	Utility & Tax Exempt Property	Total Direct Tax Rate (1)	Estimated Market Value (2)	Assessed Value as a Percentage of Actual Value (3)
2013	\$ 15,797,344,200	\$ 6,102,261,000	\$ 992,370,200	\$ 43,698,300	\$ 22,935,673,700	\$ 3,861,400,800	2.274	\$ 22,246,046,266	103.1 %
2014	16,023,724,400	6,149,471,000	1,006,126,900	43,170,500	23,222,492,800	3,925,858,400	2.338	22,969,824,728	101.1
2015	16,199,194,200	6,318,739,300	1,012,668,000	42,903,500	23,573,505,000	3,967,767,700	2.338	23,479,586,653	100.4
2016	16,407,526,300	6,410,767,500	1,016,945,600	42,920,620	23,878,160,000	4,003,853,900	2.338	23,926,012,024	99.8
2017	16,640,909,800	6,580,169,600	1,023,164,900	42,761,400	24,287,005,700	4,114,485,600	2.361	24,757,346,228	98.1
2018	16,879,021,800	6,744,992,000	1,023,461,400	42,591,800	24,690,067,000	4,148,914,300	2.361	25,745,638,165	95.9
2019	17,117,877,600	6,899,463,600	1,021,525,800	42,551,600	25,081,418,600	4,196,267,200	2.361	26,796,387,393	93.6
2020	17,341,045,000	7,037,617,500	1,021,387,300	42,196,500	25,442,246,300	4,202,865,200	2.361	27,564,730,552	92.3
2021	17,649,819,500	7,181,899,500	1,037,778,200	41,997,800	25,911,495,000	4,228,769,400	2.361	29,444,880,682	88.0
2022	17,996,782,900	7,235,521,500	1,041,786,800	41,469,600	26,315,560,800	4,287,869,800	2.361	30,706,605,367	85.7

Notes:

Properties valued at 2010 reassessment base year

(1) Direct Tax Rate:

	<u>County</u>	<u>Library</u>	<u>Total</u>	
2013	2.131	0.143	2.274	* Millage adjustment due to 5% cap for reassessment
2014	2.195	0.143	2.338	
2015	2.195	0.143	2.338	
2016	2.195	0.143	2.338	
2017	2.195	0.166	2.361	
2018	2.195	0.166	2.361	
2019	2.195	0.166	2.361	
2020	2.195	0.166	2.361	
2021	2.195	0.166	2.361	
2022	2.195	0.166	2.361	

(2) Estimated market value is calculated by dividing taxable assessed value by the Tax Equalization Division (TED)* common level ratios

(3) Rates are based on the Tax Equalization Division (TED)* common level ratio

* Effective April 18, 2013 State Tax Equalization Board's (STEB) is now Tax Equalization Division (TED) and is under Department of Community and Economic Development (DCED)

Although the Countywide library tax is a direct tax of the County as the County ordains and enacts it, the library tax is restricted by the electorate to funding the Cumberland County Library System, a governmental unit that is separate from the County, and is therefore not recognized as a tax revenue of Cumberland County government.

Source: County Board of Assessment

REVENUE CAPACITY
Direct and Overlapping Property Tax Rates

Last Ten Years

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

	<u>Year Taxes Are Payable</u>									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
County Direct Rates										
General	2.131	2.195	2.195	2.195	2.195	2.195	2.195	2.195	2.195	2.195
Library	0.143	0.143	0.143	0.143	0.166	0.166	0.166	0.166	0.166	0.166
Total Direct Rate	2.274	2.338	2.338	2.338	2.361	2.361	2.361	2.361	2.361	2.361
School Districts										
Big Spring	12.636	12.9771	13.2885	13.7004	14.0429	14.3238	14.6461	15.0128	15.5002	15.8877
Camp Hill	13.1622	13.7573	14.4828	15.4876	15.9367	16.3988	16.8415	17.3467	17.9538	18.4026
Carlisle Area	12.6056	12.9333	13.2436	13.6409	14.0365	14.4716	14.9057	15.3528	15.6598	15.9729
Cumberland Valley	8.715	8.898	9.067	9.284	9.516	9.744	9.968	10.227	10.533	10.891
East Pennsboro	10.8295	11.2378	11.5749	11.8411	12.1963	12.3792	12.3792	12.7753	13.0691	13.618
Mechanicsburg	12.289	12.535	12.535	12.8	13.056	13.3693	13.7302	14.1558	14.6654	15.208
Shippensburg Area	10.4	10.6808	10.9475	11.089	11.2199	11.9117	11.7884	11.9006	12.0731	12.6163
South Middleton	9.0081	9.1549	9.3288	9.5526	10.2484	10.5621	10.8182	11.00995	11.4292	11.8177
West Shore Area	9.4	9.68	10.1988	10.9162	11.2014	11.6457	11.9487	12.32	12.7512	13.0569
Municipalities										
Camp Hill	3.022	3.022	3.022	3.022	3.022	3.022	3.022	3.022	3.022	3.022
Carlisle	3.275	3.275	3.275	3.275	3.495	3.495	3.495	3.495	3.495	3.495
Cooke	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Dickinson	.084*	.084*	.084*	.084*	0.25*	0.25*	0.25*	0.25*	0.25*	0.25*
East Pennsboro	0.957	1.05	1.3	1.3	1.3	1.64	1.64	1.84	1.84	1.84
Hampden	0.156	0.156	0.156	0.156	0.156	0.156	0.156	0.156	0.156	0.156
Hopewell	-	-	-	-	-	-	-	-	-	-
Lemoyne	2.3	2.3	2.31	2.31	2.52	3.13	3.13	3.13	3.13	3.13
Lower Allen	2.45	2.45	2.45	2.45	2.45	3.03	3.03	4	4	4
Lower Frankford	0.1211	0.1211	0.3229	0.3229	0.3229	0.3229	0.3483	0.3483	0.4014	0.4014
Lower Mifflin	-	-	-	-	-	-	-	-	-	-
Mechanicsburg	2.58	3.08	3.33	3.33	3.33	3.83	3.83	3.83	3.83	4.08
Middlesex	1.22	1.38	1.53	1.53	1.53	1.85	2.08	2.08	2.08	2.08
Monroe	0.525	0.556	0.556	0.556	0.556	0.556	0.577	0.658	0.658	0.658
Mt. Holly Springs	2.036	2.312	2.38	2.38	2.755	2.755	2.88	3.18	3.18	3.18
Newburg	1.25	1.75	2	2	2	2.25	2.5	2.25	2.25	2.25
New Cumberland	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.8	3.8
Newville	2.398	2.898	2.898	2.898	3.648	3.648	3.898	3.898	4.395	4.898
North Middleton	0.694	0.694	0.89	0.89	1.059	1.059	1.092	1.092	1.092	1.092
North Newton	-	-	-	-	-	-	-	-	-	-
Penn	-	-	-	-	-	-	-	-	-	-
Shippensburg Borough	2.6	2.6	2.72	2.72	2.72	2.89	3	3.111	3.189	3.189
Shippensburg Twp.	0.675	0.675	0.975	0.975	0.975	0.975	0.975	0.975	1.15	1.15
Shiremanstown	2.1	2.0	2.0	2.0	2.0	2.2	2.2	2.2	2.2	2.2

(continued)

REVENUE CAPACITY
Direct and Overlapping Property Tax Rates

Last Ten Years

COUNTY OF CUMBERLAND, PENNSYLVANIA										(unaudited)
(continued) Municipalities	Year Taxes Are Payable									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Silver Spring	0.8045	0.8045	1.3045	1.3045	1.3045	1.3045	1.3045	1.3045	1.3045	1.3045
Southampton	-	-	-	-	-	-	-	-	0.25	0.25
South Middleton	0.17*	0.17*	0.25*	0.25*	0.25*	.6*	.6*	.6*	.6*	.9*
South Newton	0.0933	0.0933	0.0933	0.0933	0.0933	0.0933	0.0933	0.11	0.11	0.11
Upper Allen	1.6	1.8	2.3	2.3	2.3	2.4	2.4	2.5	2.55	2.65
Upper Frankford	0.16095	0.16095	0.16095	0.16095	0.16095	0.16095	0.16095	0.16095	0.16095	0.16095
Upper Mifflin	-	-	-	-	-	-	-	-	-	-
West Pennsboro	0.5076	0.5076	0.5076	0.5076	0.5076	0.5076	0.5076	0.5076	0.5076	0.5076
Wormleysburg	3.065	3.065	3.361	3.361	3.361	3.361	3.361	3.577	3.577	3.69

Notes:

* South Middleton and Dickinson rate is a fire tax

Although the Countywide library tax is a direct tax of the County as the County ordains and enacts it, the library tax is restricted by the electorate to funding the Cumberland County Library System, a governmental unit that is separate from the County, and is therefore not recognized as a tax revenue of Cumberland County government.

The following districts have multiple tax rates which are represented as a total:

Lower Allen	Carlisle
Lower Frankford	Lemoyne
Monroe	Mechanicsburg
Mt. Holly Springs	North Middleton
Newville	Upper Allen
Shippensburg Borough	East Pennsboro
West Pennsboro	Shippensburg Twp
Silver Springs	Wormleysburg
Middlesex	South Middleton

Source: County Board of Assessment

**REVENUE CAPACITY
Principal Property Taxpayers**

2013 and 2022 Tax Years

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

Taxpayer	2013			2022		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value (1)	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value (2)
Allen Distribution	\$ 66,424,400	5	0.31 %	\$ 143,934,300	1	0.55 %
Prologis NA3 PA LP	123,560,500	1	0.55	123,560,500	2	0.49
Penn State Health Hampden				94,697,600	3	0.37
Liberty Property LP				89,032,600	4	0.35
PR CC Limited Partnership	75,664,500	2	0.33	85,700,000	5	0.34
Goodman Carlisle LLC				73,175,000	6	0.29
Highmark Blue Shield	72,584,100	4	0.32	72,584,100	7	0.29
Messiah Home				66,500,000	8	0.25
LIT Industrial LP	64,167,000	6	0.29	64,167,000	9	0.25
Compass Shippensburg Newco LLC				63,280,900	10	0.24
Cedar - Camp Hill LLC	61,766,800	7	0.28			
Carlisle HMA, Inc.	75,648,400	3	0.33			
KLP Northgate IO & I I B LLC	41,000,000	8	0.18			
BIT Investment LP	40,378,700	9	0.18			
Prologis-Macquarie Penna Trust	39,200,400	10	0.17			
Totals	\$ 660,394,800		2.95 %	\$ 876,632,000		3.19 %

Notes:

(1) Percentage based on total County taxable assessed valuation for 2013: \$22,935,673,700
 (2) Percentage based on total County taxable assessed valuation for 2022: \$26,315,560,800

Source: County Board of Assessment

REVENUE CAPACITY
County Real Estate Tax Levies and Collections

Last Ten Years

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

Year Ended December 31	Total Tax Levy for Year (1) (4)	Subsequent Adjustments to Tax Levy for Year	Collected within the Year of the Levy			Total Collections to Date		
			Amount (2)	Percentage of Levy	Collections in Subsequent Years (3)	Amount	Percentage of Levy	
2013	\$ 47,826,059	\$ 158,708	\$ 46,395,766	97.01%	\$ 1,588,731	\$ 47,984,497	100.00%	
2014	49,855,721	182,205	48,393,357	97.06	1,644,285	50,037,642	100.00	
2015	50,454,280	210,700	49,036,480	97.19	1,627,586	50,664,066	100.00	
2016	51,198,311	240,842	50,000,265	97.66	1,438,332	51,438,597	99.99	
2017	51,956,631	199,360	50,774,924	97.73	1,379,479	52,154,403	99.99	
2018	52,838,606	183,845	51,643,300	97.74	1,377,749	53,021,049	99.98	
2019	53,627,315	174,686	52,459,267	97.82	1,341,283	53,800,550	99.29	
2020	54,525,838	301,779	53,234,704	97.63	1,586,805	54,821,509	97.63	
2021	55,360,823	163,988	54,300,537	98.08	924,383	55,224,920	98.08	
2022	56,286,374	N/A	55,217,945	98.10	N/A	-	0.00	

Notes:

- (1) Includes additions to duplicates, penalties, refunds, credits, discounts and credits disallowed
- (2) Includes cash collections only
- (3) Includes penalties
- (4) The library tax approved by the electorate is not included in this schedule

Source: County Board of Assessment and Collections

REVENUE CAPACITY
County Library Tax Levies and Collections

Last Ten Years

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

Year Ended December 31	Total Tax Levy for Year (1)	Subsequent Adjustments to Tax Levy for Year	Collected within the Year of the Levy		Collections in Subsequent Years (3)	Total Collections to Date	
			Amount (2)	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 3,208,510	\$ 11,691	\$ 3,113,381	97.04%	\$ 106,805	\$ 3,220,186	100.00%
2014	3,248,014	12,165	3,152,742	97.04	107,417	3,260,159	100.00
2015	3,287,007	13,914	3,194,639	97.19	106,223	3,300,862	100.00
2016	3,335,478	15,942	3,257,427	97.66	93,946	3,351,319	100.00
2017	3,929,292	14,661	3,839,923	97.73	103,868	3,943,659	100.00
2018	3,995,992	13,665	3,905,595	97.74	103,947	4,009,284	100.00
2019	4,055,639	13,299	3,967,304	97.82	101,485	4,068,125	100.00
2020	4,123,592	22,508	4,025,947	97.63	119,671	4,145,618	99.99
2021	4,186,739	12,333	4,106,553	98.08	69,407	4,175,960	99.45
2022	4,256,725	N/A	4,175,933	98.10	N/A	-	0.00

Notes:

(1) Includes additions to duplicates, penalties, refunds, credits, discounts and credits disallowed

(2) Includes cash collections only

(3) Includes penalties

Although the Countywide library tax is a direct tax of the County as the County ordains and enacts it, the library tax is restricted by the electorate to funding the Cumberland County Library System, a governmental unit that is separate from the County, and is therefore not recognized as a tax revenue of Cumberland County government.

Source: County Board of Assessment and Collections

DEBT CAPACITY
Ratio of Outstanding Debt by Type
Last Ten Years
COUNTY OF CUMBERLAND, PENNSYLVANIA

(b) (unaudited)

Fiscal Year	Governmental Activities					Business-type Activities				Percentage		
	General Obligation Bonds	General Obligation Notes	Notes Payable-CAEDC	Leases	Capital Leases	General Obligation Bonds	General Obligation Notes	Total Primary Government	of Total Personal Income	Per Capita		
2013	\$ 46,839,735	\$ 715,000	\$ -	\$ 229,597	\$ 13,440,053	\$ 13,236,186	\$ 74,460,571	0.66	%	308.87		
2014	47,860,057	715,000	-	91,489	9,323,974	-	57,990,520	0.49		238.35		
2015	43,051,024	715,000	-	223,748	8,113,581	-	52,103,353	0.42		212.00		
2016	38,247,636	715,000	-	223,748	6,868,495	-	46,054,879	0.37		186.13		
2017	33,816,543	715,000	640,804	-	962,128	5,584,091	-	41,718,566	0.32		167.38	
2018	28,974,795	715,000	1,741,443	-	721,596	4,280,996	-	36,433,830	0.26		144.91	
2019	25,925,383	715,000	1,640,030	-	481,064	2,929,589	-	31,691,066	0.22		125.08	
2020	23,331,883	5,715,000	1,374,626	1,245,404	240,532	1,575,555	-	33,483,000	0.21		130.87	
2021	20,643,235	5,271,611	1,518,823	1,102,100	-	806,194	-	29,341,963	0.18		111.60	
2022	33,721,932	2,811,397	1,304,970	1,107,916	-	-	-	38,946,215	*		145.01	

Note:

* Personal income information is not yet available

DEBT CAPACITY**Ratios of General Bonded Debt Outstanding***Last Ten Years***COUNTY OF CUMBERLAND, PENNSYLVANIA**

(unaudited)

Fiscal Year	General Obligation Bonds	General Obligation Notes	Less: Amounts Available in Debt Service Fund		Net General Bonded Debt	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2013	\$ 60,279,788	\$ 715,000	\$ -		\$ 60,994,788	0.27 %	253.02
2014	57,184,031	715,000	-		57,899,031	0.25	237.97
2015	51,164,605	715,000	-		51,879,605	0.22	211.09
2016	45,116,131	715,000	-		45,831,131	0.19	185.22
2017	39,400,634	715,000	-		40,115,634	0.17	160.95
2018	33,255,791	715,000	14,793		33,955,998	0.14	135.06
2019	28,854,972	715,000	-		29,569,972	0.12	116.71
2020	24,907,438	5,715,000	-		30,622,438	0.11	119.69
2021	21,449,429	5,271,611	-		26,721,040	0.09	101.63
2022	33,721,932	2,811,397	12		36,533,317	0.12	136.02

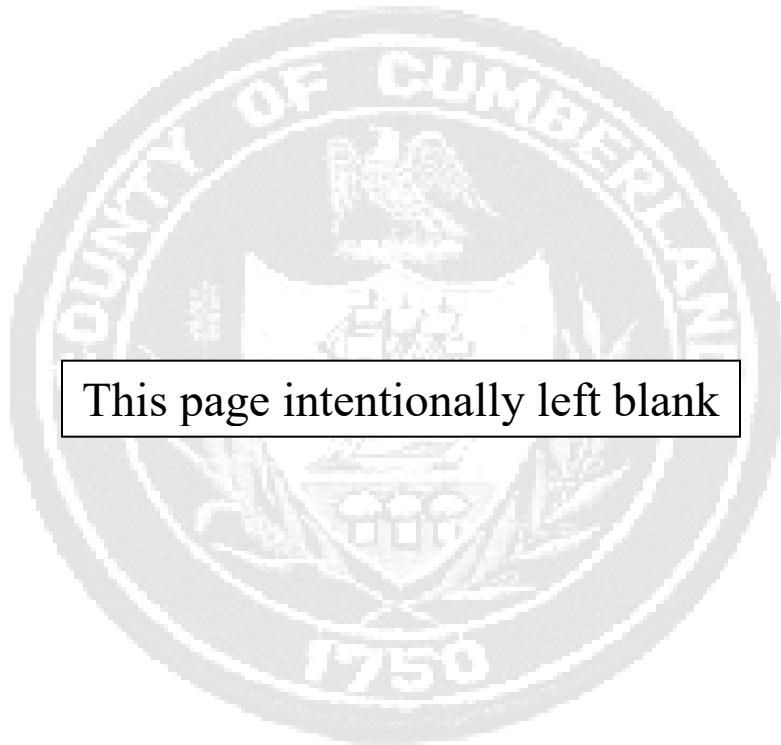
DEBT CAPACITY
Direct and Overlapping Governmental Activities Debt
December 31, 2022
COUNTY OF CUMBERLAND, PENNSYLVANIA
(unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
School Districts:			
Big Spring	\$ 33,714,096	100%	\$ 33,714,096
Camp Hill	31,045,187	100	31,045,187
Carlisle Area	37,699,390	100	37,699,390
Cumberland Valley	343,600,572	100	343,600,572
East Pennsboro	50,114,000	100	50,114,000
Mechanicsburg	132,421,946	100	132,421,946
*Shippensburg Area	17,624,873	61	*
South Middleton	54,658,661	100	54,658,661
*West Shore Area	127,013,559	55	*
Total school districts			69,857,457
			763,862,482
Municipalities:			
Camp Hill Borough	3,891,721	100	3,891,721
Carlisle Borough	9,170,394	100	9,170,394
East Pennsboro Township	33,058,000	100	33,058,000
Hampden Township	22,116,482	100	22,116,482
Lemoyne Borough	13,056,431	100	13,056,431
Lower Allen Township	6,376,539	100	6,376,539
Mechanicsburg Borough	943,431	100	943,431
Middlesex Township	5,058,817	100	5,058,817
Monroe Township	442,027	100	442,027
Penn Township	221,000	100	221,000
Shippensburg Township	178,522	100	178,522
Silver Spring Township	3,743,050	100	3,743,050
South Middleton Township	1,141,968	100	1,141,968
Upper Allen Township	8,095,000	100	8,095,000
Wormleysburg Borough	1,737,582	100	1,737,582
Total municipalities			109,230,964
Subtotal overlapping debt			873,093,446
Total direct debt - County			38,946,215
Total direct and overlapping debt			\$ 912,039,661

Source: Confirmation with school districts and municipalities

Notes:

* Shippensburg and West Shore area school districts partially reside in Franklin and York Counties, respectively. The percentage of overlapping debt is estimated using taxable square miles. Applicable percentages were estimated by dividing the portion the taxable square miles within the Counties boundaries for each school district by the total taxable square miles for the school district.



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DEBT CAPACITY
Legal Debt Margin Information

COUNTY OF CUMBERLAND, PENNSYLVANIA

	2013	2014	2015	2016
Debt limit	\$ 468,846,838	481,164,681	498,487,522	519,866,330
Total net-debt applicable to limit	<u>58,715,000</u>	<u>55,860,000</u>	<u>50,165,000</u>	<u>43,120,000</u>
Net nonelectoral debt limit	\$ <u>410,131,838</u>	<u>425,304,681</u>	<u>448,322,522</u>	<u>476,746,330</u>
Total net debt applicable to the limit as a percentage of debt limit		12.52%	11.61%	10.06%
				8.29%

Last Ten Years

(unaudited)

2017	2018	2019	2020	2021	2022
543,230,061	566,717,651	565,621,241	537,385,811	468,934,550	432,204,094
<u>37,830,000</u>	<u>31,390,000</u>	<u>27,420,000</u>	<u>28,830,000</u>	<u>25,176,611</u>	<u>34,381,397</u>
<u>505,400,061</u>	<u>535,327,651</u>	<u>538,201,241</u>	<u>508,555,811</u>	<u>443,757,939</u>	<u>397,822,697</u>
6.96%	5.54%	4.85%	5.36%	5.37%	7.95%

Legal Debt Margin Calculation for year ending 2022

Borrowing base revenue:

2020	\$ 160,921,699
2021	127,955,560
2022	143,326,835
Total revenue (1)	<u>\$ 432,204,094</u>

Debt Limit for General Obligation Debt

Average borrowing base revenues	\$ 144,068,031
Debt limit percentage	300%
Debt limit	<u>432,204,094</u>
Total amount of debt applicable to debt limit	<u>34,381,397</u>
Legal debt margin	<u>\$ 397,822,697</u>

Debt Limit for General Obligation Debt and Lease Rental Debt

Average borrowing base revenues	\$ 144,068,031
Debt limit percentage	400%
Debt limit	<u>576,272,124</u>
Total amount of debt applicable to debt limit	<u>34,381,397</u>
Legal debt margin	<u>\$ 541,890,727</u>

Note:

(1) Total revenue and other financing sources less debt proceeds, transfers and grants for specific projects and interest on sinking fund.

Source: Annual Reports of Cumberland County Controller

DEMOGRAPHIC AND ECONOMIC INFORMATION

Demographic and Economic Information

Last Ten Years

COUNTY OF CUMBERLAND, PENNSYLVANIA

(unaudited)

Year	Population	Total Personal Income (thousands of dollars)	Per Capita Personal Income	Median Household Income	School Enrollment (2)	Annual Average Unemployment Rate (1)
2013	241,071 (A)	\$ 11,376,027 (B)	\$ 46,925 (B)	\$ 60,883 (A)	32,726	5.5%
2014	243,301 (A)	11,957,926 (B)	48,791 (B)	60,826 (A)	33,029	4.5
2015	245,766 (A)	12,529,131 (B)	50,522 (B)	61,820 (A)	33,153	4.1
2016	247,435 (A)	12,676,704 (B)	50,675 (B)	62,640 (A)	33,167	4.0
2017	249,238 (A)	13,176,822 (B)	52,231 (B)	65,544 (A)	33,462	3.9
2018	251,423 (A)	13,825,916 (B)	54,246 (B)	68,895 (A)	33,712	3.5
2019	253,370 (A)	14,550,669 (B)	56,628 (B)	71,269 (A)	34,120	3.5
2020	259,469 (A)	15,936,676 (B)	61,296 (B)	71,979 (A)	34,507	6.6
2021	262,919 (A)	16,734,867 (B)	63,650 (B)	82,691 (A)	33,505	4.6
2022	268,579 (A)	* (B)	* (B)	* (A)	34,792	2.9

Notes: * information not yet available

Sources: Unless otherwise indicated, Pennsylvania Department of Labor & Industry, Labor Market Information, Center for Workforce Information & Analysis

(1) Annual, not seasonally adjusted from Pennsylvania Department of Labor & Industry, Labor Market Information, Center for Workforce Information & Analysis

(2) Pennsylvania Department of Education

(A) U.S. Census Bureau

(B) Bureau of Economic Analysis, U.S. Department of Commerce

DEMOGRAPHIC AND ECONOMIC INFORMATION
Principal Employers - Ten Years Ago and Current
2013 and 2022 Years
COUNTY OF CUMBERLAND, PENNSYLVANIA
(unaudited)

Employer	2013			2022		
	Employees	Rank	Percentage of Total County	Employees	Rank	Percentage of Total County
			Employment (3)			Employment (3)
U.S. Department of Defense:						
Naval Support Activity				4,718		
Carlisle Barracks				1,715 *		
Total	5,946 (1)	1	5%	6,192 (1)	1	5 %
Ahold Delhaize	2,335	4	3	3,455 *	2	3
Penn State Health	-	-	-	2,909 *	3	2
Highmark Blue Shield	2,818	2	2	1,935 *	4	2
Holy Spirit Hospital	2,878	3	2	-	-	-
Commonwealth of Pennsylvania	1,715 (2)	5	1	1,738 (2)	5	1
Cumberland Valley School District	1,524	6	1	1,478	6	1
JFC Temps Inc.	1,055	8	1	1,166 *	7	1
Select Medical	-	-	-	1,098 *	8	1
Fry Communications	1,035	9	1	1,035 *	9	1
Cumberland County Government	1,301	7	1	1,003	10	1
Excel Logistics	1,000	10	1	-	-	-
Total	21,607		18%	22,009		18 %

Notes:

(1) Includes Ship's Parts Control Center (SPCC), Defense Distribution Region East (DDRE) and other Agencies at that location.

(2) Excluding Pennsylvania State University, Department of Higher Education

(3) Percentages based on Cumberland County labor force total furnished by the Pennsylvania Department of Labor and Industry

* Prior year reported information

Source: An initial listing of the top employers was furnished by the Pennsylvania Department of Labor and Industry.

OPERATING INFORMATION

Full-Time Equivalent County Employees by Function/Program

COUNTY OF CUMBERLAND, PENNSYLVANIA

Functions/Programs	2013	2014	2015	2016
Primary Government:				
Governmental Activities:				
General Government-Administrative				
Commissioners	9	9	9	9
Solicitors	4	4	4	4
Communications	-	-	-	-
Elections	6	6	6	6
Controller	16	16	16	16
Finance	10	8	10	10
Tax Claims	2	2	2	2
Treasurer	5	5	5	6
Tax collector administration	17	17	16	16
Human resources	7	8	8	7
Tax assessment	20	19	18	18
Recorder of deeds	7	6	7	7
Administrative services	3	3	2	1
Information management and technology	16	14	15	14
Enterprise resource management	2	3	3	3
Geographic information systems	2	2	2	2
Human service fiscal operations	2	2	2	2
Facilities	21	20	20	23
Planning	5	5	5	5
Domestic Relations	39	39	39	38
General Government-Judicial				
Building security	7	7	6	7
Courts (4)	42	44	46	45
Casa (4)	-	-	-	-
Courts Collection Unit (4)	-	-	-	-
District judges	38	36	39	38
Clerk of court	13	11	12	13
Coroner	7	7	6	7
Public defender	15	16	15	15
District attorney	27	26	28	26
Prothonotary	9	8	9	9
Register of wills	6	8	7	7
Sheriff	36	36	38	38
Public safety				
District attorney-criminal investigation	6	5	6	6
District attorney-forensic lab	3	3	3	4
Victim witness services	9	9	9	9
Prison	117	118	119	119
Adult probation	38	37	38	39
Juvenile probation	25	26	26	25
Emergency management & communications	6	4	8	8
Emergency Telephone (1)	-	47	46	45
Vector control	4	3	3	3
Transportation (1) (2)	-	28	-	-
Recycling and waste management	2	1	1	1
Human services:				
Mental health/intellectual and developmental disabilities	46	47	46	47
Children and youth	62	67	65	66
Office of aging	26	29	30	29
Community services	6	6	6	6
Drug and alcohol	19	19	18	20
Veteran's affairs	2	2	2	2
Criminal Justice Services (5)	2	3	5	6
Culture and recreation	14	13	14	14
Conservation and development	6	6	6	6
Business-type Activities				
County nursing home (3)	284	270	276	268
Emergency telephone (1)	46	-	-	-
Hazardous materials protection (1)	1	-	-	-
Transportation services (1)	28	-	-	-
Total Primary Government	1,145	1,130	1,122	1,117
Component Unit:				
Conservation district	8	7	8	9

(1) In 2014, Emergency Telephone, Hazmat Materials Protection, and Transportation Services were reclassified from business-type to governmental activities.

(2) In 2015, Transportation became a discontinued County operation as services were contracted with Rabbittransit.

(3) In 2022, the County Nursing Home was sold to Allaire Health Services

(4) Prior to 2022, Casa and Court Collection Unit were included in Courts

(5) Formerly Grant Administration shown in General Government - Administration

Source: County payroll records

Method: Fulltime employee - 1; part time/temporary employee – part time/temporary hours worked/equivalent full time base hours;

Tax Collectors - .5 employee; Tipstaff - .3 employee

Last Ten Years

						(unaudited)
2017	2018	2019	2020	2021	2022	
9	8	7	7	8	7	
4	3	3	3	3	4	
-	3	3	3	3	3	
6	5	7	10	9	9	
15	15	15	15	14	16	
10	11	11	11	11	11	
2	2	2	2	2	2	
5	5	5	5	7	6	
16	15	15	15	15	15	
9	10	10	9	9	9	
18	18	19	15	19	16	
7	7	7	7	7	7	
3	1	1	1	1	1	
14	15	14	16	16	17	
3	3	3	3	3	3	
2	2	3	3	2	4	
2	2	2	2	2	2	
23	21	22	22	22	22	
5	5	5	4	5	5	
39	38	39	35	38	39	
7	7	7	5	6	7	
50	49	52	53	56	46	
-	-	-	-	-	5	
-	-	-	-	-	7	
39	39	38	39	37	36	
13	12	12	11	12	9	
8	9	10	10	12	11	
18	17	16	16	19	18	
26	29	26	27	25	26	
9	8	9	9	9	9	
7	7	8	7	8	8	
39	41	38	42	38	43	
5	7	8	9	8	8	
5	5	6	5	7	11	
9	8	10	10	10	10	
118	118	123	119	114	120	
37	37	37	37	36	38	
26	26	26	26	26	26	
8	8	5	7	8	8	
44	43	44	47	47	49	
3	3	2	3	4	3	
-	-	-	-	-	-	
1	2	2	1	1	2	
47	46	48	47	46	51	
75	73	76	77	80	90	
27	29	24	25	26	27	
6	6	5	5	5	5	
20	18	18	17	19	21	
2	2	3	3	3	4	
8	6	7	9	8	9	
14	15	14	13	14	13	
6	6	6	5	5	3	
264	253	242	182	152	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
1,133	1,118	1,115	1,054	1,037	921	
9	9	9	9	9	10	

OPERATING INFORMATION
Operating Indicators by Function

Last Ten Years

COUNTY OF CUMBERLAND, PENNSYLVANIA	(unaudited)									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental - type:										
General Government-administrative										
<i>Fiscal affairs</i>										
Deed transfers	6,176	5,956	6,430	6,785	6,781	6,893	6,783	6,908	7,792	6,978
Mortgage recorded	13,206	9,298	10,032	10,701	9,866	9,148	9,528	13,342	14,746	10,166
Subdivision plans filed	133	147	155	143	152	130	152	121	169	155
Miscellaneous documents and instruments	20,852	14,617	16,200	16,864	16,142	15,083	15,239	18,727	23,226	16,484
Number of Document and Instruments eRecorded	15,174	11,967	15,990	16,662	17,890	17,851	20,598	33,002	39,950	29,122
Percentage eRecorded	38%	40%	49%	48%	54%	57%	65%	84%	87%	86%
<i>Administration</i>										
General election information										
Registered voters	148,322	151,050	153,481	166,965	167,571	172,256	175,047	187,257	182,193	186,473
Votes cast	33,618	75,845	40,913	124,421	42,652	105,368	55,187	142,732	57,787	117,271
Percent of votes cast	23%	50%	27%	75%	25%	61%	32%	76%	32%	63%
General Government-judicial										
<i>Court services:</i>										
Criminal cases filed	3,603	3,786	3,540	4,159	4,240	3,552	3,610	3,063	3,245	3,084
Summary appeals	258	259	320	362	316	368	395	298	300	250
Juvenile delinquency	334	388	437	481	500	386	476	431	365	491
Juvenile dependency	221	231	285	233	199	237	175	126	102	183
Marriage license applications	1,148	1,317	1,255	1,267	1,208	1,229	1,134	1,197	1,326	1,368
Estates and wills probated	1,266	1,143	1,213	1,266	1,384	1,438	1,355	1,227	1,740	1,533
Orphans' court cases filed	90	82	106	99	86	100	96	104	101	76
Adoption cases	97	89	113	112	143	138	102	105	120	99
<i>Court administration:</i>										
Criminal jury trials	55	44	48	45	35	25	26	25	38	41
Criminal appointment of counsel	486	636	499	564	590	478	523	559	508	556
Hearings by domestic relations conference officers	3,670	3,748	3,492	3,928	3,477	3,480	3,188	2,335	2,459	2,090
<i>Sheriff:</i>										
Prisoner transports	4,235	4,284	4,079	4,611	4,806	4,583	3,794	1,270	684	2,167

(continued)

OPERATING INFORMATION
Operating Indicators by Function

Last Ten Years

COUNTY OF CUMBERLAND, PENNSYLVANIA (continued)										(unaudited)
Public safety	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<i>County prison:</i>										
Average daily population	389	422	401	415	454	413	356	277	283	339
Commitments to prison	3,054	3,319	3,383	3,228	3,603	3,602	3,523	1,977	1,953	2,336
Releases from prison	2,974	3,350	3,352	3,195	3,576	3,698	3,530	2,079	1,898	2,324
<i>Adult probation:</i>										
Average caseload	2,408	2,471	2,383	2,401	2,551	2,463	2,350	2,804	2,649	2,510
DUI-Intermediate Punishment Program										
Bed Days Saved at County Prison	8,554	11,312	13,912	11,136	10,453	15,592	14,834	9,659	7,835	7,428
Accelerated Rehabilitative Disposition/DUI Program	686	672	523	615	696	575	607	502	411	495
<i>Day Reporting Center:</i>										
Bed Days Saved at County Prison	5,712	6,443	6,073	5,765	5,082	4,977	5,247	3,789	2,990	2,344
Human services										
<i>Children and youth</i>										
Number of referrals	1,330	1,455	1,993	1,930	1,929	2,082	2,038	1,719	2,247	2,743
Clients receiving in-home services	439	625	833	864	777	752	674	538	543	677
Clients requiring placement	286	271	281	329	351	366	349	327	294	287
<i>Mental health services:</i>										
Number of out-patient hours	11,472	12,418	12,993	9,721	9,226	11,260	9,337	6,054	1,581	1,634
Number of out-patient consumers	585	542	414	207	119	93	102	62	36	25
In-patient days	189	470	507	468	35	-	-	5	-	-
Number of in-patient consumers	19	24	21	15	5	-	-	1	-	-
Residential days	57,265	58,276	56,113	59,162	63,176	60,958	61,735	61,022	62,491	72,980
Number of residential consumers	194	216	224	204	227	216	197	151	218	234
<i>HealthChoices:</i>										
<i>In-patient psychiatric treatment</i>										
Number of in-patient consumers	463	444	537	529	619	669	637	584	590	578
Number of in-patient days	7,809	8,519	10,800	9,208	11,822	13,428	13,370	12,515	14,620	13,728
<i>Out-patient psychiatric treatment</i>										
Number of out-patient consumers	3,806	4,082	4,537	5,794	6,535	6,791	6,800	6,885	6,782	7,032
Number of out-patient units	41,850	44,598	49,727	60,777	72,863	77,716	80,251	86,631	99,239	102,885

(continued)

OPERATING INFORMATION
Operating Indicators by Function

Last Ten Years

COUNTY OF CUMBERLAND, PENNSYLVANIA (continued)	(unaudited)									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Children's residential and behavioral health rehabilitation										
Number of consumers	1,142	1,040	1,060	1,041	970	910	935	863	823	620
Number of units	807,612	665,898	602,368	554,345	473,245	467,748	468,700	349,726	299,619	351,962
Targeted case management										
Number of consumers	487	486	458	443	435	469	431	405	412	404
Number of units	67,978	50,997	57,743	57,844	55,088	54,652	52,408	44,662	30,589	39,763
Crisis Intervention										
Number of consumers	752	819	740	870	1,014	1,099	1,080	960	1,018	1,051
Number of units	10,182	11,236	5,841	7,234	8,494	9,031	8,280	7,276	8,234	8,478
<i>Intellectual and Developmental Disabilities</i>										
Number of consumers served	1,089	1,076	1,058	981	1,017	1,010	997	974	999	1,012
Number of transportation units	4,094	6,027	6,182	3,035	2,002	2,302	2,304	1,347	959	1,448
Number of residential units	1,827	2,277	2,648	2,529	2,588	2,493	2,525	2,445	2,177	2,187
Number of workshop/vocational units	53,779	52,614	58,072	54,203	37,641	58,293	58,620	38,744	14,346	19,895
<i>Office of aging:</i>										
Senior transportation trips	45,496	44,732	44,066	42,850	38,475	46,484	42,223	26,608	27,362	28,677
Information and assistance contacts	14,003	6,616	6,227	4,068	4,802	4,737	4,460	4,830	6,962	6,242
Congregate meals served	31,830	33,446	31,417	35,183	34,549	34,721	33,058	32,139	28,407	33,835
Adult day care days provided	1,072	1,707	3,124	4,175	3,278	2,967	2,485	631	232	246
Home delivered meals served	4,140	5,718	8,661	11,795	12,530	16,897	17,943	24,894	20,352	18,952
Maintenance/modification of homes	151	412	317	913	551	389	187	97	150	172
<i>Drug and alcohol:</i>										
Community-based outpatient treatment (in hours unless otherwise noted)										
Assessment/evaluations	754	692	547	303	471	419	371	488	447	402
Individual counseling	3,773	3,885	3,831	1,180	2,577	3,124	2,132	3,096	2,547	3,160
Intensive outpatient group	6,414	7,016	4,858	1,976	2,875	2,044	2,899	3,686	4,245	3,815
Group	2,726	3,137	2,972	1,375	1,911	2,069	1,393	1,924	1,583	2,150
Prison-based treatment and intervention service hours	2,260	1,971	2,470	3,083	4,201	2,401	2,949	2,213	-	-
Case management services										
Capital Region Maternal Assistance Program:										
Intensive case management service clients	68	70	67	69	68	67	65	34	12	28

(continued)

OPERATING INFORMATION
Operating Indicators by Function

Last Ten Years

COUNTY OF CUMBERLAND, PENNSYLVANIA (continued)	(unaudited)									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business - type:										
Transportation *										
One way trips	136,485	127,440	N/A							
Mileage	726,916	758,722	N/A							

Notes:

Source: Cumberland County departmental statistics and annual reports.

N/A - not available

* In 2015, the County partnered with rabbittransit to provide shared ride services to Cumberland County residents.

OPERATING INFORMATION
Capital Asset Statistics by Function

Last Ten Years

COUNTY OF CUMBERLAND, PENNSYLVANIA										(unaudited)
Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
General government - administrative										
Administration										
Square footage of Main Courthouse building	91,058	91,058	91,058	91,058	91,058	91,058	91,058	91,058	91,058	91,058
Square footage of Old Jail	31,108	31,108	31,108	31,108	31,108	31,108	31,108	31,108	31,108	31,108
Square footage of Historic Courthouse	22,020	22,020	22,020	22,020	22,020	22,020	22,020	22,020	22,020	22,020
Square footage of Allen Road building	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,160
Square footage of 1601 Ritner Highway building	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	37,622
Square footage of 1615 Ritner Highway building MH/IDD	N/A	N/A	N/A	N/A	N/A	15,000	15,000	15,000	15,000	15,000
Bureau of Elections										
Electronic voting machines	693	693	693	693	694	694	694	400	400	415
Court system and corrections										
Domestic Relations										
Square footage of Domestic Relations building	23,315	23,315	23,315	23,315	23,315	23,315	23,315	23,315	23,315	23,315
Probations										
Square footage of Juvenile Probation (DMB Building)	6,022	6,022	6,022	6,022	6,022	6,022	6,022	6,022	6,022	5,231
Square footage of Adult Probation (Reed Building)	5,168	5,168	5,168	5,168	5,168	5,168	5,168	5,168	5,168	5,168
Public safety										
County prison										
Maximum capacity of inmates	720	720	720	720	720	720	720	720	720	720
Square footage of the prison	178,410	178,410	178,410	178,410	178,410	178,410	178,410	178,410	178,410	178,410
Conservation										
Number of agricultural easements acquired	128	135	140	150	157	169	181	187	196	203
Acres in the agricultural easement program	15,437	16,144	16,750	17,236	17,977	19,051	20,009	20,583	21,786	22,451
Acres in agriculture secured areas	74,450	75,685	72,711	72,876	73,562	73,885	74,313	73,000	73,000	79,505
Roads and bridge maintenance										
County maintained bridges	19	19	19	19	19	19	19	19	19	19
County-bridges (shared)	9	9	9	9	9	9	9	9	9	9

(continued)

OPERATING INFORMATION
Capital Asset Statistics by Function

Last Ten Years

COUNTY OF CUMBERLAND, PENNSYLVANIA										(unaudited)
(continued)										
Human Services										
Square footage of Dennis Marion building (including parking garage)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
47,844	47,844	47,844	47,844	47,844	47,844	47,844	47,844	47,844	47,844	53,866
Square footage of Aging/Community Services	8,024	8,024	8,024	8,024	8,024	8,024	8,024	8,024	8,024	8,024
Emergency telephone center										
Square footage of the 911 center	24,233	24,233	24,233	24,233	24,233	24,233	24,233	24,233	24,233	24,233
Transportation services										
Buses and other vehicles (1)	35	31	31	31	-	-	-	-	-	-
Business-type activities										
Nursing home										
Square footage of the nursing home (2)	164,951	164,951	164,951	164,951	164,951	164,951	164,951	164,951	164,951	-
Maximum resident capacity (2)	290	290	290	282	282	282	282	282	282	-

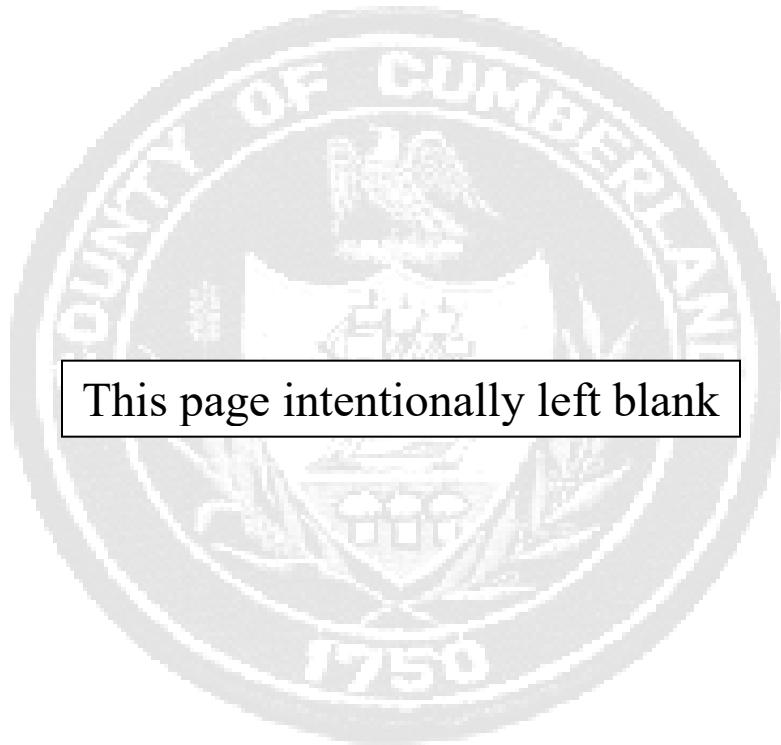
Note:

(1) Shared ride buses were transferred to Rabbittransit beginning 2017

(2) Nursing Home was sold in March 2022

Sources:

- Capital asset reports from Controller's Office
- Planning Commission information
- Corrections Department information
- Nursing Home Reports



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