

County of Cumberland, Pennsylvania

POPULAR ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2022



PREPARED BY THE OFFICE OF THE CONTROLLER
ALFRED L. WHITCOMB, CONTROLLER
www.cumberlandcountypa.gov

To the Citizens of Cumberland County:

I am pleased to provide you with Cumberland County, Pennsylvania's 2022 Annual Report Summary.

The information contained in this Annual Report Summary is unaudited and was derived from Cumberland County's audited 2022 Annual Comprehensive Financial Report (ACFR).

Except for the financial information on page 10, financial information is presented on the full accrual basis of accounting. This basis, used by businesses, presents revenues when earned and expenses when incurred. In contrast, the financial information on page 10 is presented on the modified accrual basis of accounting and so reflects only those revenues that are received in the period or that will be received shortly after year-end and excludes certain expense accruals such as unpaid interest. The information on page 12 is from Commonwealth reports/websites.

We encourage you to read the County's 2022 ACFR, which is comprised of management's discussion and analysis, financial statements, notes and schedules. The ACFR is available at the Controller's Office, One Courthouse Square, Room 207, Carlisle, PA 17013, on the County's website <https://www.cumberlandcountypa.gov> from the Controller's page or by calling (717) 240-6185.

This Annual Report Summary presents demographic, economic and operating information to show who we are and indicate where we are headed. Financial information reflects all County operations, except the Cumberland County Industrial Development Authority and the Cumberland County Conservation District which are discretely presented component units.

This report is presented in a simple and easy to understand format. It does not conform to Generally Accepted Accounting Principles for governments as it excludes many material disclosures, financial statements, notes and schedules found in the County's 2022 ACFR. Responsibility for the accuracy of these financial reports rests with me, as I fulfill the responsibilities of the Controller of Cumberland County.

I hope you find this report both interesting and informative.



Sincerely,

A handwritten signature in black ink, appearing to read 'Alfred L. Whitcomb', written in a cursive style.

Alfred L. Whitcomb
Controller of Cumberland County
Email: controller@cumberlandcountypa.gov

Welcome Home to Cumberland County!

Whether you are visiting Cumberland County for the first time or have lived here all your life, a little piece of Cumberland County will stay in your heart. Nestled in a fertile valley within the Appalachian Mountains, we are a vibrant and healthy community. There is plenty to offer the individual looking for entertainment, the perfect occupation or maybe a place to call home.

Located close to major metropolitan centers, Cumberland County's median housing costs are below national averages yet salaries are competitive with other regions. Home ownership is over six percent above the national average. Boasting one of the lowest unemployment rates in the state, Cumberland County has a myriad of business employment opportunities with more than a half being in management, business, science or service economy sectors.

We believe our Annual Report Summary will provide you with insight about the financial status of, and the services provided by, Cumberland County and why it's a great place to call home.



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PHOTOGRAPHY CREDITS

The cover photograph was taken in Colonel Denning State Park, Cumberland County. Cover photograph is courtesy of Keith Wickard. The photo on this page is courtesy of Jay Himes at @Jay Himes on Instagram. The *Left hand margin* photographs used on pages 3, 5, 7, 9 and 13 from top to bottom are courtesy of: Cumberland County, Cumberland Valley Visitors Bureau (CVVB), CVVB, CVVB, Shipensburg University, CVVB, CVVB, CVVB.



Working for You...

ELECTED OFFICIALS

BOARD OF COMMISSIONERS

(717) 240-6150
commissioners
@cumberlandcountypa.gov



From left:
Jean Foschi, Vice Chairman;
Gary Eichelberger, Chairman;
Vince DiFilippo, Secretary

- Ensure compliance with provisions of the County Code.
- Granted authority to establish the annual County operating budget, approve expenditure of County dollars, authorize all County contracts and manage all County properties and buildings.

- Under the Commissioners' governance, in 2022 Cumberland County ended the year with approximately six months expenditures and program subsidies in its general fund unrestricted fund balance.



Alfred L. Whitcomb Controller

(717) 240-6185
controller@
cumberlandcountypa.gov

- Supervises the County's fiscal affairs, per law.
- Authorizes, or investigates if warranted, fiscal transactions.
- Maintains the County's books and financial reporting.
- Administers the County's payroll, accounts payable, retirement, fraud hotline and internal audit function.



Kelly Neiderer Treasurer

(717) 240-6380
treasurer@
cumberlandcountypa.gov

- Receives, deposits, records and invests all monies for the operational accounts/funds of the County. Investment income contributes to the operating budget in 2022.
- Agent for State licensing programs including dog, hunting, fishing, sportsmen firearm permits, bingo and small games of chance.
- Administers the collection, monitoring, and distribution of hotel tax.



Tammy L. Shearer Recorder of Deeds

(717) 240-6370
recorder@
cumberlandcountypa.gov

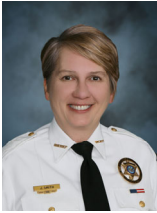
- Maintains a permanent public record of deeds and documents related to real estate in the County.
- 6,978 deeds and 10,166 mortgages were recorded in 2022.



Seán M. McCormack District Attorney

(717) 240-6210
districtattorney@
cumberlandcountypa.gov

- Investigates and prosecutes of all crimes in the county.
- Ensures that the rights of all victims are upheld as required by Pennsylvania's Crime Victim's Bill of Rights.
- Serves as a leader in establishing justice system innovations that promote public safety and community well-being.



Jody S. Smith
Sheriff

(717) 240-6390

sheriff@
cumberlandcountypa.gov

- Serves civil process documents and enforces orders of the court.
- Provides security at County facilities and transports prisoners for court appearances.
- Managed 30,921 active licenses to carry concealed firearms in 2022.
- Locates fugitives from justice and serves court issued warrants.
- Provides law enforcement support and community service.



Charles E. Hall
Coroner

(717) 766-6418

chehall@
cumberlandcountypa.gov

- Investigates sudden, unexplained, violent or suspicious deaths occurring in the County.
- Investigated 1,255 cases for manner of death in 2022.
- Investigated 1,924 cremation referral cases in 2022.



Dennis E. Lebo
Clerk of Court

(717) 240-6250

clerkofcourts@
cumberlandcountypa.gov

- Official record keeper for all matters relating to the Criminal Division of the Court of Common Pleas.
- Responsible for administration of court fees.
- 74,699 docket entries and 57,126 payment receipts pertinent to criminal court cases were processed in 2022.



Lisa M. Grayson, Esq.
Register of Wills &
Clerk of Orphans' Court

(717) 240-6345

regofwills@
cumberlandcountypa.gov

- Maintains records for Register of Wills and the Orphans' Court Division of the Court of Common Pleas dating back to 1750.
- A total of 1,713 new cases were processed in 2022 including 1,533 new estates, 99 adoptions, 39 guardianships and 42 miscellaneous matters.
- Processed 1,368 marriage license applications in 2022.



Dale Sabadish
Prothonotary

(717) 240-6195

prothonotary@
cumberlandcountypa.gov

- Maintains records of the Court of Common Pleas.
- All civil litigation is filed with the Prothonotary.
- Five star rated acceptance agent for processing public passports.
- 9,951 new civil court cases processed in 2022.
- 965 passports were processed in 2022.

Appointed Position



Stacy M. Snyder
Chief Clerk

(717) 240-6150

smsnyder@
cumberlandcountypa.gov

- Appointed by the Commissioners.
- Manages the daily operations of County government.

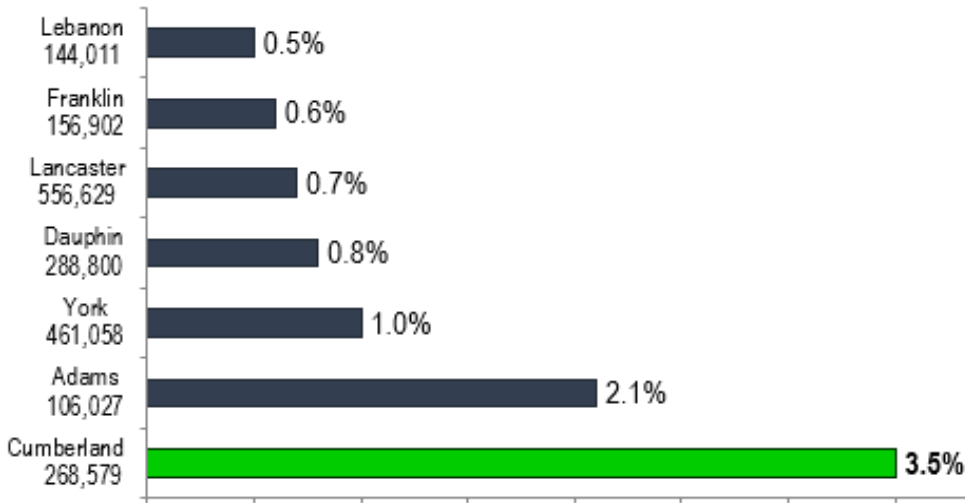


Who we are & What we are doing...

People

Cumberland County was the fastest growing County in the state between 2010 to 2022. The graph below shows the Cumberland County's surging growth percentage. It also shows each county's population.

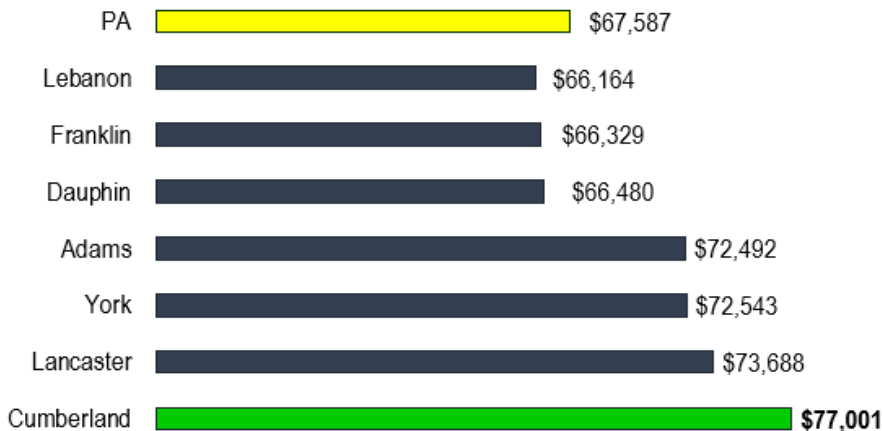
Population Growth 2020-2022 (Estimated)



Income

The graph below shows the median household income for employees across all industries in local counties and the state. On average, Cumberland County income was 14% and 9% higher than the Pennsylvania and regional averages, respectively.

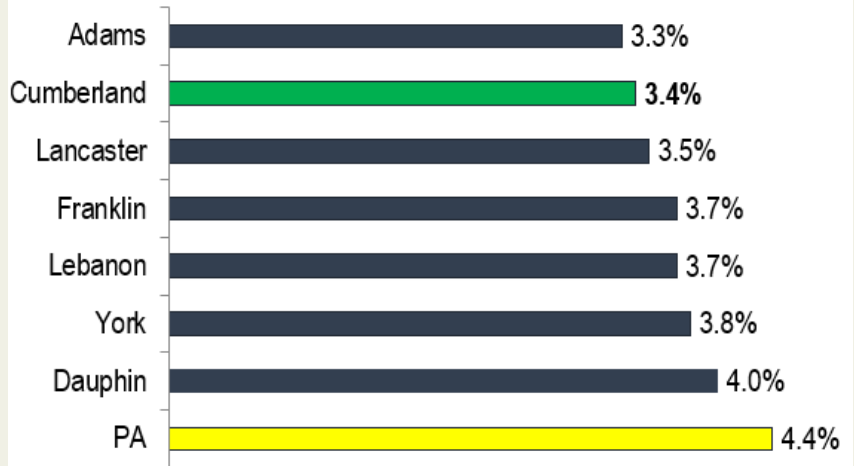
Median Household Income



Economic Conditions

The graph to the right shows the unemployment rate in the region and the state. As per Cumberland Area Economic and Development Corporation, *"This positive employment climate is partly due to major employers in the government, healthcare, retail, transportation and warehousing industries that are located and, in many cases, headquartered here."*

Unemployment Rate



Commute to Work in Minutes



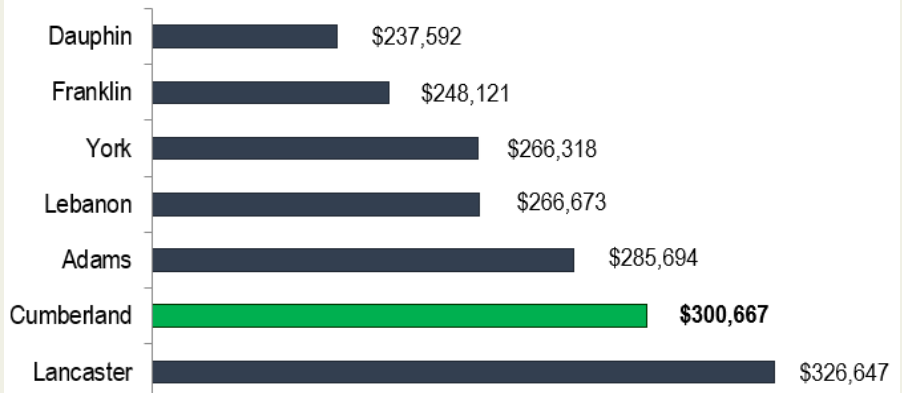
Quality of Life

Although statewide we are the fastest growing County and have the second lowest unemployment rate, more of our resident's jobs are located either here or nearby. The graph to the left indicates we have a very short commute in a growing economic region.

Housing

The graph to the right shows the median home value for a single-family home in the mid-state. It shows Cumberland County as the second highest in the region yet single family homes are affordable to most families.

Median Home Prices





Financial Section

To help you understand the financial presentations...

All of the County's financial information, except for the financial information presented on page 10, is presented on the full accrual basis of accounting. The information on page 12 is from Commonwealth reports/websites.

The full accrual basis reports revenues when earned and expenses when the liability is incurred regardless of the timing of related cash flows. This is the same basis businesses use to report their results.

The information not specified in the first paragraph above is presented on the modified accrual basis of accounting which differs from a full accrual presentation most materially in its recognition of revenue based on its availability to fund current liabilities and the recognition of capital purchases as expenditures rather than capitalizing and depreciating them. The County's general fund, reported on the modified accrual basis, is the main operating fund of the County and is the primary user of County general tax revenues.

You can see further detail in the complete annual report available at www.cumberlandcountypa.gov/631/Financial-Reports-and-Publications.



Statements of Net Position

The summary of the County's financial position, below, shows the County's total resources at year-end versus the amount owed at year-end. The amounts below are on the full accrual basis and measure financial position as would a business.

	2022	2021	2020
Assets:			
Current and other assets	\$ 175,118,385	\$ 150,232,107	\$ 110,503,355
Capital assets	104,869,850	106,966,759	105,821,664
Total assets	<u>279,988,235</u>	<u>257,198,866</u>	<u>216,325,019</u>
Deferred outflows of resources	<u>37,157,115</u>	<u>8,123,467</u>	<u>9,172,189</u>
Liabilities:			
Current and other liabilities	42,557,326	49,211,065	22,557,036
Long-term liabilities	73,850,699	32,591,754	37,780,094
Total liabilities	<u>116,408,025</u>	<u>81,802,819</u>	<u>60,337,130</u>
Deferred inflows of resources	<u>601,945</u>	<u>25,576,124</u>	<u>16,219,722</u>
Net position	<u>\$ 200,135,380</u>	<u>\$ 157,943,390</u>	<u>\$ 148,940,356</u>

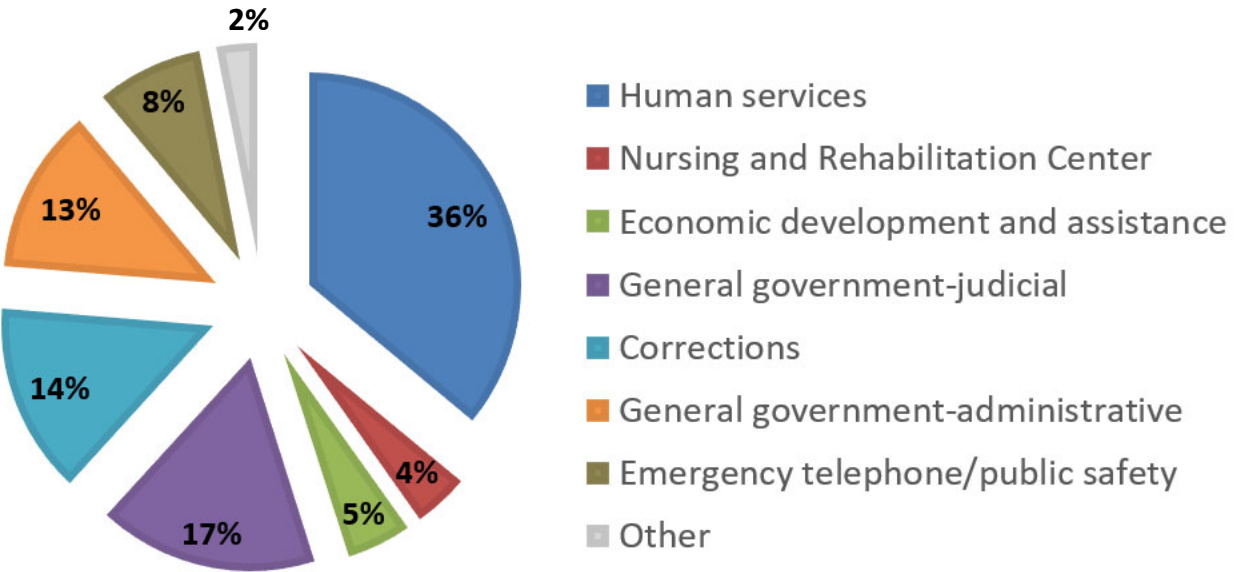
Statements of Net Activities

The summary of the County’s financial activities shows County-wide revenues and expenses on the full accrual basis, similar to how a business measures its financial results.

	2022	2021	2020
Revenues:			
Charges for services	\$ 29,386,546	\$ 43,093,467	\$ 55,206,097
Grants	103,739,437	68,475,768	86,964,485
Real estate taxes	56,520,873	55,238,720	54,950,607
Hotel taxes and other	2,483,615	2,101,429	1,185,249
Investment earnings	1,508,013	318,797	670,861
Total revenues	193,638,484	169,228,181	198,977,299
Expenses:			
Salaries	55,027,573	59,190,340	61,470,800
Benefits and payroll taxes	24,457,782	14,670,683	19,072,767
Operating	79,595,381	86,364,124	91,126,800
Total expenses	159,080,736	160,225,147	171,670,367
Special item*	7,634,242	-	-
Change in net position	\$ 42,191,990	\$ 9,003,034	\$ 27,306,932

*The County transferred ownership of the nursing home to Allaire Health Services in March of 2022.

The following pie chart breaks down 2022 expenses (\$159,080,736) by type along with the respective percentage.



Major County Initiatives

Long-Term Financial Planning

Emergency Telephone Radio System Upgrade

A new radio standard was developed for public safety professionals entitled Project 25 (P25) in 1989. A P25 system is a lifeline for delivering reliable and real time communications to all public safety responders.

The County's current public safety radio communication equipment is past its end of life. Five years after end of life notice, parts cannot be guaranteed for repairs. In 2016, the County's emergency telephone communications department initiated long range planning to transition to a new P25 system.

In 2022, the County issued one of two bonds in the amount of \$14,395,000 to fund the P25 upgrade for the new communications equipment, the tower site infrastructure, and P25 radios needs for all County public safety responders.

The project is expected to be completed by mid-2025.

Cumberland County Recovery Grant Program

The County received American Rescue Plan Act grant money of which \$25.4 million will be allocated through a County Grant program.

The County Grants Program was established to assist County organizations who provide services effected by the COVID-19 pandemic and related economic downturn.

The grant categories and allocation percentage chosen by the Commissioners were the following:

- Mental and physical health (28%)
- Infrastructure (28%)
- Non-profit organizations (7%)
- P25 emergency telephone radio support (15%)
- Higher education grants (10%)
- Economic and redevelopment (6%)
- Unallocated (6%)

The type and number of organizations awarded grants include: higher education institutions (3), local municipalities (15), related authorities (6), not-for-profit men-

tal and physical health organizations (17), libraries (7), emergency responders organizations (97), and economic and redevelopment organizations (2).

Distribution of the County Recovery Grant Program began the last quarter of 2022 and will continue through 2023.

Local Service Fee — Phase Two

The legislative Act 89 of 2013 allows counties to charge a \$5 user fee on vehicle registrations. In 2015, Cumberland County was the first county in the state to adopt the fee. The fee provides the County approximately \$1.2 million in revenue annually and the money has ensured the success of the Cumberland County Bridge Capital Improvement Program which replaced and renovated 19 poor condition County-owned bridges (phase one).

In January of 2022, the Commissioner's approved phase two of the local service fee plan which would focus concentration on 38 locally-owned bridges over 20 feet in length and additional highway transportation projects. Of the 38 bridges in 16 municipalities, there are 7 with weight postings, 5 in poor condition and 19 in fair condition.

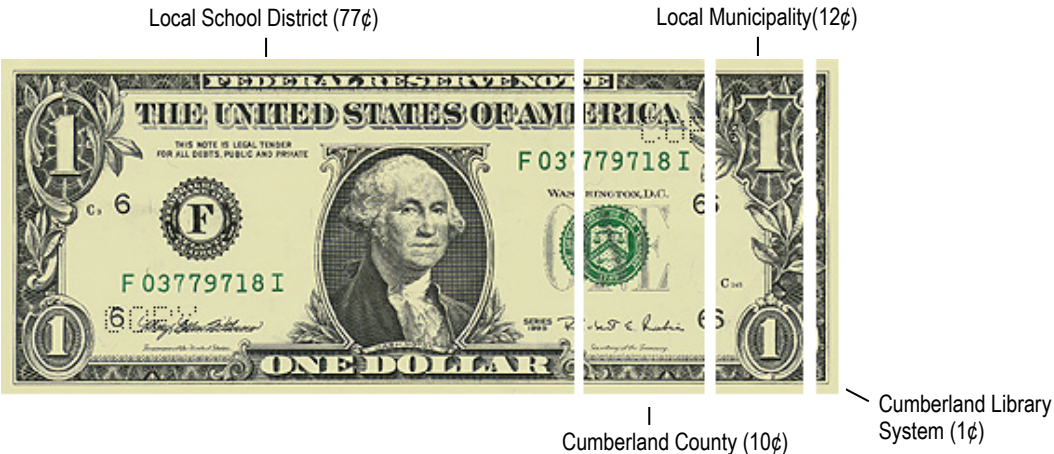
Additional Demands on County Human Service Departments

The County human service departments serve the most vulnerable citizens and through partnerships with community organizations improve the quality of life for those involved. Federal and state funding comprises about seventy-nine percent of human service department revenues. There is a significantly growing demand in the areas of child protection, mental health, developmental disabilities, drug and alcohol, and aging services.

In recent years many of these services have been flat funded and any further expense absorbed by the general fund. As the fastest growing county in the state, the ever-increasing need for services has placed a significant financial challenge on the County.

Your Money At Work

Who receives your real estate tax dollar.....The following graph depicts for each dollar of real estate taxes paid, who is receiving it.



Per resident spending.....

Reading left to right, the information below shows how much, on average, a resident in Cumberland County pays for each general fund department service, net of revenue earned by that department. The cost per department along with subsidy to County programs are offset by general revenues to lead to the net deficit (surplus) per resident.

County department	2022	2021	Percent Change- (Favorable) Unfavorable	County department	2022	2021	Percent Change- (Favorable) Unfavorable
Information management and technology	\$ 10.77	\$ 9.91	9 %	Treasurer	1.09	1.27	(14)
County buildings and grounds	10.50	11.98	(12)	Coroner	5.02	5.20	(3)
Finance	4.08	4.60	(11)	Clerk of Courts	0.26	(1.20)	122
Bureau of elections	5.18	4.73	10	Prothonotary	0.11	(0.18)	161
Tax administration	2.02	1.21	67	Sheriff	10.27	10.47	(2)
Human resources	2.80	2.44	15	Security	1.14	1.13	1
Administrative services	4.30	3.95	9	Register of Wills	(0.59)	(0.67)	12
Total general government-administrative	39.65	38.82		Total County row offices	17.73	14.74	
District Attorney	16.01	13.21	21	Other departments	1.35	0.86	57
District justices	9.21	9.50	(3)	Debt service	12.49	10.96	14
Criminal courts system	20.25	18.56	9	County Grant Program	3.54	0.00	100
Public defender	8.31	6.77	23	Subsidy to county programs:			
Total general government-judicial	53.78	48.04		Emergency telephone/911	2.16	7.31	(70)
County prison	47.28	43.17	10	Human services	31.79	22.56	41
Adult and juvenile probation	18.56	17.93	4	Domestic relations	4.63	4.74	(2)
Total corrections	65.84	61.10		Public safety	1.65	1.20	38
Public safety administration	2.41	3.51	(31)	Nursing and rehab center	0.00	2.63	(100)
Conservation and planning	6.56	7.29	(10)	American Rescue Plan Act	(127.65)	0.00	(100)
Commissioners Office	4.30	4.03	7	Proceeds from sale of nursing home	(46.49)	0.00	(100)
Controller	4.60	4.55	1	General revenues	(225.81)	(225.54)	0
Recorder of Deeds	(4.17)	(5.83)	28	Net deficit (surplus) per capita	(\$152.07)	\$2.25	

Cumberland County Conservative Fiscal Results

HIGHEST CREDIT RATING

On May 13, 2022, Standard & Poor's reaffirmed Cumberland County's 'AAA' long-term credit rating, adding that "the outlook is stable" for the County.

The County has held a AAA credit rating, the highest achievable, since 2008. A high credit rating allows the County to save substantial interest costs.



WHAT EARNED CUMBERLAND COUNTY ITS HIGH RATING?

The following are excerpts from the S&P Global May, 2022 credit ratings report.

*We believe **"the county can maintain better credit characteristics than the U.S. in a stress scenario"***

*Cumberland County has a **"strong economy"***

*Cumberland County maintains a **"healthy financial position"***

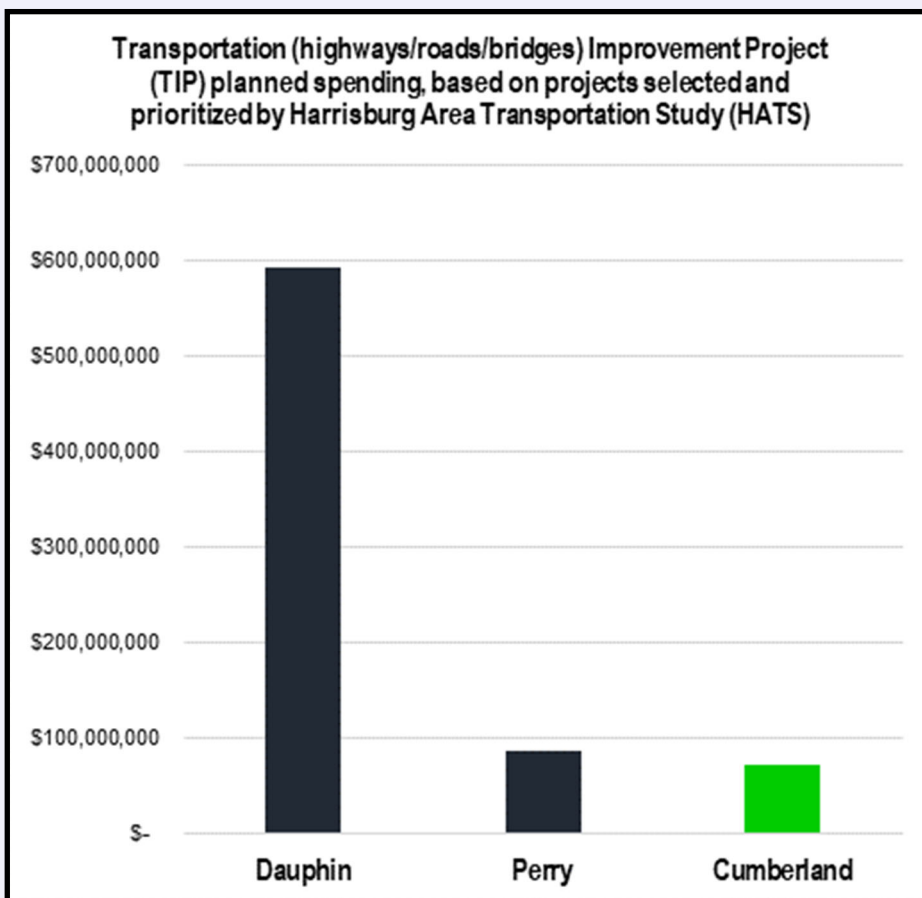
*Cumberland County has **"strong financial policies and practices"***

*Cumberland County maintains a **"low debt burden...AND manageable debt plans"***

*Cumberland County **"budgets conservatively"***

*Cumberland County elected officials employ **"very strong management"***

Transportation Improvement Planning; Fairness in Results?



Dauphin, Perry and Cumberland counties share a transit planning organization — Harrisburg Area Transportation Study also known as HATS. HATS is wholly staffed by the employees of the Tri-County Regional Planning Commission in Harrisburg—an organization governed by a board appointed by Dauphin and Perry counties and the City of Harrisburg.

Currently, HATS has awarded \$8 to transportation projects in Dauphin County for every \$1 dollar that they have awarded to transit improvement projects in Cumberland County, despite Dauphin and Cumberland having nearly identical Federal/State highway length and highway use within their borders.

Source: As to planned transportation improvement spending: www.gis.pennndot.gov/paprojects/PAProjects.aspx. As to total highway miles and use, by county: PennDOT pub 600(7-22).



Cumberland County contacts

Go to www.cumberlandcountypa.gov and browse services offered, or call the numbers below.

Aging and Community Services	(717)240-6110
Agricultural Land Preservation	(717)240-5383
Child Services	(717)240-6120
Conservation District	(717)240-7812
Crisis Intervention (mental health crisis):	
• Camp Hill area	(717)763-2222
• Carlisle area	(717)243-6005
• All other areas	(866)350-HELP
Cumberland County Library System	(717)240-6175
Domestic Relations (child support)	(717)240-6225
Drug & Alcohol	(717)240-6300
Economic development	(717)240-7180
Elections	(717)240-6385
Emergency Communications (in emergency)	9-1-1
Jury Services	(717)240-6200
Mental Health/Intellectual & Developmental Disabilities	(717)240-6320
Penn State Cooperative Extension Office	(717)240-6500
Prison	(717)245-8787
Recycling	(717)240-6489
Transportation	
• Shared ride	(800)632-9063
• Fixed route	(717)238-8304
Weights & Measures	(717)240-6349
Veterans Affairs	(717)240-6178

Recognition



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**County of Cumberland
Pennsylvania**

For its Annual Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Cumberland County, Pennsylvania for its Popular Annual Financial Report for the fiscal 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.

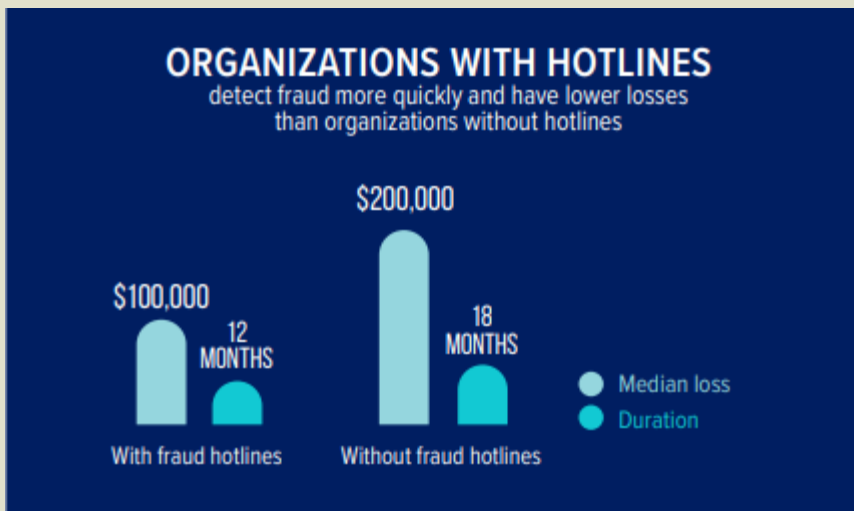
In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

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 are submitting it to the GFOA.



Photos courtesy of the Cumberland Valley Visitors Bureau (www.visitcumberlandvalley.com). (left to right) West Shore Farmers Market, Lemoyne; Children's Lake, Boiling Springs; Carlisle Arts Learning Center, Carlisle; Doubling Gap Lake, Newville; Carlisle Events Car Show, Carlisle; Army Heritage and Education Center's Army Heritage Trail, Carlisle.

CUMBERLAND COUNTY CONTROLLER FRAUD TIP HOTLINE



Report the following:

- Person(s) involved
- Physical location where fraud, waste and abuse is suspected.
- Nature of the fraud/abuse – false reports, stealing, etc.
- Date and/or duration of occurrences
- Approximate dollar amount/value involved
- Any other witnesses

Reporting options:

- Submit your tip electronically: Go to www.cumberlandcountypa.gov and on the Controller page click on 'Fraud & Abuse Hotline'.
- Call (717) 240-6192