October 2025
Financial Analysis Committee
Appendix

Commissioners:
Kelly K. Neiderer
Jean Foschi
Gary L. Eichelberger

Chief Operations Officer/Chief Clerk:
Stacy M. Snyder

Chief Financial Officer:
Dana L. Best

10/07/25

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2024 Fund Balance

Breakdown of 2024 Ending Fund Balance

Fund Balance

Nonspendable Fund Balance		
Reserved for Prepaid items	**1,303,162**	
Total Nonspendable Fund Balance		**1,303,162**
Restricted Fund Balance		
Farmland Preservation	**2,074,281**	
Contributions	**38,138**	
Clerk of Courts Automation	**49,772**	
Prothonotary Automation	**120,746**	
Register of Wills Act 34 Counseling	**78,750**	
Register of Wills Automation	**194,417**	
Juvenile Probation Diversionary Supervision	**13,090**	
Coroner - Act 122	**118,293**	
Juvenile Probation Supervision Fees	**23,633**	
Juvenile Probation PennDot	**5,249**	
Marcellus Shale	**637,474**	
Haz Mat Response Fees	**63,904**	
Coroner - Act 152	**93,925**	
Coroner - Dept of Health	**15,000**	
Total Restricted Fund Balance		**3,526,672**
Assigned Fund Balance		
Capital Projects	**6,625,000**	
Dept of Public Safety	**1,386,350**	
Prisoner Health Care	**250,000**	
Planning Grant Program	**118,481**	
Human Service Policy Fund	**100,000**	
Prison Canteen	**1,070,666**	
CNRC	**2,698,509**	
ARP Recovery Grants	**16,354,865**	
Future Budgetary Requirement	**10,151,266**	
Total Assigned Fund Balance		**38,755,138**
Committed Fund Balance		
County Grant Program	**8,675,342**	
Claremont Proceeds	**7,482,045**	
Total Committed Fund Balance		**16,157,387**
Total Unassigned Fund Balance		**22,991,540**
Total General Fund 12/31/2024 Fund Balance		**82,733,899**

Budgetary Unassigned Fund Balance

12/31/2024

Unassigned Fund Balance	22,991,540
Future Budgetary Requirement	10,151,266
Total Unassigned Fund Balance	33,142,806

2024 Fund Balance

Nonspendable Fund Balance: Cannot ever be spent, cannot currently be spent, or it is legally or contractually required to remain intact. An example of nonspendable fund balance is prepaid items.

Restricted Fund Balance: Resources that are subject to enforceable legal restrictions: external parties, constitutional provisions, or enabling legislation. An example of restricted fund balance is Marcellus Shale.

Assigned Fund Balance: The portion of fund balance that reflects a government's intended use of resources for a specific purpose. An example of assigned fund balance is capital projects.

Committed Fund Balance: Government imposed constraints on the use of resources by formal action by the Commissioners. An example of committed fund balance is County Grant Program.

Unassigned Fund Balance: Net resources in excess of what is properly categorized in one of the four categories (assigned fund balance, committed fund balance, nonspendable fund balance, or restricted fund balance).

Budgetary Unassigned Fund Balance: Unassigned fund balance for budgetary purposes and presentations is General Fund unassigned fund balance plus the assigned future budgetary requirement. Throughout the document, budgetary unassigned fund balance will be referred to as unassigned fund balance.

Projections

Data is presented from the focal point of the General Fund. Forecasting is done for five years which includes the current year and an additional four years. Projections are estimated at the mid-point of what is expected to happen. Projections are a range and actual revenue and expense will vary based on future changes.

Revenue Projections:

- Real estate revenue is projected to increase an average of 0.9% annually due to natural growth.
- All other revenue is projected based on current trends.
- Interest revenue is expected to decrease in future years due to anticipated decreasing interest rates and decreasing cash balance.
- Department fee revenue assumes no changes to fee schedules.
- Grant revenue is projected based on the grants' terms and offsets grant-related expenses.

Expense Projections:

- Salary expenses are projected to increase 2.2% in 2025, and a 3.8% average yearly increase for 2026-2029. The increase is a combination of wage scale adjustments, step increases, turnover, and adding/removing positions.
- Benefits are projected to increase 5.2% in 2025, 5.7% in 2026, and a 2.0% average yearly increase for 2027-2029. FICA, retirement, workers' compensation, short-term disability, and long-term disability are based upon a percentage of salary.
- Operating expenses are projected to increase 16.3% in 2025, then decrease 7.2% in 2026, then decrease 3.0% in 2027, and a 2.0% average yearly increase for 2028-2029. Projections are developed by looking at each expense grouping and analyzing trends within those groupings. The fluctuation in operating expenses for 2025-2026 is due to grant-related expenses. Expenses for the grants are projected to offset revenue amounts for the grants' terms. A modest rate of inflation is included in the projections.
- Subsidy is decreasing 1.4% in 2025, then increasing 20.0% in 2026, then 3.0% average yearly increase for 2027-2029. Projections assume flat state funding and operations continuing as normal until approved changes have been made. For example, MH.IDD subsidy is projected to decrease in 2025 due to changes in provided services.
- Capital projections are based upon ten-year plans, approved projects, and previous trends.
- Transfers/Debt are in accordance with amortization schedules.

Additional Impacts:

- The County Grant Program funding is projected based upon project spend. This is to offset capital expenses. This can shift depending upon the timing of projects.
- Fund balance management is adjusted to maintain 100 days of fund balance. This can fluctuate based upon changes in revenues and/or expenses.
- When applicable, special projects and/or undecided expenses from expense projections are pulled to this section for increased transparency.

Projections

General Fund Actuals 2024 versus Projected 2025

	Actuals 2024	Projected 2025	Change	Percentage Change
Revenue				
Real Estate Taxes	67,131,070	70,017,706	2,886,636	4.30%
All Other Revenue	42,026,333	42,936,400	910,067	2.17%
Total General Fund Revenue	**109,157,403**	**112,954,106**	**3,796,703**	**3.48%**
Expense				
Salary	39,777,959	40,651,637	873,678	2.20%
Benefit	14,750,827	15,517,871	767,044	5.20%
Operating	29,101,824	33,853,778	4,751,954	16.33%
Subsidy	13,625,047	13,438,243	(186,804)	(1.37%)
Capital	10,060,891	7,221,434	(2,839,457)	(28.22%)
Transfers / Debt	4,512,845	6,533,691	2,020,846	44.78%
Total General Fund Expense	**111,829,394**	**117,216,654**	**(1,005,415)**	**(0.90%)**
Additional Impacts	**3,929,587**	**4,347,356**	**417,769**	**10.63%**
Unassigned Fund Balance	33,142,806	33,227,614	84,808	0.26%

2025 year-end unassigned fund balance is projected at $33,227,614 which is 103 days of budgeted General Fund operating expense. The recommended minimum fund balance is 100 days, which equates to $32,360,000. 2024 ended with 102 days of budgeted General Fund operating expenses.

Revenue

Real Estate Taxes are increasing $2,887,000 or 4.3%

- Four percent millage increase for 2025
- Real estate tax base grew 0.96% from 2023 to 2024, see page 36

All Other Revenue is increasing $910,000 or 2.2%

- Library Taxes is increasing due to library millage increasing by 50%
- Interest on Investments is decreasing due to declining interest rates
- Federal Grants, State Grants, and State Pass-Through Grants are increasing due to more grant activity
- Prison revenues, such as Housing and Canteen Sales, are increasing due to housing more inmates from other jurisdictions
- Passthrough grants are decreasing due to less Redevelopment Authority activity (offsetting expense)
- Right-to-use leases and SBITAs are decreasing due to entering into fewer agreements in 2025 (offsetting expense)

Expense

Salaries are increasing $874,000 or 2.2% - see Salaries and Benefits page 29-30

Benefits are increasing $767,000 or 5.2% - see Salaries and Benefits page 29-30

Projections

General Fund Actuals 2024 versus Projected 2025

Expense (continued)

Operating is increasing $4,752,000 or 16.3%

- Courts and other departments that interact with courts, are seeing an increase in the complexity and number of cases resulting in increased costs when purchasing professional services
- The prison's medical management services costs are increasing

Subsidy is decreasing $187,000 or 1.37%

- Children and Youth is increasing $491,335 or 7.08% due to increases in the complexity of placement cases and per diem rates. This was offset by 23/24 overmatch which was received in 2025
- MH.IDD is decreasing $895,678 or 68.50% - see page 33
- 9-1-1 is increasing $1,107,701 or 52.00% - see page 32

Capital is decreasing $2,839,000 or 28.22% see chart below

Capital Projects			
Actuals 2024		Projected 2025	
Project	$	Project	$
Right-to-use leases and SBITAs	4,006,390	Right-To-Use/SBITA	2,135,000
DA Firearms Lab	1,244,311	Farmland Preservation	1,700,000
Farmland Preservation	1,054,186	Feasibility Study	716,043
Prison Stanley Security System	594,612	Prison Stanley Security System	402,953
Eleven Various Vehicles	547,321	General Fund Vehicles	260,000
Tax Admin CAMA Upgrade	483,750	Main Courthouse Roof	200,000
Elections Voting Machines	244,633	Computer Lifecycle	200,000
Ritner Building Generator	113,590	Public Safety Building Flywheels	132,500
Prison Chillers	177,000	HCH & MCH Painting	120,000
Public Safety Building A/V System	153,009	MDJ Beckley Relocation	120,000
Historic Courthouse Elevator	142,169	Upgrade SAN	100,000

Transfers / Debt decreasing $5,539,000 or 45.88%

- The transfer to the County Grant Program for external projects decreased because this was removed from projections because there is committed fund balance to cover the cost. There is no impact on unassigned fund balance.

Additional Impacts

Additional impacts increasing $418,000 or 10.63% due to more being allocated to the County Grant Program.

Projections

General Fund Projections March 2025 versus August 2025

	Projected 2025 (Mar 2025)	Projected 2025 (Aug 2025)	Change	Percentage Change
Beginning Unassigned Fund Balance	**33,142,806**	**33,142,806**	**0**	**0.00%**
Revenue				
Real Estate Taxes	71,158,934	70,017,706	(1,141,228)	(1.60%)
All Other Revenue	39,938,722	42,936,400	2,997,678	7.51%
Total General Fund Revenue	**111,097,656**	**112,954,106**	**1,856,450**	**1.67%**
Expense				
Salary	41,009,381	40,651,637	(357,744)	(0.87%)
Benefit	15,607,131	15,517,871	(89,260)	(0.57%)
Operating	33,022,821	33,853,778	830,957	2.52%
Subsidy	14,500,919	13,438,243	(1,062,676)	(7.33%)
Capital	7,244,008	7,221,434	(22,574)	(0.31%)
Transfers / Debt	6,377,224	6,533,691	156,467	2.45%
Total General Fund Expenses	**117,761,484**	**117,216,654**	**(544,830)**	**(0.46%)**
Additional Impacts				
Indirect Cost Offset	528,300	528,300	0	0.00%
County Grant Program (County Allocation)	4,701,447	3,819,056	(882,391)	(18.77%)
Fund Balance Management	1,300,000	0	(1,300,000)	(100.00%)
Total Additional Impacts	**6,529,747**	**4,347,356**	**(2,182,391)**	**(33.42%)**
Projected Unassigned Fund Balance	**33,008,725**	**33,227,614**	**218,889**	**0.66%**

2025 year-end unassigned fund balance is projected at $33,227,614 which is 103 days of budgeted General Fund operating expense. The recommended minimum fund balance is 100 days, which equates to $32,360,000.

Revenue

Real Estate Tax projections are decreasing $1,141,000 or 1.6%

Other Revenue is increasing $2,998,000 or 7.5%

- Recorder of Deeds transfer taxes and filing fees have increased $338,000
- Rate for contracted services DA is providing the Department of Corrections is increasing $259,000
- Internal revenue has increased $496,000
- Proceeds from long-term debt is increasing $900,000 due to right-to-use leases and SBITAs (offsetting expense)

Expense

Subsidy is decreasing $1,063,000 or 7.3%

- 9-1-1 subsidy is decreasing $1,022,000 due to shifting capital projects

Capital is increasing $23,000 or 0.3%

- Multiple projects delayed until 2026 and 2027 decreasing $1,759,000 until decisions upon County Feasibility Study ($1,218,000 of which is County Grant Program eligible)
- Right-to-use leases and SBITA are increasing $900,000 (offsetting revenue)

Additional Impacts

- County Grant Program (county allocation) is decreasing $882,000 or 18.8% due to projects delayed until 2026
- Fund Balance Management is decreasing $1,300,000 or 100% due to delayed capital expenses until 2026

Projections

General Fund Projections Projected 2025 versus Projected 2026

	Projected 2025	Projected 2026	Change	Percentage Change
Beginning Unassigned Fund Balance	**33,142,806**	**33,227,614**	**84,808**	**0.26%**
Revenue				
Real Estate Taxes	70,017,706	71,730,409	1,712,703	2.45%
All Other Revenue	42,936,400	38,428,979	(4,507,421)	(10.50%)
Total General Fund Revenue	**112,954,106**	**110,159,388**	**(2,794,718)**	**(2.47%)**
Expense				
Salary	40,651,637	42,215,678	1,564,041	3.85%
Benefit	15,517,871	16,408,093	890,222	5.74%
Operating	33,853,778	31,421,205	(2,432,573)	(7.19%)
Subsidy	13,438,243	16,131,111	2,692,868	20.04%
Capital	7,221,434	5,760,924	(1,460,510)	(20.22%)
Transfers / Debt	6,533,691	5,694,586	(839,105)	(12.84%)
Total General Fund Expenses	**117,216,654**	**117,631,597**	**414,943**	**0.35%**
Total Additional Impacts	**4,347,356**	**7,612,995**	**3,265,639**	**75.12%**
Unassigned Fund Balance	33,227,614	33,368,400	140,786	0.42%

2026 year-end unassigned fund balance is projected at $33,368,400 which is 100 days of budgeted General Fund operating expense. The recommended minimum fund balance is 100 days, which equates to $33,449,000.

Revenue

Real Estate Taxes are increasing $1,713,000 or 2.45%

- The natural growth in real estate revenue is projected to be 1.0%

Other Revenue is decreasing $4,507,000 or 10.50%

- Interest Revenue is decreasing $777,000 due to declining interest rates
- Grant Revenue is decreasing $3,083,382 due to state grants returning to normal in 2026 due to the countywide action plan (offsetting expense)

Expense

Salaries are increasing $1,564,000 or 3.85%

- Wage scale adjustments
- Step increases
- Turnover
- Adding/removing positions

Benefits are increasing $890,000 or 5.74%

- FICA, retirement, workers' compensation, short-term disability, and long-term disability are based on a percentage of salary
- Medical Insurance is increasing $638,000 due to rates increasing 8%

Projections

General Fund Projections Projected 2025 versus Projected 2026

<u>Expense (continued)</u>

Operating expense is decreasing $2,433,000 or 7.19%

- Planning grants are decreasing $2,722,000 due to the countywide action plan in 2025 (offsetting revenue)
- Purchased professional services decreasing $1,507,000 due to the completion of the feasibility study

Subsidy is increasing $2,693,000 or 20.04%

- Children and Youth subsidy is increasing $1,352,000 due to the overmatch payment received in 2025 for Fiscal year 23/24
- MH.IDD subsidy is decreasing $346,000 due to cuts to services in 2025
- 9-1-1 subsidy is increasing $745,000 due to shifting project timelines

Capital is decreasing $1,461,000 or 20.22%

- Right-to-use leases and SBITAs decreasing $142,000 (offsetting revenue)
- Major projects completed in 2025:
    - Prison Stanley Security System
    - CAMA system
    - Public Service Building pavement resurfacing
    - Construction of the DA Firearms Lab (offsetting revenue)
- See page 18 for 2026 capital projects

Transfers/Debt is decreasing $839,000 or 12.84%

- Infor/Lawson project is decreasing $823,000

<u>Additional Impacts</u>

- **Additional impacts are increasing $3,265,639 or 75.12% - see page 12 for explanation**

Projections

Additional Impacts Explanation

	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
Additional Impacts					
Indirect Cost Offset	528,300	528,300	528,300	0	0
County Grant Program (County Allocation) (1)	3,819,055	1,084,695	1,686,695	1,519,195	39,974
Fund Balance Management (2)	0	6,000,000	3,354,200	0	0
Total Additional Impacts	4,347,355	7,612,995	5,569,195	1,519,195	39,974

- (1) The County Grant Program (county allocation) is projected based on project spend. This is to offset capital expenses. This can shift depending on the timing of projects.
- (2) Fund balance management is adjusted to maintain 100 days of fund balance. This can fluctuate based upon changes in revenues and/or expenses.

Projections

2025 - 2029 Unassigned Fund Balance Projections

The chart below shows the current projections and the break-even dollars and percentage change needed to be at 100 days of unassigned fund balance.

	2025		2026		2027		2028		2029
No Change									
	33,227,614	**0%**	**33,368,400**	**0%**	**27,202,451**	**0%**	**14,512,828**	**0%**	**1,175,142**
			140,786		**(6,165,949)**		**(12,689,623)**		**(13,337,686)**
Break - Even at 100 days									
	33,227,614	**0.0%**	**33,368,400**	**8.6%**	**33,450,983**	**8.1%**	**33,417,914**	**0.6%**	**34,121,654**

Black - Fund Balance

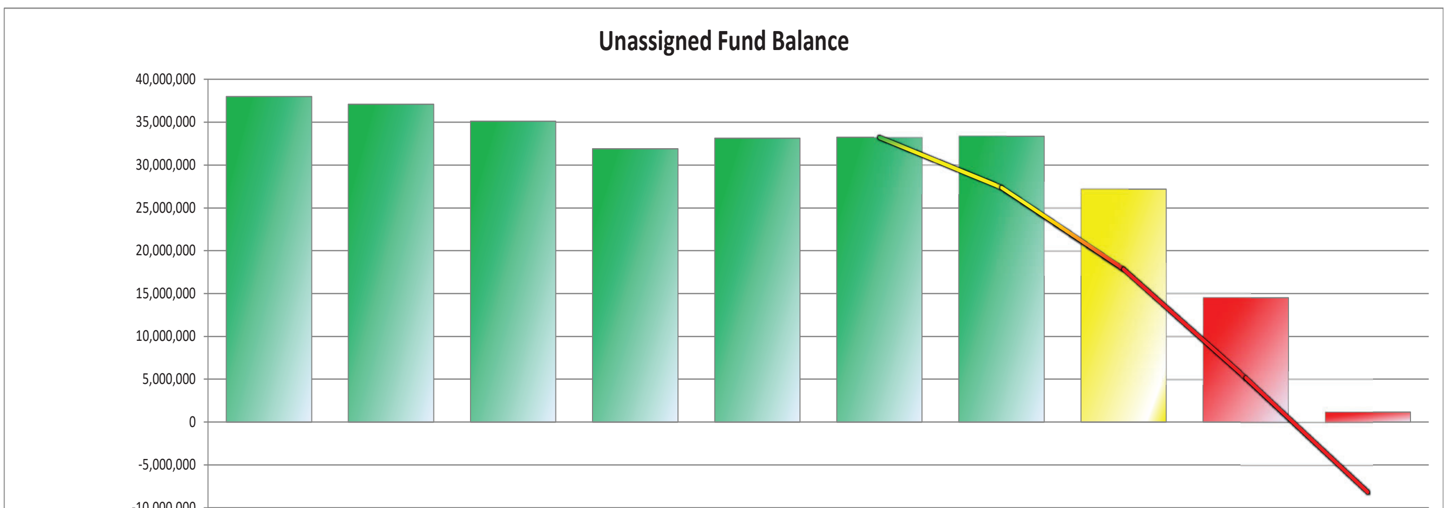
Blue - Difference between revenue and expense

1% change = 700,000

5% change = 3,501,000

10% change = 7,002,000

Change can be an on-going change in revenues and/or expenses



	2020	2021	2022	2023	2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
Unassigned Fund Balance	37,974,806	37,101,059	35,100,925	31,885,210	33,142,806	33,227,614	33,368,400	27,202,451	14,512,828	1,175,142
Number of Days	141	140	131	110	102	103	100	81	43	4
W/O Fund Balance Management						33,227,614	27,368,400	17,848,251	5,158,628	-8,179,058
Number of Days W/O FBM						103	82	53	15	-24

Projections

Unassigned Fund Balance Scenarios

Below are the current projections, adapted into five possible scenarios to maintain unassigned fund balance at 100 days.

Percentage changes are measured in increments based upon change to revenues and/or expenses. The changes are ongoing changes in revenues and/or expenses.

Change	Dollar Amount
Current	$ -
1%	$700,000
5%	$3,501,000
10%	$7,002,000
15%	$10,503,000
25%	$17,504,000
30%	$21,005,000

Scenario One

- Small incremental annual changes through 2026-2029
- Use Fund Balance Management each year to "breakeven"

	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
Input of Percentage Change	0.0%	4.5%	4.5%	4.0%	4.0%
Input of Fund Balance Management	$ -	$ 3,000,000	$ 3,000,000	$ 3,354,200	
Unassigned Fund Balance	33,227,614	33,596,268	33,729,265	34,303,073	34,323,993
Days of Unassigned Fund Balance	*103*	*100*	*101*	*103*	*103*

Pros:
- Small annual changes
- Maintains mild flexibility in future years (revenues and/or expenses)

Cons:
- Annual on-going changes
- Uses all fund balance management

Projections

Unassigned Fund Balance Scenarios

Scenario Two

- One large change in 2026
- Use Fund Balance Management each year to “breakeven”

Input of Percentage Change	0.0%	11.1%	0.0%	0.0%	0.0%
Input of Fund Balance Management	$ -	$ -	$ -	$ 4,600,000	$ 4,754,200
	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
Unassigned Fund Balance	33,227,614	35,330,475	33,835,310	33,850,889	33,453,626
Days of Unassigned Fund Balance	*103*	*106*	*101*	*101*	*100*

Pros:
- Great flexibility with future changes (revenues and/or expenses)

Cons:
- Major change to revenues and/or expenses in 2026
- Using all fund balance management

Scenario Three

- Use Fund Balance Management each year to “breakeven” until its depleted
- Annual changes through 2027-2029

Input of Percentage Change	0.0%	0.0%	9.0%	7.5%	1.0%
Input of Fund Balance Management	$ -	$ 6,000,000	$ 3,354,200	$ -	$ -
	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
Unassigned Fund Balance	33,227,614	33,368,400	33,709,195	33,560,730	33,753,727
Days of Unassigned Fund Balance	*103*	*100*	*101*	*100*	*101*

Pros:
- No change in 2026

Cons:
- Requires major changes in 2027-2029
- Minimal flexibility in future years (revenues and/or expenses)
- Uses all fund balance management

Projections

Unassigned Fund Balance Scenarios

Scenario Four

- Annual changes each year to “breakeven”
- No use of fund balance management

	2025	2026	2027	2028	2029
Input of Percentage Change	0.0%	9.0%	4.0%	3.5%	0.0%
Input of Fund Balance Management	$ -	$ -	$ -	$ -	$ -
	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
Unassigned Fund Balance	33,227,614	33,824,137	33,962,888	33,925,851	33,367,228
Days of Unassigned Fund Balance	*103*	*101*	*102*	*101*	*100*

Pros:

- Retains Fund Balance Management for future use
- Flexibility with future changes (revenue and/or expenses)

Cons:

- Annual on-going changes

Scenario Five

- One large change in 2026 to maintain “breakeven” fund balance through 2029
- No use of fund balance management

	2025	2026	2027	2028	2029
Input of Percentage Change	0.0%	14.3%	0.0%	0.0%	0.0%
Input of Fund Balance Management	$ -	$ -	$ -	$ -	$ -
	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
Unassigned Fund Balance	33,227,614	37,625,848	38,444,192	36,196,406	33,404,935
Days of Unassigned Fund Balance	*103*	*112*	*115*	*108*	*100*

Pros:

- Retains Fund Balance Management for future use
- Great flexibility with future changes (revenues and/or expenses)

Cons:

- Requires major change in 2026

Budget

Overview

The county operates on two budget years: fiscal and calendar. The fiscal budget operates July 1 - June 30 cycle. Budget preparation begins in February through budget approval in early June. The calendar budget operates January 1 - December 31 cycle. Budget preparation begins in late May through budget approval in early December.

Finance downloads salary and benefit information from Infor/Lawson. Finance adjusts pay schedules to reflect union/association contracts and wage scale adjustments and estimates benefit costs for the budget year. Once the data is reviewed and verified by Finance, budgets are made available to all departments. Departments review salary and benefit information and inform Finance of any changes for the next year (change in benefit coverage, employee retirement, etc.). Departments enter revenue and expense budgets and will submit position concept forms, capital concept forms, and estimated conference expenses, if needed. Finance reviews all department budget submissions by reviewing all revenue and expense lines and working with departments to make necessary adjustments.

In the past, budget meetings were held for the Prison, Facilities Management, IMTO, and Public Safety to discuss five- and ten-year capital plans. Beginning with the 2025 budget, budget meetings with all departments were implemented. Departments were grouped with similar offices to discuss the current budget, the next 10 years of capital and staffing needs, and revenue changes.

Budget versus Projections

While budget is used to aid the development of the projections, there will be differences between the two. Typically revenue budget and projections will match at the beginning of the year because little will have changed from budget submission and projection preparation for the next year. As the year progresses, we will see differences between budget and projections due to shifting trends with court costs and fines, department fees, taxes, interest revenue, etc., and/or additional grant revenue received but not expected at budget or vice versa.

Budget and projections for salary and benefits will differ due to several reasons. For budget, all positions are budgeted for and adjustments will be made to vacant positions if the department does not plan to fill a position. For the 2026 budget, salaries for all non-union employees include a wage scale adjustment beginning 1/1/2026 and a 2.5% step increase beginning 7/1/2026. Union/association salaries are budgeted based on the approved agreements. Salary projections look at salaries as a whole rather than by position, like with budget, and can be adjusted to include changes with turnover, adding/removing positions, wage scale adjustments, etc.Projections are also adjusted for any changes approved by the Board of Commissioners.

Operating expense budget will be higher than projections due to the Infor/Lawson factor. Additional budget is needed due to the budget edit check set up in Infor/Lawson where expenses cannot go over the budget for the expense budget group. This includes processing invoices and issuing purchase orders. There is also $2,600,000 in contingency for unknown expenses that could occur (see page 18 for additional information on contingency).

Subsidy budget and projections will vary due to a majority of the funds that require subsidy are fiscal funds and subsidy is based on the calendar year.

Capital budget and projections will vary due to the timing of projects. Departments will budget for the whole project in the budget year but historically there are always projects that will be delayed, not occur, and new projects added during the year.

Budget

Contingency

- Contingency is a pooled reserve for expenses that may or may not happen or unexpected events. For example, a copier breaks and the department would not budget for this. Contingency budget can be moved to that department to replace the copier.
- The contingency budget acts as a financial buffer to address unexpected expenses. There is $2.6 million of contingency in the 2026 budget. By centralizing the budgeting for contingency, we are able to reduce the overall amount of budget necessary.
- All General Fund capital projects are kept in contingency except Maintenance projects, IMTO projects, previously approved projects, or grant-funded projects. All capital projects need approved by the Chief Clerk/COO or Board of Commissioners (see capital section below).
- Finance manages the contingency accounting units and moves the budget to departments as needed.

Capital

- During the budget process, departments submit capital concept forms to Finance for projects that are expected during the next budget year.
- Departments that routinely have projects, must submit a 10-year capital plan.
- Departments have to go through the formal capital process. This includes meeting with the capital team, which is the Chief Clerk/COO, Chief Financial Officer, Chief Information Officer, & Facilities Director.
    - Projects less than $15,000 can be approved by the Chief Clerk/COO
    - Projects $15,000 and over must be approved by the Board of Commissioners

Budgeted Positions

- During the budget review process, departments submit position concept forms if planning to request a new position during the next budget year. Finance does not add budget for these positions since the position is not approved by the Board of Commissioners at this time.
- If a department does not plan to fill a position or will not fill the position for a portion of the next year, budgeted hours are adjusted accordingly.
- Some departments have additional positions for hiring purposes. This allows the department to hire a new employee into a position when another employee terms in a different position. These additional positions are not budgeted for since they are temporary in nature until the employee can be moved into the position of the termed employee.

Budget

2026 Capital Projects

Capital

Routine

Funding Sources	Department	Description	Amount
General Fund	Farmland Preservation	Farmland Preservation	$ 1,100,000
General Fund	SBITA	SBITA	$ 1,000,000
General Fund	Right-to-Use Lease	Right-to-Use Lease	$ 988,000
General Fund	IMTO	Server Lifecycle Replacement	$ 385,000
General Fund	IMTO	Network Switches	$ 50,000
General Fund	IMTO	Multi-Factor Authentication	$ 42,000
General Fund	Maintenance	MCH Carpet Replacement	$ 40,000
General Fund	IMTO	Replace Firewalls	$ 35,000
General Fund	IMTO	Video Conferencing	$ 30,000
Retirement	Controller	Pension Software	$ 8,725
Grant	Domestic Relations	Copier	$ 6,000
		Total Routine	**$ 3,684,725**

Non-Routine

Funding Sources	Department	Description	Amount
Bond/Fees	Emergency Telephone	P25	$ 2,448,700
Fees	Emergency Telephone	Regional CAD Solution	$ 1,800,000
General Fund*	ERP	Infor Cloudsuite	$ 1,800,000
$5 Fee	Capital Bridge Program	Foxlea Bridge	$ 929,445
General Fund	Maintenance	MCH Electrical Transformer	$ 400,000
Liquid Fuels Act 89	Capital Bridge Program	Graham's Bridge	$ 384,135
Liquid Fuels Act 89	Capital Bridge Program	Bishop Bridge shared w/ York Co	$ 300,000
General Fund	Maintenance	Replace Roof Top Units MCH	$ 250,000
General Fund**	Maintenance	DRO Two Split System	$ 200,000
Fees	Emergency Telephone	Fixed Backup 911	$ 146,798
General Fund	Maintenance	HCH Replace Chiller	$ 80,000
General Fund	Maintenance	Public Safety Resurface	$ 75,000
Fees	Emergency Telephone	Comms Coach	$ 65,000
General Fund	Tax Assessment	CAMA Mobile Implementation	$ 62,000
General Fund	Maintenance	Relocation of multiple departments	$ 60,001
General Fund	Maintenance	Boiler Room Valve Replacement MCH	$ 50,000
General Fund	Maintenance	DRO Brick Repointing	$ 50,000
General Fund	Public Safety	Magna-Seal and Flaring Kits	$ 40,000
General Fund	Maintenance	HCH Chimney Repair	$ 35,000
General Fund	Maintenance	MDJ Painting	$ 30,000
Fees	Emergency Telephone	Netlock	$ 25,000
General Fund*	Maintenance	MCH Ceiling Painting	$ 25,000
General Fund	Maintenance	Ritner Cracked Dryvit Repair and Painting	$ 25,000
General Fund	Maintenance	Ritner Apply Roof Coating	$ 20,000
General Fund*	Maintenance	DRO Windows	$ 18,000
Liquid Fuels Act 89	Capital Bridge Program	Hertzler Bridge Repair	$ 13,740
Fees	Emergency Telephone	Harris Portable	$ 10,000
General Fund	Maintenance	MCH DA Security	$ 6,000
		Total Non-Routine	**$ 9,348,819**
		Total Capital	**$ 13,033,544**

*Project will be funded with County Grant Program

**Portion of project will be funded with County Grant Program

Budget

2026 Total County Budget

Revenue	
Tax Revenue	83,034,429
Grant Revenue	81,731,196
Interfund Revenue	32,482,612
Other Revenue	73,115,786
Total County Revenue	**270,364,023**
Expense	
Salary	71,329,938
Benefit	27,705,083
Operating	138,301,070
Subsidy	15,248,922
Capital	13,033,544
Transfers/Debt	23,057,377
Contingency	2,600,000
Total County Expenses	**291,275,934**
Additional Impacts	
One-Time Money	8,689,995
Other Funding Sources	3,977,071
Total Additional Impacts	**12,667,066**
Budgeted Difference	(8,244,845)

County Real Estate Tax Revenue

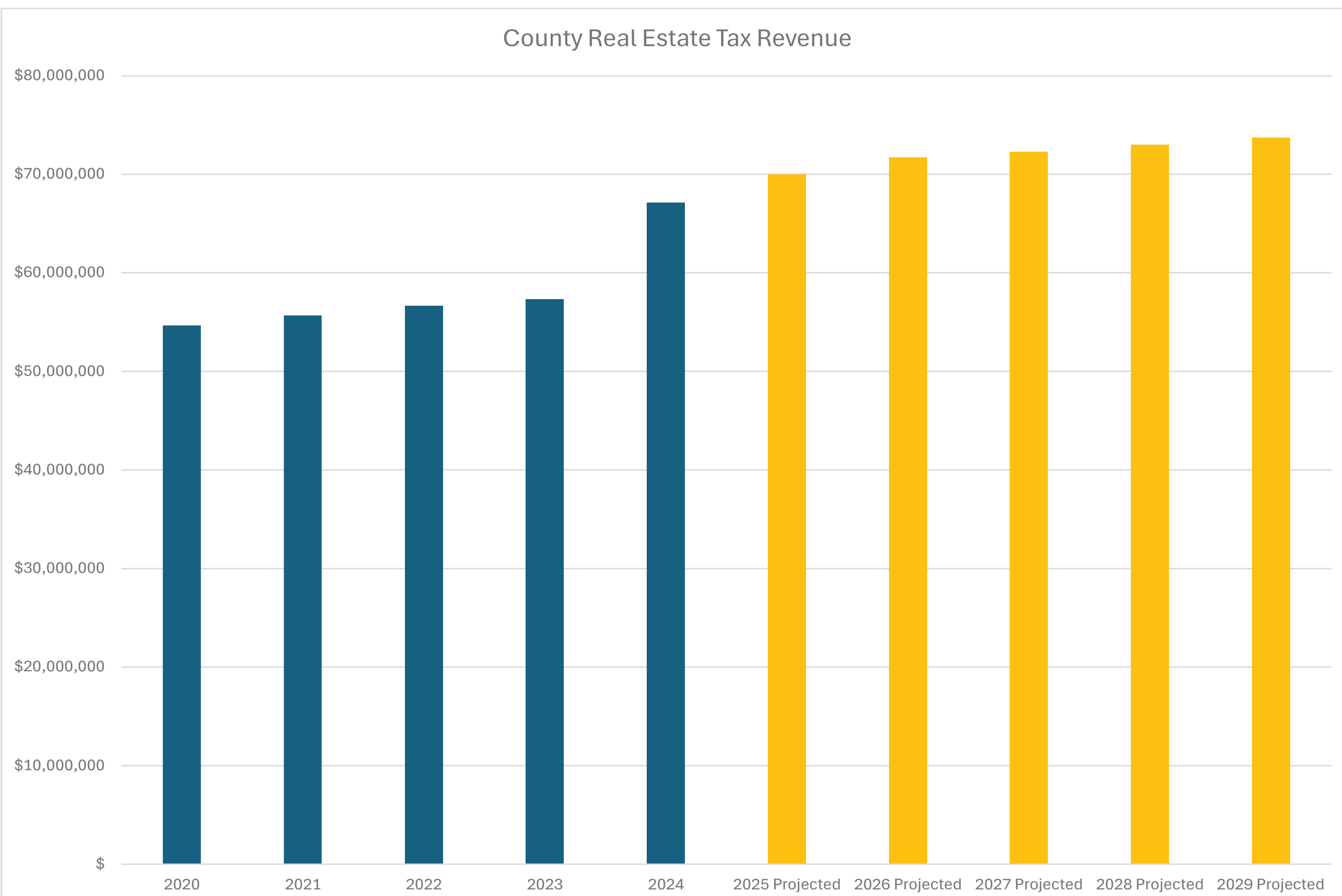
Property taxes are a large portion of General Fund income for counties within Pennsylvania. The county sets the millage rate with the budget before the start of the calendar year. One mill is $1 of tax per $1,000 of taxable assessed value. The adopted operating millage rate for 2025 is set at 2.625. This means that for a property assessed at $200,000, the county real estate tax bill would be $525 ($200,000 ÷ 1,000 x 2.625).

$$\frac{Taxable\ Assessed\ Value}{1{,}000}\ x\ 2.625\ mills \qquad \frac{200{,}000}{1{,}000}\ x\ 2.625\ mills = \$525$$

The county real estate tax revenue is used to fund all county services that do not have another funding source.

The county's Tax Administration office assesses all properties within the county. These properties were last assessed in 2011 and based upon 2010 values. Newer properties are assessed as if it were 2010 to ensure fair taxation for all taxpayers.

Real estate tax is considered a regressive tax. Since property values do not change, there is no change to the tax unless there is a millage change or improvements to the property. This is very difference from income tax or sales tax that have natural growth. The tax percentage remains the same, but the salaries or price of goods increase.



Impacts of One-Time Monies

One-time money is just that, "one time". These are funds that we receive once and are unlikely to receive in the future. These sources may include asset sales (such as buildings), grant funding (like the American Rescue Plan Act (ARPA)), and fund balance. It is wise to allocate one-time funding for one-time expenses, such as capital purchases.

In 2020, we experienced our first decrease in fund balance days, signaling a need for adjustments in the following year to either increase revenues or reduce expenses. However, during 2020 and 2021, the COVID-19 pandemic dramatically impacted our local economy, forcing businesses to close and pushing unemployment in Cumberland County to 16%. Implementing a millage increase during this time would have further strained the financial stability of many residents.

By 2022, as the local economy began to recover, we recognized the delicate balance needed in raising millage rates, as doing so could hinder growth and job creation. To navigate this period, we planned to utilize fund balance and one-time money like the CARES Act and ARPA until a more stable economic environment was achieved. Our careful financial planning allowed us to stretch these resources until 2024 when a 15% millage adjustment was necessary to support ongoing operational needs and address emerging budgetary challenges. In 2025 there was a 4% millage adjustment. These changes were critical to maintaining essential services without sacrificing quality.

Looking ahead, one-time money will continue to play a crucial role in our strategy for 2026 and beyond. Over the next few years, we recommend a series of small ongoing changes to revenues and/or expenses, using one-time money to bridge any shortfalls until our revenues and expenditures are more closely aligned.

Reassessment

A reassessment is a process that re-evaluates the fair market value of properties in the county, with the goal of equalizing assessments and current values. The purpose of a reassessment is to ensure that taxes are fairly divided among property owners. Pennsylvania law requires that after the tax base has been equalized and brought to current market value, the millage must be reduced to collect the same revenue as collected in the previous year. Per Act 93 of 2010, counties cannot raise the total property taxes collected by more than 10% in the year when new values take effect after a reassessment, excluding growth and appeals.

Assume the county consists of only two properties. Property 1 is currently assessed at $220,000 with a tax bill of $577.50 and Property 2 is currently assessed at $200,000 with a tax bill of $525. Both properties have increased in value to $300,000 and $250,000, respectively. Because Property 1 now makes up a larger percentage of the overall assessed value, they are going to be paying a larger percentage of the overall taxes collected. The county real estate tax millage rate would be lowered to 2.005 to ensure no additional tax revenue is generated for the county. Property 1's taxes would increase by $23.86 to $601.36 and Property 2's taxes would decrease the same amount, $23.86 to $501.14, keeping the county's total tax revenue the same, but ensuring fair taxation to all taxpayers.

	Property 1		Property 2		Total
Prior Assessment Value	$220,000	52%	$200,000	48%	$420,000
New Reassessment Value	$300,000	55%	$250,000	45%	$550,000
Tax on Prior Assessed Value (2.625)	$577.50		$525.00		$1,102.50
Tax on New Reassessed Value (2.005)	$601.36		$501.14		$1,102.50
Difference Between Taxes	$23.86		($23.86)		$0.00

* New Reassessed Value is rounded from 2.00455 and may cause rounding issues.

Common Level Ratio

What it is:

The Common Level Ratio (CLR) tells us how assessed values in a county compare to actual market values. It is the median ratio of assessed value ÷ sale price for recent sales. The CLR is calculated based upon valid sales annually. Valid sales do not include steeply discounted sales between family members or any other sale that would not be considered at fair market value.

Why it matters:

- If assessments are updated infrequently, market values change but assessed values stay the same.
- The CLR is used in assessment appeals to "equalize" taxes, so everyone pays fairly based on today's market.

Example:

Below is an example of 6 properties that sold.

Property #	Sales Price	Assessed Value	Ratio (Assessed Value to Sales Price)
1	$250,000	$160,000	00.64
2	$200,000	$130,000	00.65
3	$180,000	$120,000	00.67
4	$300,000	$200,000	00.67
5	$220,000	$150,000	00.68
6	$10,000	$100,000	10.00

Interpretation:

Property 1 would be deemed an invalid sale and removed when calculating the CLR. Of the remaining five properties, the median ratio would be 0.67, thus the CLR would be 0.67. This means that, on average, properties are assessed at 67% of the market value.

Coefficient of Dispersion

What it is:

The Coefficient of Dispersion (COD) measures how consistent property assessments are. It looks at how far individual assessment ratios are from the county's CLR.

Why it matters:

- A low COD means assessments are very uniform (everyone is treated relative fairly to the market).
- A high COD means assessments are uneven (some people may be paying more than their share).

Example:

Suppose the county's CLR = 0.67 and two properties sold for $200,000:

- Property A is assessed at $134,000 → ratio = 0.67 (right on CLR)
- Property B is assessed at $110,000 → ratio = 0.55 (well below CLR)

The COD captures these differences. If many properties are close to 0.67, the COD is low (say 8%). If many properties are scattered high and low, the COD is high (say 20%).

Interpretation:

Our county's COD = 16.4%, which means on average, properties differ by about 16% from the CLR. That's within the professional standards for counties who have not reassessed in sometime, but shows room for improvement.

Price-Related Differential

What it is:

The Price-Related Differential (PRD) checks for bias between high-priced and low-priced properties. It compares the simple average of ratios (mean) to the weighted average (weighted by sale prices).

Why it matters:

- PRD ≈ 1.00 → no bias
- PRD > 1.03 → lower-priced properties are assessed higher than higher-priced ones (regressive)
- PRD < 0.98 → higher-priced properties are assessed higher than lower-priced ones (progressive)

Example:

- A $100,000 property is assessed at $80,000 → ratio = 0.80
- A $500,000 property is assessed at $300,000 → ratio = 0.60

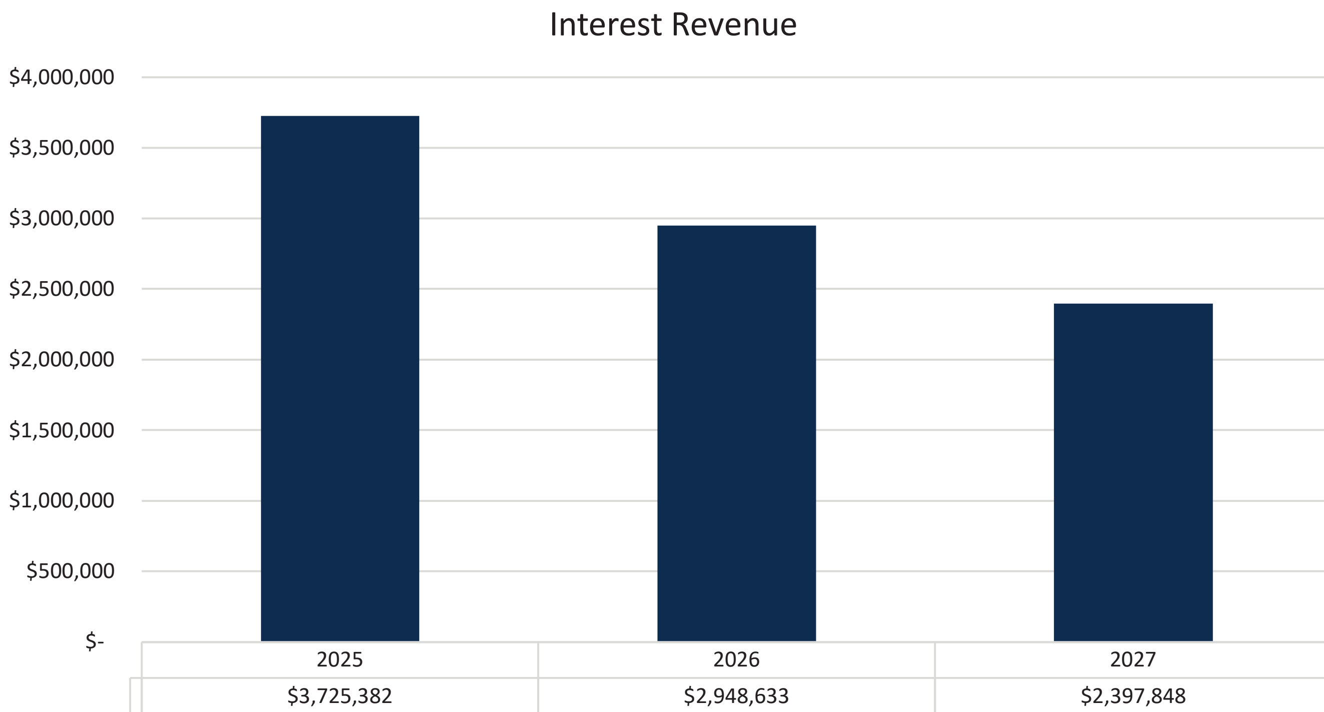
Both are “off,” but in different ways. The cheaper property is assessed at 80% of value, while the expensive property is at 60%. Since there are only two properties and the more expense property has a ratio that is less than our CLR, that pushes the PRD above 1.00, indicating that low-value properties are carrying more of the tax burden.

Interpretation:

Our county’s PRD = 1.02, which indicates a slight tendency for lower-valued properties to be assessed higher relative to their value than higher-valued properties.

Revenue and Expense Data Analysis

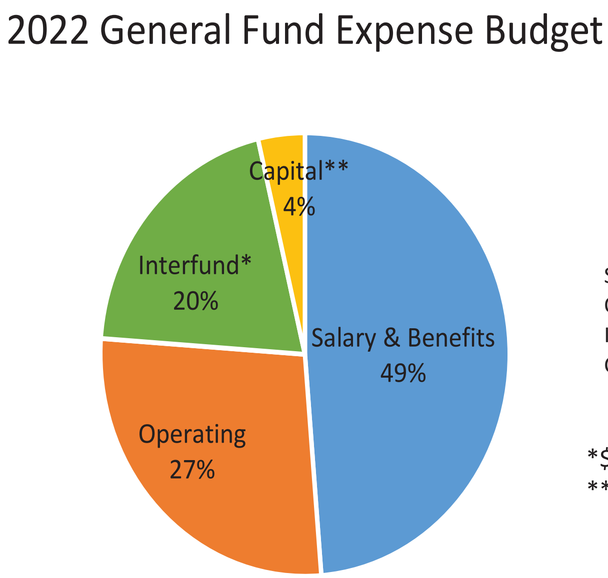
Interest Revenue



- Interest revenue has been decreasing as our interest rates and cash balances peaked in 2023. Rates have steadily been declining since 2024.
- Interest revenue is projected to decrease in 2026 and 2027 due to an expected decrease in cash balance due to spending of the external County Grant Program projects. These projects will be completed by the end of 2025.

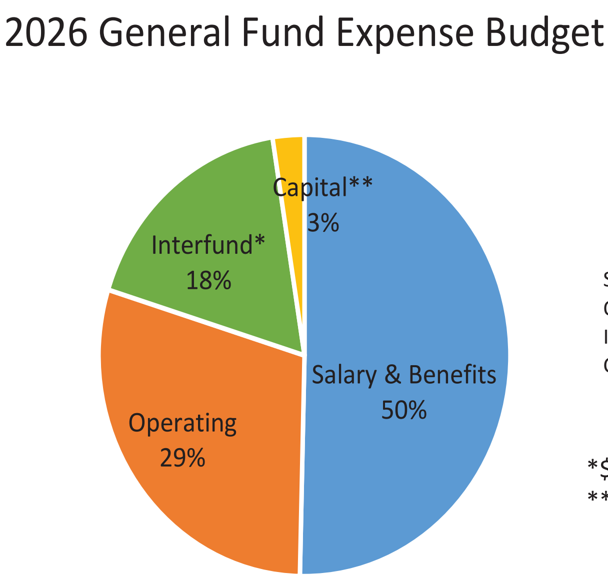
Revenue and Expense Data Analysis

2022 versus 2026 General Fund Budgeted Expenses



	Total General Fund		Grant		Non-Grant	
Salary & Benefits	$	47,608,518	$	1,481,323	$	46,127,195
Operating	$	26,813,647	$	12,752,672	$	14,060,975
Interfund*	$	19,685,077	$	55,693	$	19,629,384
Capital**	$	3,613,000	$	357,644	$	3,255,356
	$	97,720,242	$	14,647,332	$	83,072,910

*$40 million removed due to transfer for external County Grant Program
**$472 thousand removed due to SBITA & Right-to-Use

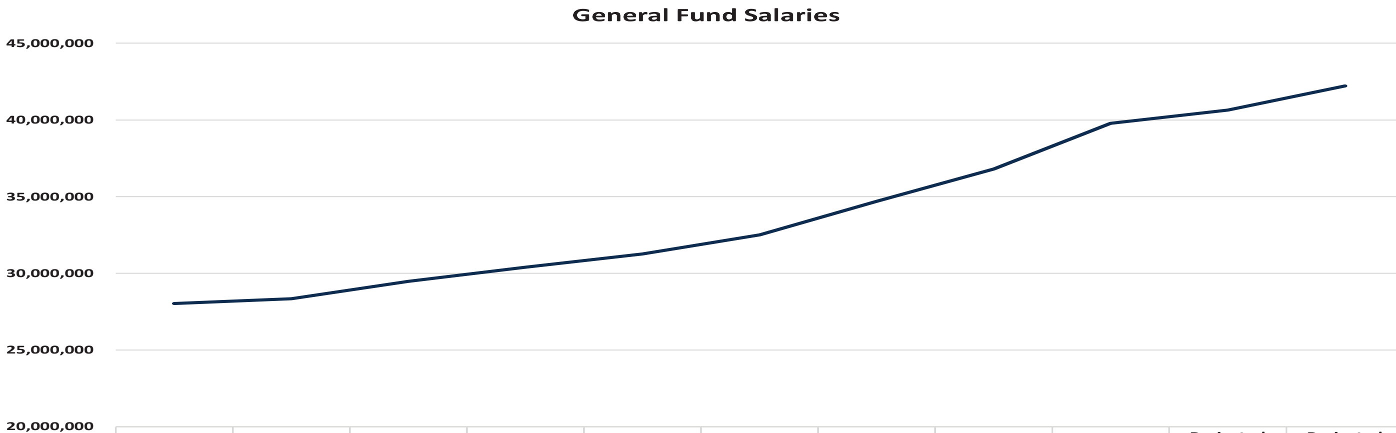


	Total General Fund		Grant		Non-Grant	
Salary & Benefits	$	62,726,344	$	1,699,986	$	61,026,358
Operating	$	36,684,215	$	12,791,609	$	23,892,606
Interfund*	$	22,033,801	$	550,000	$	21,483,801
Capital**	$	3,116,726	$	694,000	$	2,422,726
	$	124,561,086	$	15,735,595	$	108,825,491

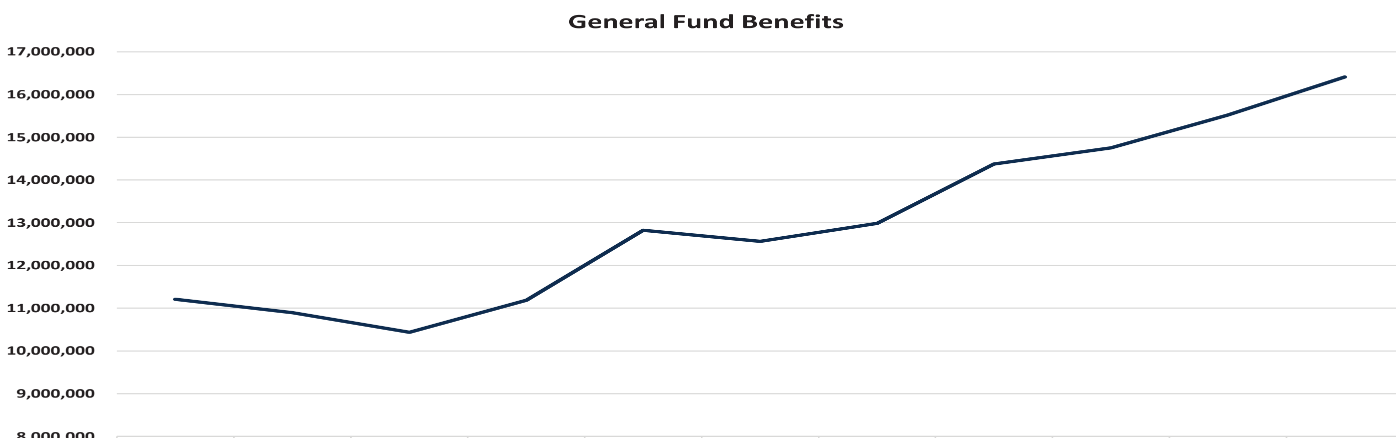
*$1.077 million removed due to transfer for external County Grant Program
**$1.988 million removed due to SBITA & Right-to-Use

Revenue and Expense Data Analysis

Salaries and Benefits



	2016	2017	2018	2019	2020	2021	2022	2023	2024	Projected 2025	Projected 2026
Salaries	28,029,245	28,350,239	29,477,912	30,392,900	31,270,976	32,508,354	34,697,563	36,805,187	39,777,958	40,651,637	42,215,678
% increase	5.01%	1.13%	3.83%	3.01%	2.81%	3.81%	6.31%	5.73%	7.47%	2.15%	3.70%



	2016	2017	2018	2019	2020	2021	2022	2023	2024	Projected 2025	Projected 2026
Benefits	11,212,037	10,895,391	10,434,713	11,186,617	12,826,544	12,567,347	12,986,078	14,371,180	14,750,827	15,517,871	16,408,093
% increase	6.82%	-2.82%	-4.23%	7.21%	14.66%	-2.02%	3.33%	10.67%	2.64%	5.20%	5.74%

Revenue and Expense Data Analysis

Salaries and Benefits

Changes that have occurred and have an ongoing impact on unassigned fund balance:

- New positions and employee compliment (see chart below)
- Implementation of 5-Factor classification system in August 2023
- Medical insurance premium rates increasing 8% in 2026
- Retirement actuarially determined contribution (ADC) increased from 8% to 10% in 2025

# of Added Positions	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
General Fund	15	9	5	4	6	7	15	5	5	7	78
Non-General Fund	9	1	7	6	(4)	16	9	10	17	7	78
Total County	24	10	12	10	2	23	24	15	22	14	156

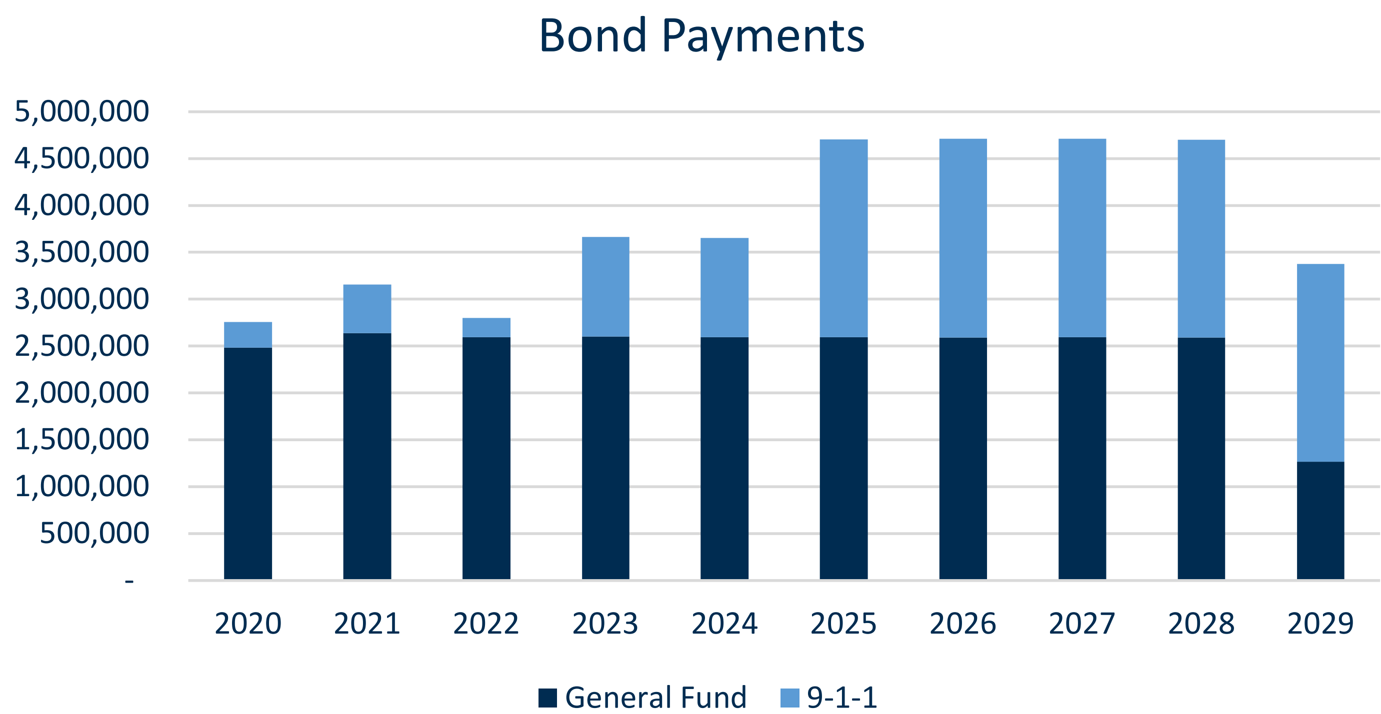
# of Added Employees	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
General Fund	18	(4)	4	(3)	16	(4)	5	15	15	3	65
Non-General Fund	(3)	7	8	5	(6)	13	12	12	19	13	80
Total County	15	3	12	2	10	9	17	27	34	16	145

* as of 12/31, except for 9/30/25

The “# of added positions” reflects the total number of new positions created, net of any eliminated positions. The “# of added employees” represents the net change in the county’s workforce, including both full-time and part-time employees. This is based upon a position’s ‘home’ accounting unit. To ensure comparability, Nursing Home positions and employees were removed from 2016-2022 data.

Revenue and Expense Data Analysis

Debt

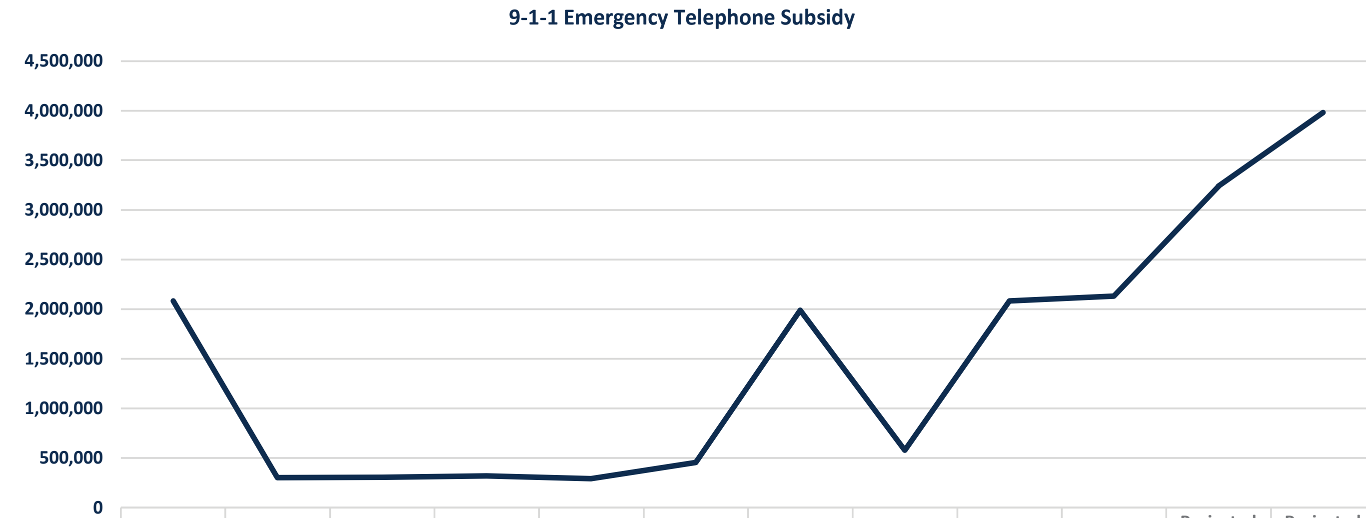


- 9-1-1 Emergency Telephone debt (Project P25 radio project)
  - First bond issued in 2022 ($14.4 million) with first principal and interest payment in 2023
  - Second bond issued in 2024 ($14.4 million) with first principal and interest payment in 2025
- 2028 is the final payments for the 2016 general obligation bond and 2020 PIB Note

		Interest Rate	Final Maturity	Original Issue	Governmental Activities	Total Outstanding
General Obligation Bonds						
G.O. bonds -	2016 issue	2%-5%	2028	11,470,000	3,860,000	3,860,000
G.O. bonds -	2018 issue	1.4%-3%	2031	12,140,000	6,905,000	6,905,000
G.O. bonds -	2022 issue	1.85%-3.9%	2042	14,395,000	12,965,000	12,965,000
G.O. bonds -	2024 issue	2.4%-3.8%	2044	14,395,000	13,920,000	13,920,000
Total general obligation bonds				52,400,000	37,650,000	37,650,000
Notes from Direct Borrowing						
PIB Note -	2020 issue	2.625%	2028	5,000,000	1,267,666	1,267,666
Total direct borrowing				5,000,000	1,267,666	1,267,666
Long-term debt December 31, 2025					38,917,666	38,917,666

Revenue and Expense Data Analysis

9-1-1 Emergency Telephone



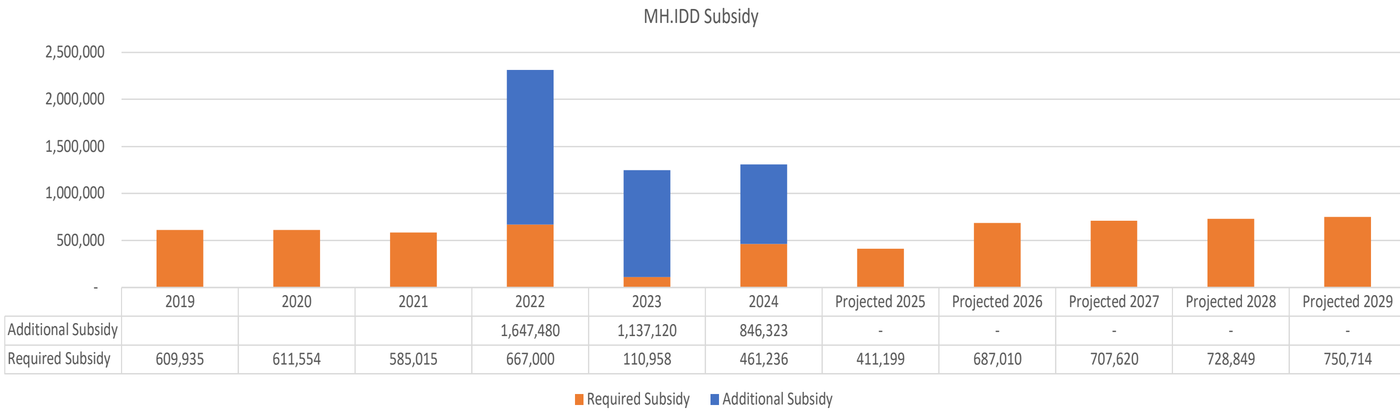
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Projected 2025	Projected 2026
9-1-1 Subsidy	2,082,348	303,527	306,142	320,681	293,340	456,189	1,989,894	580,417	2,084,124	2,130,194	3,237,895	3,982,610

9-1-1 Uniform Funding

- In 2016, began covering all the eligible costs ($1.8 million decrease in subsidy from 2015 to 2016) due to an increase in uniform funding.
- Starting in 2020, the uniform funding is no longer covering all eligible expenses.
- In 2021, there is a significant increase in subsidy due to tower costs incurred before the bond was issued.
- In 2024, there was an increase in uniform funding due to an increase in the rate and a change to the funding formula.
- Projected subsidy assumes no changes in the funding formula or funding rate.
- In 2023 and 2025, there were increases to subsidy due to bond payments beginning in these years for the P25 Radio Project.
  - 2022 bond ($14.4 million) with first principal and interest payment in 2023
  - 2024 bond ($14.4 million) with first principal and interest payment in 2025

Revenue and Expense Data Analysis

Mental Health, Intellectual & Developmental Disabilities (MH.IDD) Subsidy



	2019	2020	2021	2022	2023	2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
Additional Subsidy				1,647,480	1,137,120	846,323	-	-	-	-	-
Required Subsidy	609,935	611,554	585,015	667,000	110,958	461,236	411,199	687,010	707,620	728,849	750,714

* Total MH.IDD General Fund subsidy for 2022 was $2,314,480 and 2023 was $1,248,078. These years one-time payments from the state of $1.9 million and CABHC of $1.2 million were received to fund services that were provided to citizens in prior years.

- MH.IDD subsidy in this graph is the General Fund impact on a calendar year basis; MH.IDD is a fiscal fund.
- MH.IDD's increase in subsidy is specifically related to the flat funding from the Department of Human Services (DHS). Costs for service delivery have increased as have the numbers of citizens receiving services.
- Without increases to county or state funding, MH.IDD services will be affected.
- Subsidy is projected to decrease in 2025 due to changes in provided services.
- The County Grant Program has allocated $3.1 million towards funding the increase in MH.IDD subsidy through 2024. This impact is not shown in the chart.
- For the 2025-2026 fiscal year, due to increased budget deficits brought on by continued flat-funding from the Commonwealth, the difficult decision was made to close various programs in an effort to reduce the overall costs while sustaining the current community-based services as much as possible.

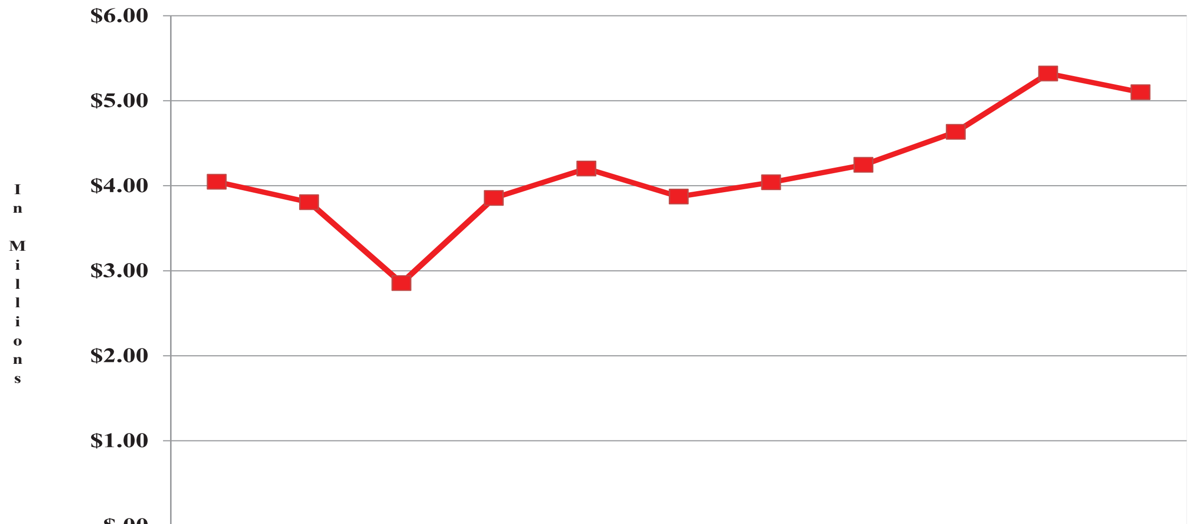
Revenue and Expense Data Analysis

Retirement

This chart is used to monitor the actuarially determined contribution (ADC). In 2025, the ADC was increased from 8% to 10% at the mid-year evaluation. The ADC is expected to remain at 10% in 2026. The ADC can fluctuate based upon market conditions.

Actuarially Determined Contribution Trend

(In Millions)



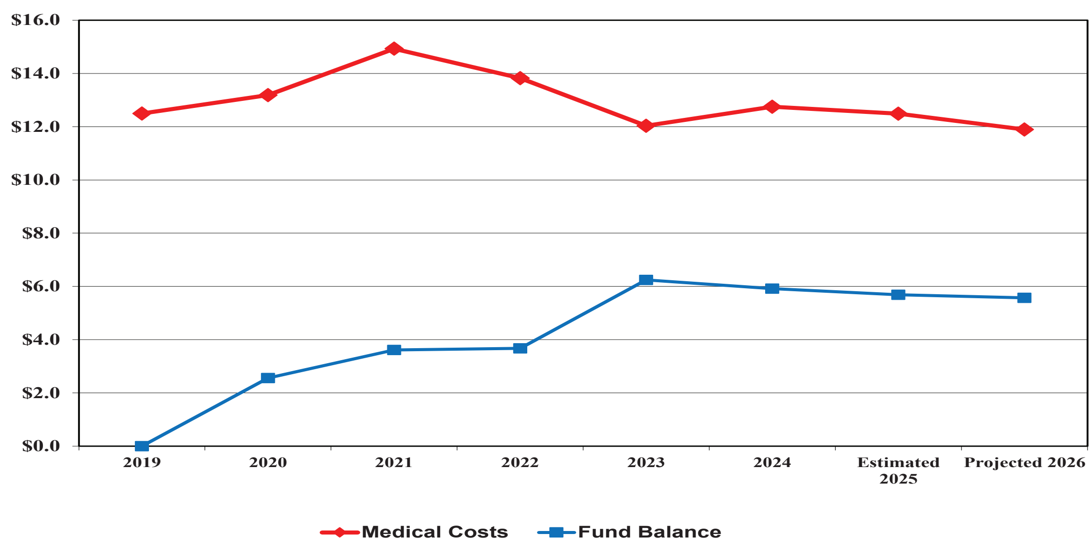
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Projected 2026
County Contribution	4.05	3.81	2.85	3.86	4.20	3.87	4.04	4.24	4.63	5.32	5.10
Lawson Percentage of Salary	8.4%	8.2%	7.5%	6.7%	7.5%	7.5%	7.5%	7.5%	8.0%	10.0%	10.0%

Medical

This chart is used to monitor the healthcare cost trends. Medical premiums remained unchanged from 2023 to 2025; however, a cost-sharing model for employee premiums was introduced in 2024. Fund balance decreased in 2024 and is projected to decrease in 2025. Due to increased claims late in 2024 and the majority of 2025, medical premiums will increase 8% in 2026 to maintain the fund balance in the self insurance fund.

Medical Cost Trends

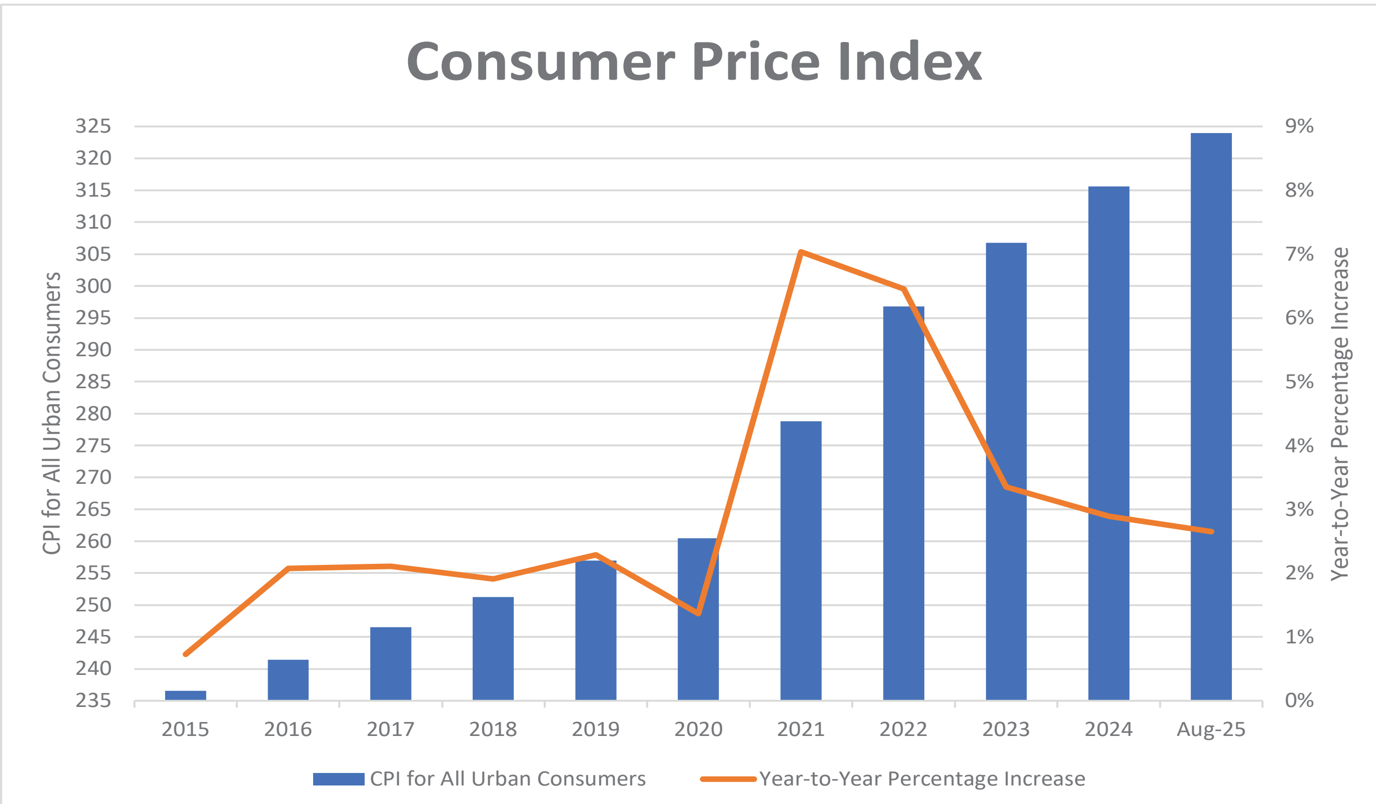
(In Millions)



Revenue and Expense Data Analysis

Consumer Price Index (CPI)

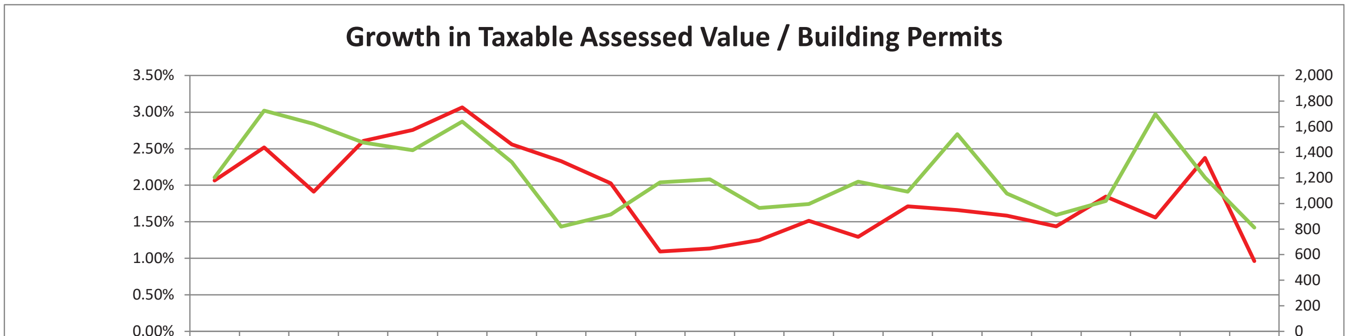
This chart monitors the average price changes paid by consumers for goods and services over the last ten years. Just like individuals, the county is also impacted by CPI. By keeping track of CPI, Cumberland County can make informed decisions about budgeting, resource allocation, and policy development. Understanding how prices are changing aids in addressing cost-of-living challenges for residents, adjusting social programs, and implementing appropriate tax strategies.



Real Estate/Assessed Value

Taxable Assessed Value/Building Permits

This chart is used to monitor our growth in taxable assessed value and building permits. Growth typically lags a year or two behind permits due to the amount of time it takes to build and some permits never being utilized. This means that, based on the decline in building permits in 2023 and 2024 we can expect a decrease in growth for 2025 when compared to previous years.

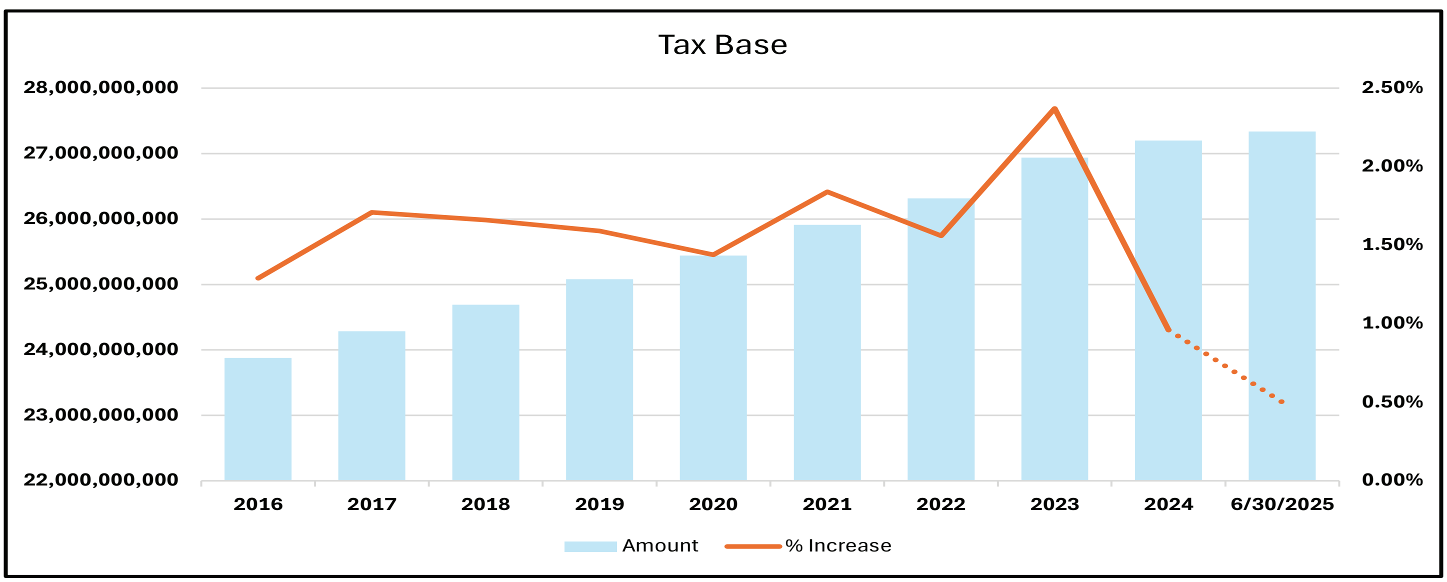


	2000	2002	2003	2004	2006	2007	2008	2009	2010	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Growth	2.06%	2.52%	1.91%	2.61%	2.76%	3.07%	2.56%	2.33%	2.03%	1.09%	1.13%	1.25%	1.51%	1.29%	1.71%	1.66%	1.59%	1.44%	1.84%	1.56%	2.37%	0.96%
Building Permits	1,204	1,726	1,622	1,476	1,416	1,639	1,324	818	913	1,165	1,189	965	995	1170	1092	1541	1077	910	1018	1700	1203	812

Note: 2001, 2005, and 2011 were removed due to reassessment years

Tax Base

This chart shows Cumberland County's growing tax base year over year.



Real Estate/Assessed Value

Real Estate Tax Revenue Budget to Actual Comparison

This chart is used to monitor how close the budget to actual numbers are for real estate tax revenue.

	Real Estate Tax Revenue	Difference Between Bud & Act	%	Millage Increase
2014 Budget	49,762,846			
2014 Actuals	49,788,005	25,159	0.05%	3%
2015 Budget	50,545,244			
2015 Actuals	50,742,477	197,233	0.39%	
2016 Budget	51,199,774			
2016 Actuals	51,406,830	207,056	0.40%	
2017 Budget	52,174,168			
2017 Actuals	52,142,137	-32,031	-0.06%	
2018 Budget	52,694,177			
2018 Actuals	53,000,474	306,297	0.58%	
2019 Budget	53,772,720			
2019 Actuals	53,802,121	29,401	0.05%	
2020 Budget	54,643,697			
2020 Actuals	54,663,497	19,800	0.04%	
2021 Budget	55,448,907			
2021 Actuals	55,677,328	228,421	0.41%	
2022 Budget	56,722,115			
2022 Actuals	56,660,437	-61,678	-0.11%	
2023 Budget	57,320,738			
2023 Actuals	57,334,256	13,518	0.02%	
2024 Budget	67,228,708			
2024 Actuals	67,131,070	-97,638	-0.15%	15%
2025 Budget	71,287,544			
2025 Projection	70,017,706	-1,269,838	-1.78%	4%

Real Estate/Assessed Value

Comparative Tax Rate

This chart compares Cumberland County to the other third-class counties within the state.

- Third-class counties have a population of at least 210,000 but less than 500,000 people
- After the results of a census, a county of the third class having a population of at least 500,000 people may elect not to become a county of the second class A by enacting an ordinance or adopting a resolution by the county commissioners

In 2024, Cumberland County had the lowest real estate tax and the second-greatest median household income. These factors mean that citizens of Cumberland County have the lowest tax per household as a percentage of their median household income and the lowest property tax per capita.

Benchmark Counties	Class	2024 Population	2024 Real Estate Tax	Average Tax per Household	Median Household Income	2024 Average Tax per Household per Median Household Income	2024 Property Tax per Capita
York	3	471,240	$205,679,915	$725	$81,453	**0.89%**	**$436**
Lackawanna*	3	216,123	$93,861,420	$792	$63,739	**1.24%**	**$434**
Luzerne	3	331,379	$132,179,475	$571	$67,192	**0.85%**	**$399**
Berks	3	439,117	$166,432,129	$763	$78,074	**0.98%**	**$379**
Dauphin	3	293,029	$110,959,500	$555	$72,737	**0.76%**	**$379**
Erie	3	267,750	$97,606,215	$543	$63,322	**0.86%**	**$365**
Chester	3	560,745	$184,748,925	$692	$131,424	**0.53%**	**$329**
Westmoreland	3	350,935	$115,192,980	$549	$75,738	**0.73%**	**$328**
Northampton	3	322,989	$99,811,579	$626	$90,185	**0.69%**	**$309**
Lehigh	3	385,655	$118,472,841	$505	$81,270	**0.62%**	**$307**
Cumberland	**3**	**275,516**	**$67,131,241**	**$443**	**$91,164**	**0.49%**	**$244**

* Denotes 2023 Data, 2024 ACFR was not available, will update when it becomes available.

Glossary of Terms / Acronyms

5-Factor: Classification of positions based on leadership, working conditions, complexity, decision-making, and relationships.

AAA Bond Rating: Bonds of the highest quality that offer the lowest degree of investment risk. Issuers are considered extremely stable and dependable.

American Rescue Plan Act (ARPA): The American Rescue Plan Act is a $1.9 trillion coronavirus rescue package designed to facilitate the recovery from the devastating economic and health effects of the COVID-19 pandemic. The act was signed into law on March 11, 2021.

Assigned Fund Balance: Portion of fund balance that reflects a government's intended use of resources for a specific purpose. In the document, we refer to unassigned fund balance as unassigned fund balance plus assigned - future budgetary requirements.

Bond: A means for long-term borrowing of funds to finance capital projects.

Budget: The plan of financial operation for each calendar or fiscal year estimating proposed expenditures and the proposed means of financing them. The Board of Commissioners will adopt the budget which is prepared in accordance with County Code.

Committed Fund Balance: Government imposed constraints on the use of resources by formal action by the Commissioners.

Debt Service: Scheduled payments of principal and interest on long-term and short-term debt.

Expenditures: The cost of goods received or services rendered.

Fund Balance: The excess of a fund's assets over its liabilities. For accounting purposes, fund balance is identified as non-spendable, restricted, committed, assigned, or unassigned.

Fund Balance Management: The one-time money the Board of Commissioners awarded to Cumberland County in order to maintain 100 days of fund balance and protect the fiscal health of the county.

General Fund: The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund is the main operating fund of the county.

Infor CloudSuite: The county ERP software application provides easy web access to a multitude of information ranging from purchase requisitions and invoices to financial reports and personnel information. Departments use this tool to enter their data directly on-screen and report on the information, preventing duplicate data entry and saving time requesting and waiting for reports.

MH: Mental Health

MH.IDD: Mental Health, Intellectual and Developmental Disabilities

Glossary of Terms / Acronyms

Mill: One one-thousandth of a dollar of assessed value.

Millage: Rate used in calculating taxes based upon the value of property, expressed in mills per dollar of property value.

Project P25 Radio and Infrastructure Project: A suite of standards developed to provide digital voice and data communication systems for use by public safety organizations and first responders.

Revenues: Financial resources received from tax payments, fees for service, licenses and permits, fines, costs and forfeitures, grants, rents, and interest.

Subscription-Based Information Technology Arrangements (SBITA): These are contracts between the county and another party (such as an information technology vendor) that grant the right to use their software for a period of time.

Tax Rate: The amount of tax stated in terms of a unit of the tax base. For example, one mill represents $1 of tax per $1,000 of assessed value. The tax rate for 2025 is 2.625.

Third-Class County: Pennsylvania counties are classified by population size. Third-class counties have a population between 210,000 to 499,999.

Unassigned Fund Balance: Net resources in excess of what is properly categorized in one of the four categories (assigned fund balance, committed fund balance, nonspendable fund balance, or restricted fund balance). For budgeting purposes, we refer to unassigned fund balance as unassigned fund balance plus the assigned future budgetary requirements.

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COUNTY OF CUMBERLAND

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