



MINUTES

Cumberland County Finance Meeting

October 13, 2021 – 1:30 p.m.
Commissioners' Hearing Room
Courthouse, Carlisle, PA

Phone (717) 240-6150 Website: www.ccpa.net

Present: Commissioners Gary Eichelberger and Jean Foschi.

Staff Present: Stacy Snyder, Chief Clerk; Tamie Hershey, Deputy Chief Clerk; Brigid O'Neill, Executive Assistant; Hunter Gibson, IMTO; Dana Best, Tammy Bender, Kristen Bushmen, Keri Finkenbinder, Brandon Yeager, Finance.

Staff via Zoom: Samantha Krepps, Communications; Holly Sherman, Human Resources; Ron Snow, Finance; Bob Shively, Public Safety; Kirk Stoner, Planning.

Call to Order: Commissioner Eichelberger called the meeting to order.

Public Comment: None.

Approval of Minutes: Commissioner Foschi made a motion to approve the October 6, 2021 meeting minutes. Commissioner Eichelberger seconded the motion.

Topic of Discussion:

Financial Analysis Committee Presentation - Finance Office – (see attached presentation)

Dana Best discussed the Financial Analysis Committee's presentation. She explained that as for the Claremont Nursing Home, there is no County subsidy in the projections, but it is included in the budget until ownership is transferred. She emphasized there has been no real estate millage increase since 2015 and inflation is impacting all increasing numbers. She reviewed the 2021 General Fund status and the projections based on the August 2021 numbers.

She did an analysis of the projected 2021 vs the projected 2022 Fund Balance. Dana explained the Fund Balance projection will be 34 million with all the projects ending and making revenue. She pointed out that in 2022 the P25 project will be funded by bonds, and that the county will be required to make a debt service payment to Hornbaker for farmland preservation in 2022.

Tammy discussed the 2022 General Fund and the major assumptions in the projections for 2021-2025.

Tammy explained, in the 2021 budget Claremont requires an estimated 3 million dollars in subsidy, but it is not in the projections. She mentioned that after Claremont ownership is transferred, the county will still be providing a contract with IGT that is for 07/01/2021 – 12/31/2021 and due in 2022. If the nursing home ownership is not transferred by the end of the year, there will be a need to review the budget for 2022. Tammy reviewed potential impacts to the General Fund after transfer of ownership.

Commissioner Foschi asked questions regarding nursing home subsidy. Discussion ensued.

Commissioner Eichelberger asked about inflation and relation to the CPI. Discussion ensued.

Commission Foschi mentioned the post office's mail delivery delays and expressed concern as to what should be done if they are still understaffed when taxes are due. Stacy Snyder advised that they are working with the printing company for a February deadline so that invoices can be sent out earlier to prevent people missing the deadline due to the mailing issue.

Other Business: None.

Adjourn: There being no other business to come before the board, Commissioner Foschi made a motion to adjourn.

Respectfully Submitted,

Brigid O'Neill,
Executive Assistant



Commissioners:

Gary Eichelberger

Jean Foschi

Vincent T. DiFilippo

Chief Operations
Officer/Chief Clerk:

Stacy M. Snyder

Chief Financial Officer:

Dana L. Best

October 2021 Financial Analysis Committee Presentation

Financial Analysis Committee Presentation Overview

- County Highlights
- Current Year Status & Year End Projections
 - Based on 8/31/21
- 4 Year Forecasting
- Data is presented from the focal point of the General Fund
- Fund balance in the presentation is general fund unassigned fund balance plus the assigned future budgetary requirement.

County Highlights

- No County real estate millage increase in 2015 thru 2022
- Public Safety is in the planning process for the P25 radio project.
 - Towers are under construction.
 - The goal is to have pricing and a purchase order issued by year end.
- CNRC transfer of ownership.
- Health insurance premium rates are budgeted with no increase in 2022
- Three bridges were in the construction phase (Kunkle, Wolf, and Sample)
 - Bridges may be open to traffic, but construction is still occurring.
- Infor/Lawson Upgrades

County Highlights (continued)

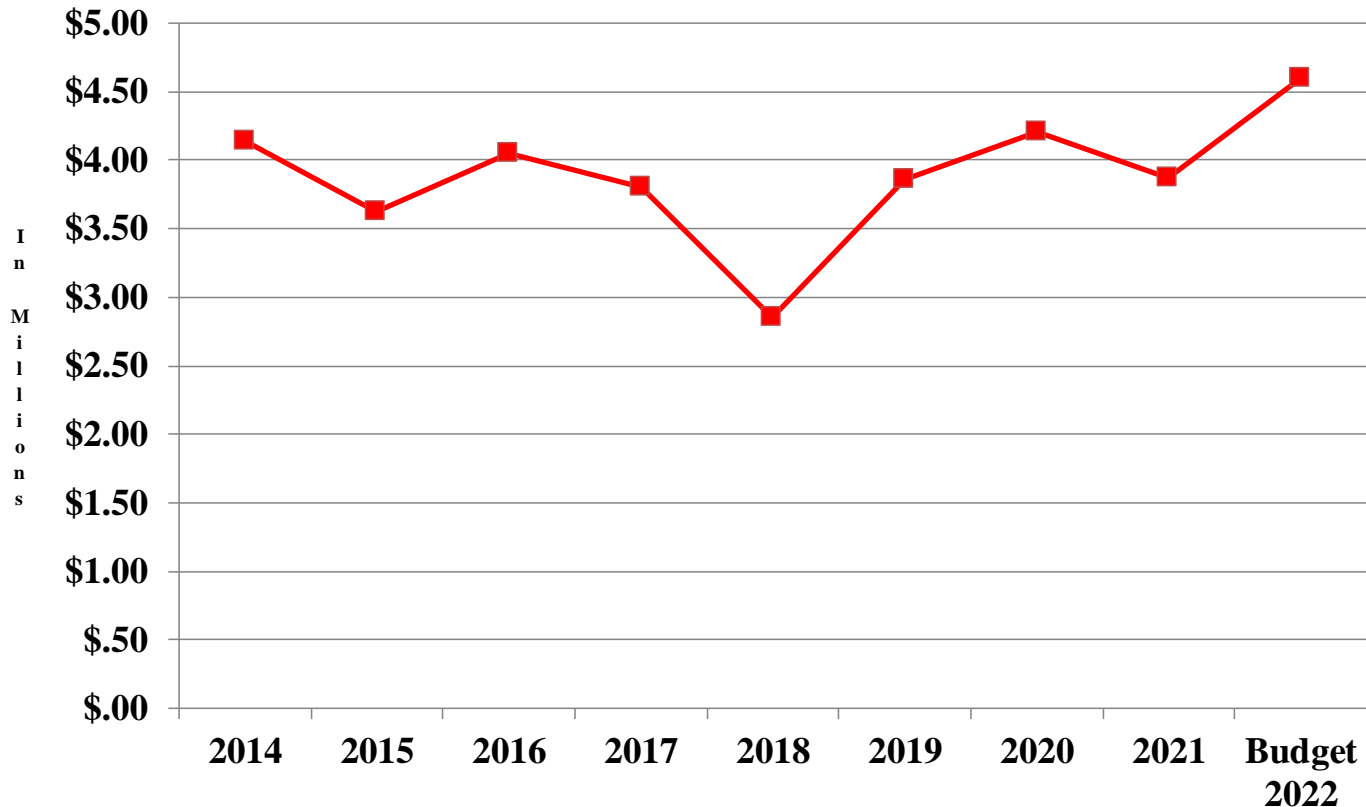
- Inflation
- Human Service Funding
- Opioid Crisis
- COVID-19 impacts
 - American Rescue Plan (ARP)
 - Emergency Rental Assistance
 - COVID-19 Hospitality Industry Recovery Program (CHIRP)
 - Long-term implications and watching indicators: assessment base, new court cases, interest rates, consumer price index
 - Operational impacts
 - May materially impact projections

County Retirement Contribution

- 2022 estimated retirement ADC increased 19% or approximately \$727,329 countywide

Actuarially Determined Contribution Trend

(In Millions)





2021 General Fund Recap

2021 General Fund Status

	Projected 2021 (Apr 2021)	Projected 2021 (Aug 2021)	Favorable (Unfavorable)	Percentage Change
<i>Real Estate Taxes</i>	55,448,739	56,095,134	646,395	1.17%
<i>All Other Revenue</i>	48,630,600	50,119,784	1,489,184	3.06%
Total General Fund Revenue	104,079,339	106,214,918	2,135,579	2.05%
Total General Fund Expenses	107,260,594	106,796,892	463,702	0.43%
<i>Salary</i>	31,925,966	32,157,545	(231,579)	(0.73%)
<i>Benefit</i>	13,270,340	12,558,539	711,801	5.36%
<i>Operating</i>	45,407,059	45,930,327	(523,268)	(1.15%)
<i>Subsidy</i>	10,265,711	9,900,826	364,885	3.55%
<i>Capital</i>	3,350,309	3,065,849	284,460	8.49%
<i>Transfers / Debt</i>	3,526,209	3,468,806	57,403	1.63%
<u>Additional Impacts</u>				
<i>Cares Act Funding</i>	(485,000)	(485,000)	0	0.00%
<i>Fund Balance Moved to Assigned</i>		200,000	(200,000)	0.00%
Projected Unassigned Fund Balance	34,793,551	37,392,832	2,599,281	7.47%

2021 General Fund Status

Comparison of current projections with the May 2021 presentation.

Revenues – Overall increasing \$2,135,579 – 2.05%

- Real Estate Taxes increasing \$646,395 – 1.17%
- All Other Revenue increasing \$1,489,184 - 3.06%
 - Transfers from the Nursing Home increasing \$815,900
 - Department Fee and Commission Revenue increasing \$400,000
 - Federal / State stimulus funds increasing \$382,000

2021 General Fund Status

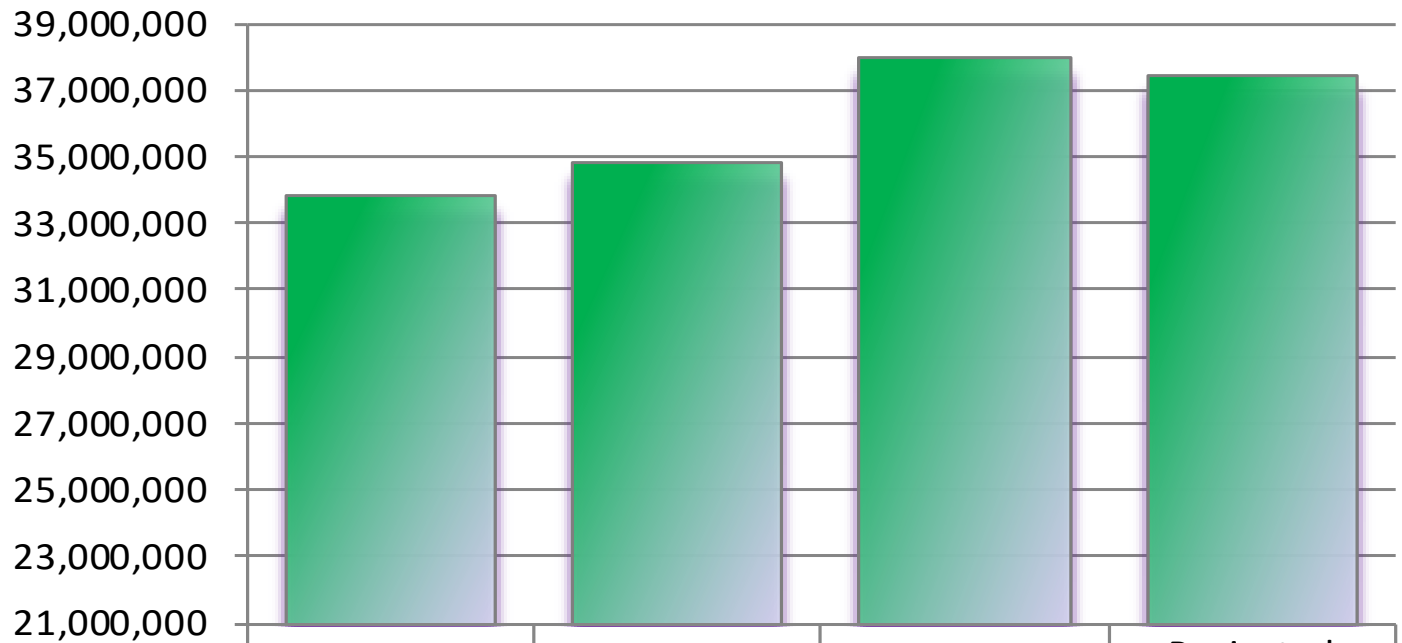
Comparison of current projections with the May 2021 presentation.

Expenses – Overall decreasing \$463,702 – 0.43%

- Benefits decreasing \$711,801 – 5.36%
 - Retirement decreasing \$451,000
 - Unemployment decreasing \$190,000
- Operating increasing \$523,268 – 1.15%
 - CNRC IGT payment increasing \$815,900
 - Office Supplies decreasing \$ 203,000
- Subsidy decreasing \$364,885 – 3.55%
 - Emergency Telephone 9-1-1 decreasing \$236,900
- Capital decreasing \$284,460 – 8.49%
 - Prison Elevator Replacement delayed to 2022 \$125,000
 - Facility projects (Barn & Reed) delayed to 2022 \$70,000

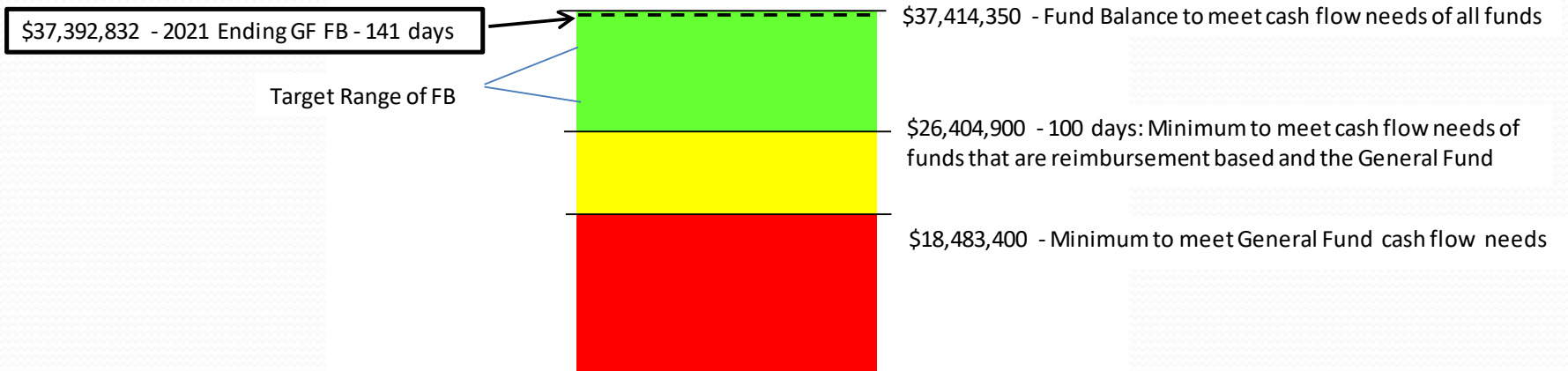
2021 General Fund Recap

Unassigned Fund Balance



	2018	2019	2020	Projected 2021
Unassigned Fund Balance	33,864,762	34,863,592	37,974,806	37,392,832
Number of Days	147	145	141	141

2021 Fund Balance Thermometer



2021 General Fund Status

	Actuals 2020	Projected 2021	Favorable (Unfavorable)	Percentage Change
<i>Real Estate Taxes</i>	54,663,497	56,095,134	1,431,637	2.62%
<i>All Other Revenue</i>	33,701,541	50,119,784	16,418,243	48.72%
Total General Fund Revenue	88,365,038	106,214,918	17,849,880	20.20%
Total General Fund Expenses	85,797,113	106,796,892	(20,999,779)	(24.48%)
<i>Salary</i>	31,270,975	32,157,545	(886,570)	(2.84%)
<i>Benefit</i>	12,826,544	12,558,539	268,005	2.09%
<i>Operating</i>	24,694,610	45,930,327	(21,235,717)	(85.99%)
<i>Subsidy</i>	7,403,451	9,900,826	(2,497,375)	(33.73%)
<i>Capital</i>	6,321,338	3,065,849	3,255,489	51.50%
<i>Transfers / Debt</i>	3,280,195	3,468,806	(188,611)	(5.75%)
<i>Additional Impacts</i>		(285,000)	285,000	0.00%
Unassigned Fund Balance	37,974,806	37,392,832	(581,974)	(1.53%)

2021 General Fund Recap

2021 year-end fund balance is projected \$37,392,832 which is 141 days of budgeted General Fund operating expense. (Recommended fund balance of 100 days)

Revenue – Overall increasing \$17,849,880 – 20.20%

- Real Estate Tax Revenue increasing \$1,431,637 – 2.62%
- Other Revenue increasing \$16,418,243 – 48.72%
 - Emergency Rental Assistance Stimulus increasing \$16,800,000 (based on timing of report; we have received \$25,535,000)
 - CHIRP increasing \$2,900,000
 - Departmental Fees increasing \$423,000
 - Election Machine Capital Grant funding (one time funding in 2020) decreasing \$2,379,367
 - CARES funding decreasing \$1,351,359
 - Redevelopment Authority decreasing \$353,000 (offsetting expense)
 - Elections HAVA grant decreasing \$282,621

2021 General Fund Recap

2021 year-end fund balance is projected \$37,392,832 which is 141 days of budgeted General Fund operating expense. (Recommended fund balance of 100 days)

Expenses – Overall increasing \$20,999,779 – 24.48%

- Salaries increasing \$886,570 – 2.84%
- Benefits decreasing \$268,005 – 2.09%
 - Medical premium rates – no increase for 2021
 - Retirement ADC decreasing \$175,000
 - Unemployment Compensation decreasing \$175,000

2021 General Fund Recap

2021 year-end fund balance is projected \$37,392,832 which is 141 days of budgeted General Fund operating expense. (Recommended fund balance of 100 days)

Expenses – Overall increasing \$20,999,779 – 24.48%

- Operating increasing \$21,235,717 – 85.99%
 - Emergency Rental Assistance Stimulus increasing \$16,800,000 (based on timing of report; we have received \$25,535,000)
 - CHIRP increasing \$2,900,000
 - Office Supplies increasing \$390,000
 - Redevelopment Authority decreasing \$353,000 (offsetting revenue)
- Subsidy increasing \$2,497,375 – 33.73%
 - Emergency Telephone 9-1-1 increasing \$1,891,000
 - Children & Youth increasing \$335,000
 - Criminal Justice Services Programs increasing \$218,000
- Capital decreasing \$3,255,489 - 51.50%
 - Election Machines decreasing \$4,288,000
- Transfers / Debt increasing \$188,611 - 5.75%

*Comparison between 2020 actuals and 2021 projections



2022 General Fund Budget

2022 General Fund Status

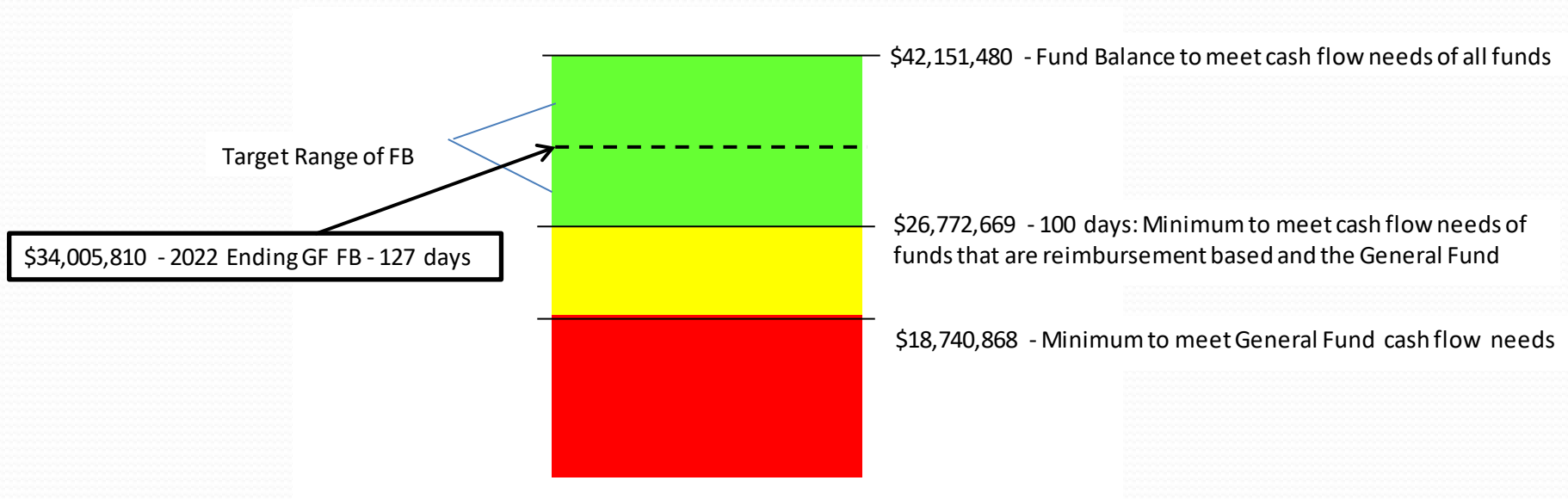
	Preliminary Budget 2022	Projected 2022	Favorable (Unfavorable)	Percentage Change
<i>Real Estate Taxes</i>	56,722,115	56,722,115	0	0.00%
<i>All Other Revenue</i>	25,506,343	25,741,653	235,310	0.92%
Total General Fund Revenue	82,228,458	82,463,768	235,310	0.29%
Total General Fund Expenses	97,720,242	85,850,790	11,869,452	12.15%
<i>Salary</i>	33,885,121	33,085,133	799,988	2.36%
<i>Benefit</i>	13,723,397	12,714,699	1,008,698	7.35%
<i>Operating</i>	27,263,216	23,076,925	4,186,291	15.36%
<i>Subsidy</i>	15,360,230	10,036,141	5,324,089	34.66%
<i>Capital</i>	3,613,000	3,426,086	186,914	5.17%
<i>Transfers / Debt</i>	3,875,278	3,468,806	406,472	10.49%
<i>Additional Impacts</i>		43,000	(43,000)	0.00%
2022 Unassigned Fund Balance	21,901,048	34,005,810		
Break-even Percentage	27.40%	6.00%		

2022 General Fund Status

2022 Budget versus 2022 Projections

- Revenue increasing \$235,310 – 0.29%
 - All Other Revenue increasing \$235,310 – 0.92%
- Expenses decreasing \$11,869,452 – 12.15%
 - Operating Expense decreasing of \$4,186,291 – 15.36%
 - Contingency \$1,200,000
 - Subsidy decreasing \$5,324,089 – 34.66%
 - CNRC budgeted subsidy of \$4,548,414 removed from projections
 - Capital decreasing \$186,914 – 5.17%
 - Estimated \$175,000 for projects using restricted funds
 - Transfers/Debt decreasing \$406,472 – 10.49%
 - Assigned fund balance to cover \$715,000 Hornbaker payment
 - Interest Payment of \$300,000 for the P25 project is not budgeted for in 2022

2022 Fund Balance Thermometer



2022 General Fund Status

	Projected 2021	Projected 2022	Favorable (Unfavorable)	Percentage Change
<i>Real Estate Taxes</i>	56,095,134	56,722,115	626,981	1.12%
<i>All Other Revenue</i>	50,119,784	25,741,653	(24,378,131)	(48.64%)
Total General Fund Revenue	106,214,918	82,463,768	(23,751,150)	(22.36%)
Total General Fund Expenses	106,796,892	85,850,790	20,946,102	19.61%
<i>Salary</i>	32,157,545	33,085,133	(927,588)	(2.88%)
<i>Benefit</i>	12,558,539	12,714,699	(156,160)	(1.24%)
<i>Operating</i>	45,930,327	23,076,925	22,853,402	49.76%
<i>Subsidy</i>	9,900,826	10,036,141	(135,315)	(1.37%)
<i>Capital</i>	3,065,849	3,426,086	(360,237)	(11.75%)
<i>Transfers / Debt</i>	3,468,806	3,468,806	0	0.00%
<i>Additional Impacts</i>	(285,000)	43,000	(328,000)	115.09%
Unassigned Fund Balance	37,392,832	34,005,810	(3,387,022)	(9.06%)

2022 General Fund Status

2022 year-end fund balance is projected at \$34,005,810 which is 127 days of budgeted General Fund operating expense. (Recommended fund balance of 100 days which equates to \$26,772,669).

Projected Revenue – Overall decreasing \$23,751,150 – 22.36%

- Real Estate Taxes increasing \$626,981 - 1.12%
- Other Revenue decreasing \$24,378,131 - 48.64%
 - Emergency Rental Assistance Stimulus decreasing \$16,800,000 (based on timing of report; we have received \$25,535,000)
 - Transfer In – Nursing Home decreasing \$5,416,800
 - CHIRP decreasing \$2,900,000
 - Indirect Costs decreasing \$683,427 (removed CNRC)
 - CDBG Recovery Grant increasing \$1,000,000

2022 General Fund Status

2022 year-end fund balance is projected at \$34,005,810 which is 127 days of budgeted General Fund operating expense. (Recommended fund balance of 100 days which equates to \$26,772,669).

Projected Expenses – Overall decreasing \$20,946,102 – 19.61%

- Salaries increasing \$927,588 – 2.88%
 - Salary Adjustments, Union Contracts, New Positions
- Benefits increasing \$156,160 – 1.24%
 - Retirement increasing \$60,000
 - Medical no change

2022 General Fund Status

2022 year-end fund balance is projected at \$34,005,810 which is 127 days of budgeted General Fund operating expense. (Recommended fund balance of 100 days which equates to \$26,772,669).

Projected Expenses – Overall decreasing \$20,946,102 – 19.61%

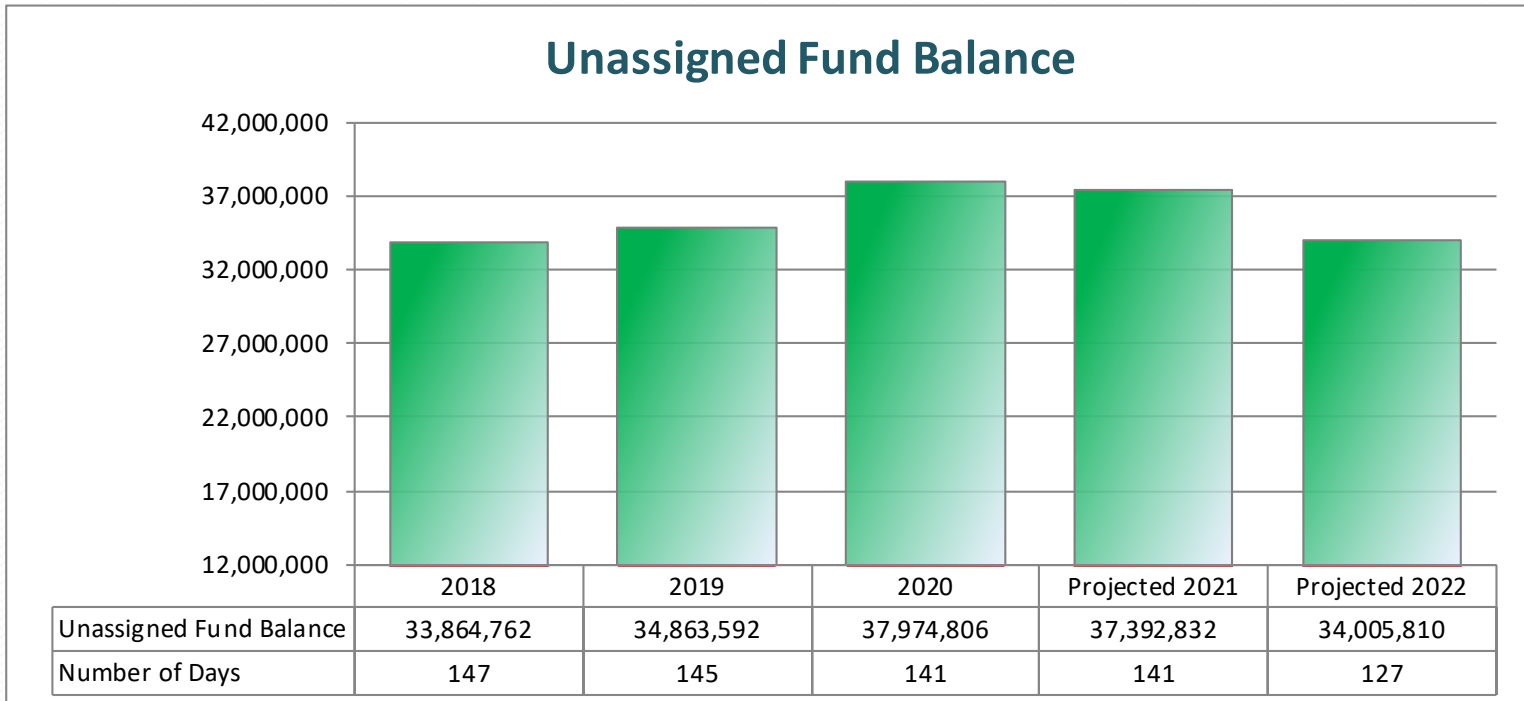
- Operating Expense decreasing of \$22,853,402 - 49.76%
 - Emergency Rental Assistance Stimulus decreasing \$16,800,000 (based on timing of report; we have received \$25,535,000)
 - CNRC IGT payment decreasing \$5,416,800
 - CHIRP decreasing \$2,900,000
 - CDBG Recovery Grant increasing \$1,000,000
 - Infor/Lawson consulting increasing \$500,000
- Capital increasing \$360,237 – 11.75%
 - Facilities projects delayed till 2022 \$125,000

2022 General Fund Status

2022 year-end fund balance is projected at \$34,005,810 which is 127 days of budgeted General Fund operating expense. (Recommended fund balance of 100 days which equates to \$26,772,669).

Fund Balance

- Decreasing \$3,387,022 which is 14 days or 9.9% reduction in days



Revenue Drivers

2022 General Fund Budget

Millage Rate History

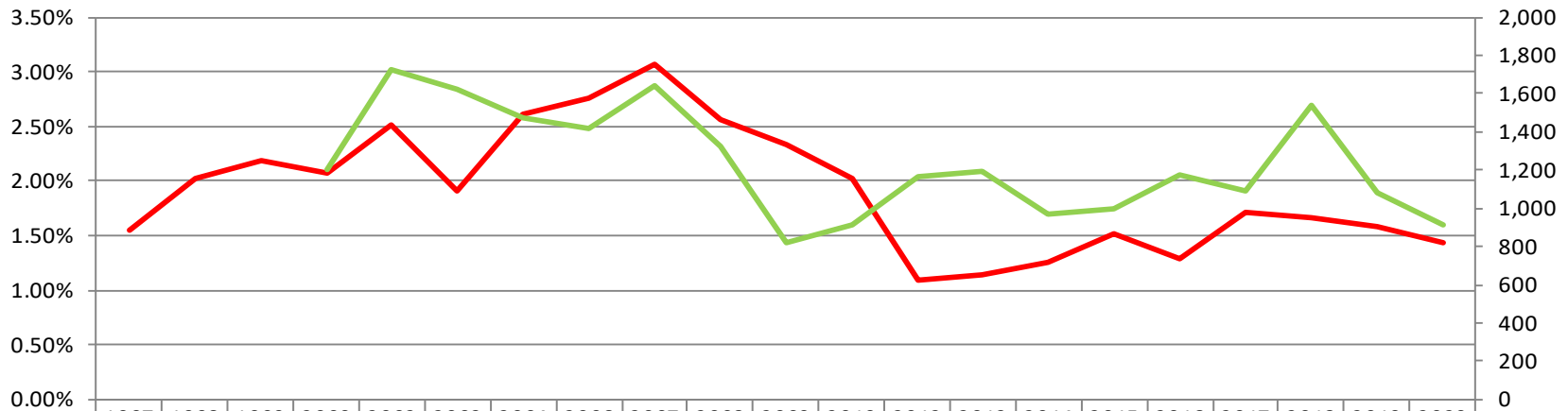
2011	1.902 County millage (0% increase) *
2012	1.902 County millage (0% increase)
2013	2.131 County millage (12% increase)
2014	2.195 County millage (3% increase)
2015	2.195 County millage (0% increase)
2016	2.195 County millage (0% increase)
2017	2.195 County millage (0% increase)
2018	2.195 County millage (0% increase)
2019	2.195 County millage (0% increase)
2020	2.195 County millage (0% increase)
2021	2.195 County millage (0% increase)
2022	2.195 County millage (0% increase)

* Reassessment Year

Revenue Drivers

Taxable Assessed Value

Growth in Taxable Assessed Value / Building Permits



	1997	1998	1999	2000	2002	2003	2004	2006	2007	2008	2009	2010	2012	2013	2014	2015	2016	2017	2018	2019	2020
— Growth	1.55%	2.03%	2.18%	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%
— Building Permits				1,204	1,726	1,622	1,476	1,416	1,639	1,324	818	913	1,165	1,189	965	995	1,170	1,092	1,541	1,077	910

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

Major Capital Projects

Radio Project

2022	12,600,000
2023	12,600,000
2024	3,000,000
2025	? Radios ?
Total	28,200,000

Farmland Preservation

2022	850,000
2023	850,000
2024	850,000
2025	850,000
Total	3,400,000

Facilities Mgmt Projects

2022	603,000
2023	1,510,000
2024	610,000
2025	300,000
Total	3,023,000

IMTO Projects

2022	582,000
2023	550,000
2024	150,000
2025	350,000
Total	1,632,000

Totals by Year


2022	15,135,000
2023	17,010,000
2024	5,610,000
2025	1,500,000
Total	39,255,000

INFOR/Lawson Upgrade

2022	500,000
2023	1,000,000
2024	1,000,000
2025	
Total	2,500,000

Tax Administration - CAMA

2022	
2023	500,000
2024	
2025	
Total	500,000



General Fund 2021 Thru 2025 Projections

Major Assumptions in the Projections

- 9-1-1 Uniform Funding is no longer covering all eligible expenses
- Emergency Telephone 9-1-1 will need subsidy for any capital projects not related to the radio project.
- Beginning in 2022 the radio project will be funded by bond proceeds.
- Farmland Preservation is projected at \$850,000 per year.
- Capital is based on updated five-year plans.
- CNRC no subsidy
- Debt Service

Debt Service Changes

2021	158,875	Final one-time Hornbaker payment in 2022 which increases 2022 and then decreases in 2023
2022	710,600	
2023	(751,300)	
2024	(4,500)	
2025	(725)	

- Current projections do not include estimates for timing and financing of all the projects on the next slide, but they will have an impact on future projections.
- **This assumes aggressive management of cost drivers.**

Major Pressure Points

- COVID-19
- Radio Project Two Bonds
- 9-1-1 Uniform Funding
- Farmland Preservation - \$850,000
- Infor/Lawson Upgrade
- Facilities Mgmt Projects
- Tax Administration – CAMA Upgrade
- 9-1-1 Uniform Funding – Formula change
- Radio Infrastructure
- Growth of the County
- Federal Budget
- State Budget
- CNRC
- Capital Cases

In Projections
Not In Projections

2021 Thru 2025 General Fund Projections

	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025
<i>Real Estate Taxes</i>	56,095,134	56,722,115	57,289,224	58,148,135	59,019,931
<i>All Other Revenue</i>	50,119,784	25,741,653	24,953,724	25,728,414	26,932,669
Total General Fund Revenue	106,214,918	82,463,768	82,242,948	83,876,549	85,952,600
Total General Fund Expenses	106,796,892	85,850,790	89,148,902	90,864,168	92,655,367
<i>Salary</i>	32,157,545	33,085,133	34,040,140	35,023,381	36,035,695
<i>Benefit</i>	12,558,539	12,714,699	13,197,068	13,673,055	14,153,231
<i>Operating</i>	45,930,327	23,076,925	22,983,189	23,300,291	23,606,263
<i>Subsidy</i>	9,900,826	10,036,141	9,716,812	10,144,372	10,592,477
<i>Capital</i>	3,065,849	3,426,086	5,344,694	3,794,733	3,339,365
<i>Transfers / Debt</i>	3,468,806	3,468,806	3,780,999	4,828,336	4,828,336

Additional Impacts

<i>Fund Balance Moved to Assigned</i>	200,000	100,000	100,000	100,000	100,000
<i>CARES Act Funding</i>	(485,000)	(57,000)	(14,000)		
<i>Children & Youth and CNRC</i>	???	???	???	???	???

Unassigned Fund Balance	37,392,832	34,005,810	27,099,856	20,112,237	13,409,470
<i>Days of Fund Balance</i>	141	127	101	75	50

Assumptions in the Projections

Projections are based on current trends

- Salaries – 2.9% increase for 2021-2025
 - Union contracts
 - Merit Based Compensation
 - Overtime
- Benefits – 2.1% decrease for 2021, 1.24% increase for 2022, 3.64 % average yearly increase for 2023 - 2025
 - Medical Insurance is projected at 0% for 2021 and 2022 and 4% increase for 2023-2025
 - Retirement is projected at an 8.25% decrease for 2021, 3.0% increase for 2022, average increase of 3.0% for 2023 - 2025
- Operating Expenses – 86.86% increase in 2021, 49.8% decrease for 2022, 1.35% average yearly increase for 2023 - 2025
- Subsidy – 62.14% increase in 2021, 1.37% increase in 2022, 3.18% decrease in 2023 and 4.4% increase in 2024-2025. No CNRC subsidy
- Capital is projected based on 5-year plans and known capital projects

Assumptions in the Projections

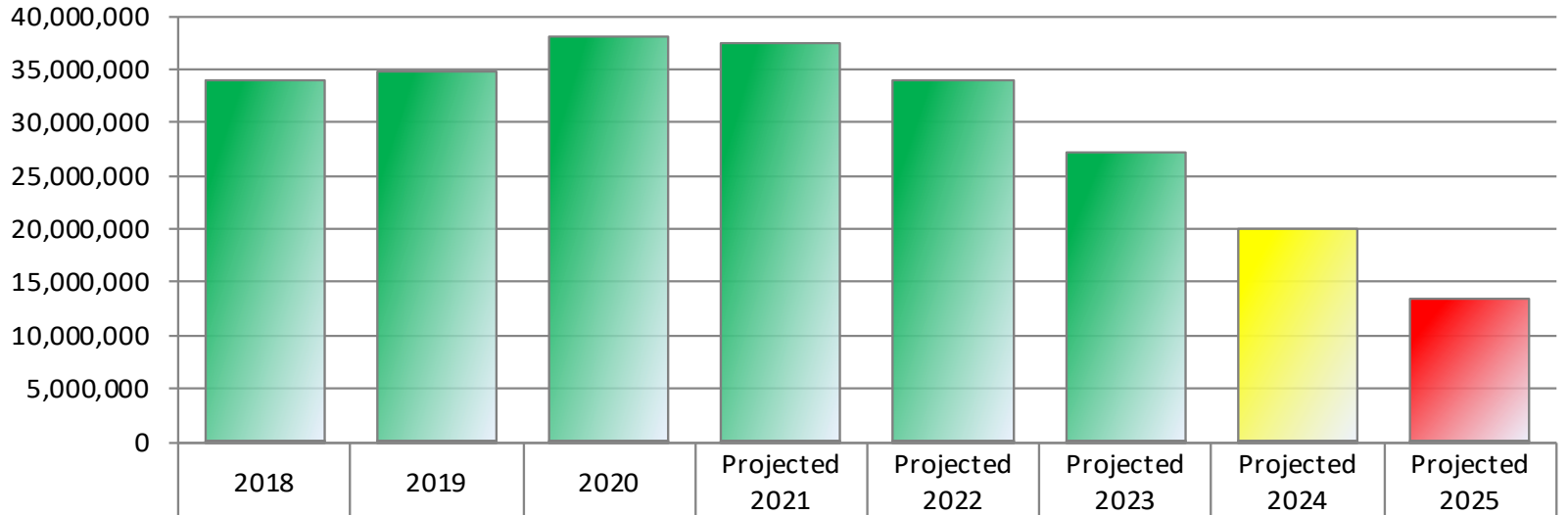
9-1-1 Radio Project Assumptions – Pending BOC Approval

- \$15 million bond in 2022 with interest payment in 2022.
- \$15 million bond in 2023 with first payment in 2024.
- As the project is developed, we will adjust the projections accordingly.
- We will offset project costs with bond financing, other financing, and assigned fund balance in the General Fund.
- P25 is in the development process and there is a high probability of change.
 - Project costs
 - Timing of project
 - Material effect on the projections

Note: 2022 bond interest payment is not in the 2022 budget

General Fund Projections

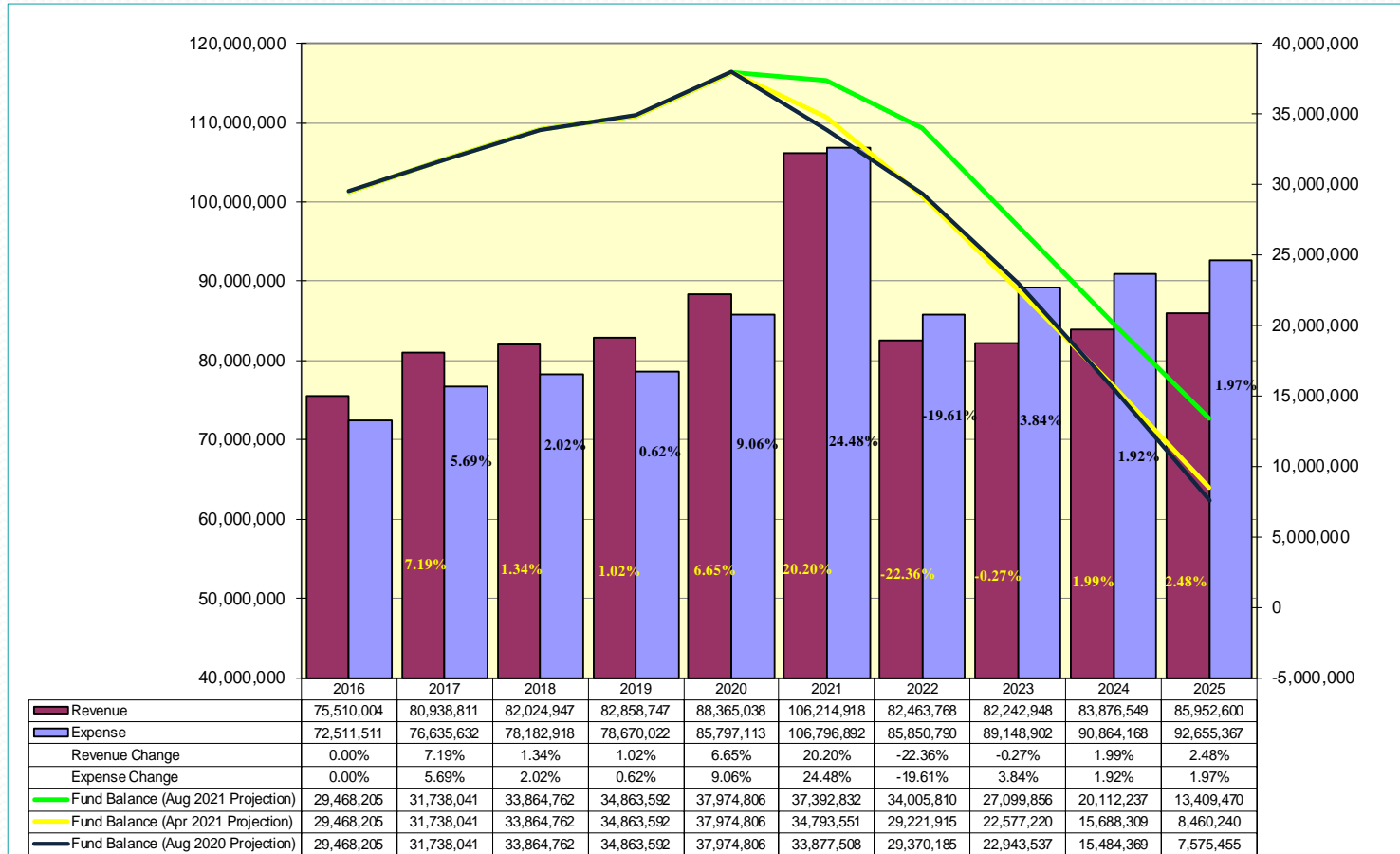
Unassigned Fund Balance



Unassigned Fund Balance	33,864,762	34,863,592	37,974,806	37,392,832	34,005,810	27,099,856	20,112,237	13,409,470
Number of Days	147	145	141	141	127	101	75	50

2025 is 20 days below our minimum cash flow needs

2016 Thru 2025 General Fund Actuals and Projections



2021 – 2025 Fund Balance Projections

<u>2021</u>		<u>2022</u>		<u>2023</u>		<u>2024</u>		<u>2025</u>
<u>No Change</u>								
37,392,832	————	0%	34,005,810	————	0%	27,099,856	————	0%
			(3,387,022)			(6,905,954)		
						(6,987,619)		(6,702,767)
<u>Break - Even</u>								
37,392,832	————	0%	34,005,810	————	12%	33,971,151	————	0%
						33,957,897	————	0%
								34,334,111

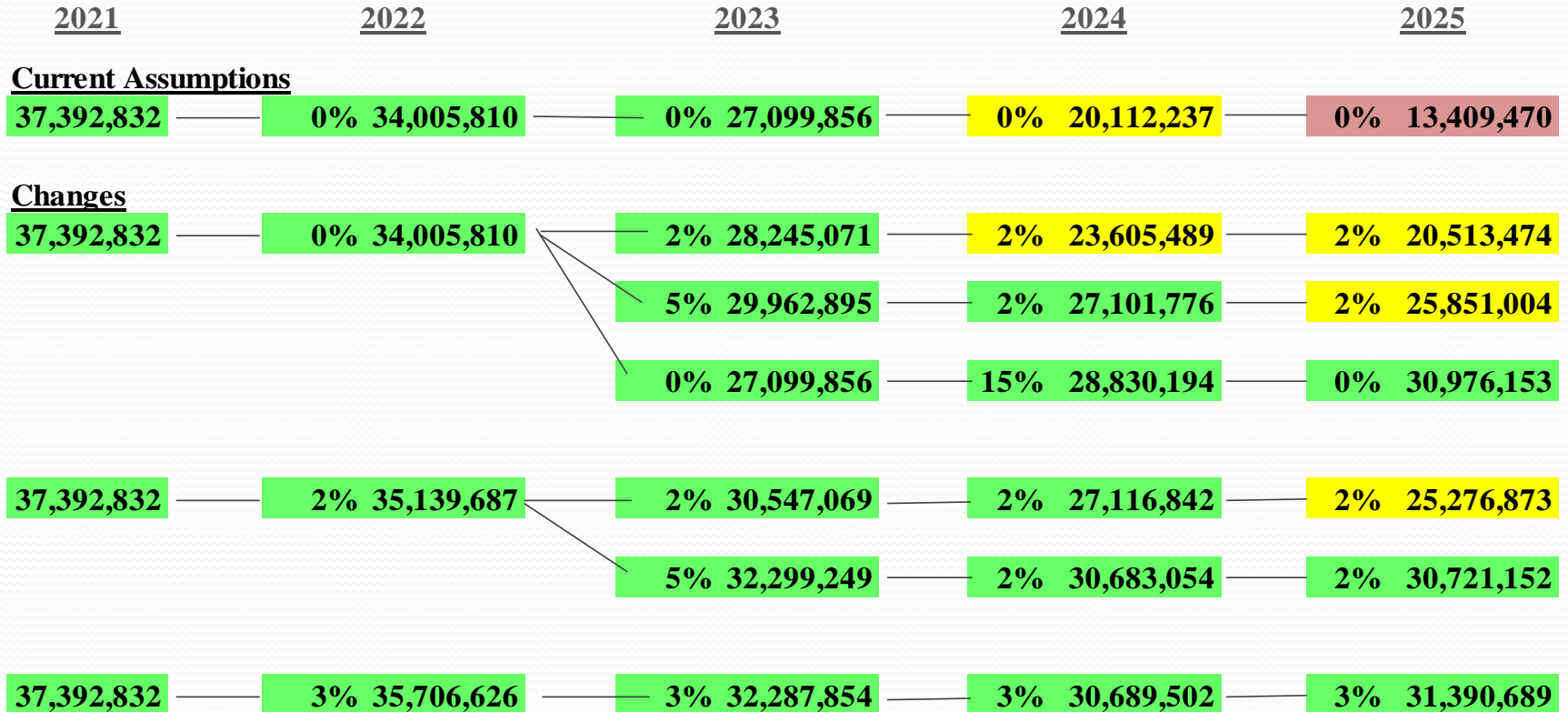
Black - Fund Balance
1% change = 566,000

Blue - Difference between revenue and expense
3% change = 1,701,000

5% change = 2,835,000

Change can be on-going change in expenses or revenues

2021 – 2025 Fund Balance Projections



Red Zone under 18,741,000
 Yellow Zone between 18,741,000 and 26,773,000
 Green Zone over 26,773,000 to 42,151,000

1% change = 566,000

3% change = 1,701,000

5% change = 2,835,000

2021 – 2025 Fund Balance Projections

<u>2021</u>		<u>2022</u>		<u>2023</u>		<u>2024</u>		<u>2025</u>
Current Assumptions								
37,392,832	—	0% 34,005,810	—	0% 27,099,856	—	0% 20,112,237	—	0% 13,409,470
Changes								
37,392,832	—	1% 34,572,749	—	1% 28,817,737	—	1% 23,591,204	—	1% 19,283,729
37,392,832	—	-1% 33,438,871	—	-1% 25,393,427	—	-1% 16,679,595	—	-1% 7,652,328
37,392,832	—	2% 35,139,687	—	2% 30,547,069	—	2% 27,116,842	—	2% 25,276,873
37,392,832	—	-2% 32,871,933	—	-2% 23,698,451	—	-2% 13,292,929	—	-2% 2,010,543

Red Zone under 18,741,000
 Yellow Zone between 18,741,000 and 26,773,000
 Green Zone over 26,773,000 to 42,151,000

1% change = 566,000

3% change = 1,701,000

5% change = 2,835,000



Additional Scenarios

CNRC Impacts to the General Fund

2021 Budget

- Current 2021 budget requires an estimated \$3 million subsidy, not in projections.
- Act 24, ARP, and other stimulus funding may materially affect the subsidy requirement.
- Paid time off accruals, accounts receivable allowance for doubtful accounts, and other year-end adjustments may have material adjustments at year end because of change in circumstances/demographics.
- The state will be providing an IGT contract that spans 7/1/2021-12/31/21 with a payment required in 2022.

CNRC Impacts to the General Fund

2022 Budget

- The current budget is based on
 - 170 Average Daily Census
 - Revenue based on average mix from 2020/2021
 - NHPPD 3.29
 - Expenses
- If ownership is not transferred by year-end, we will need to develop an updated plan for 2022 and budget.

CNRC Impacts to the General Fund

Potential short-term impacts to the General Fund after transfer of ownership

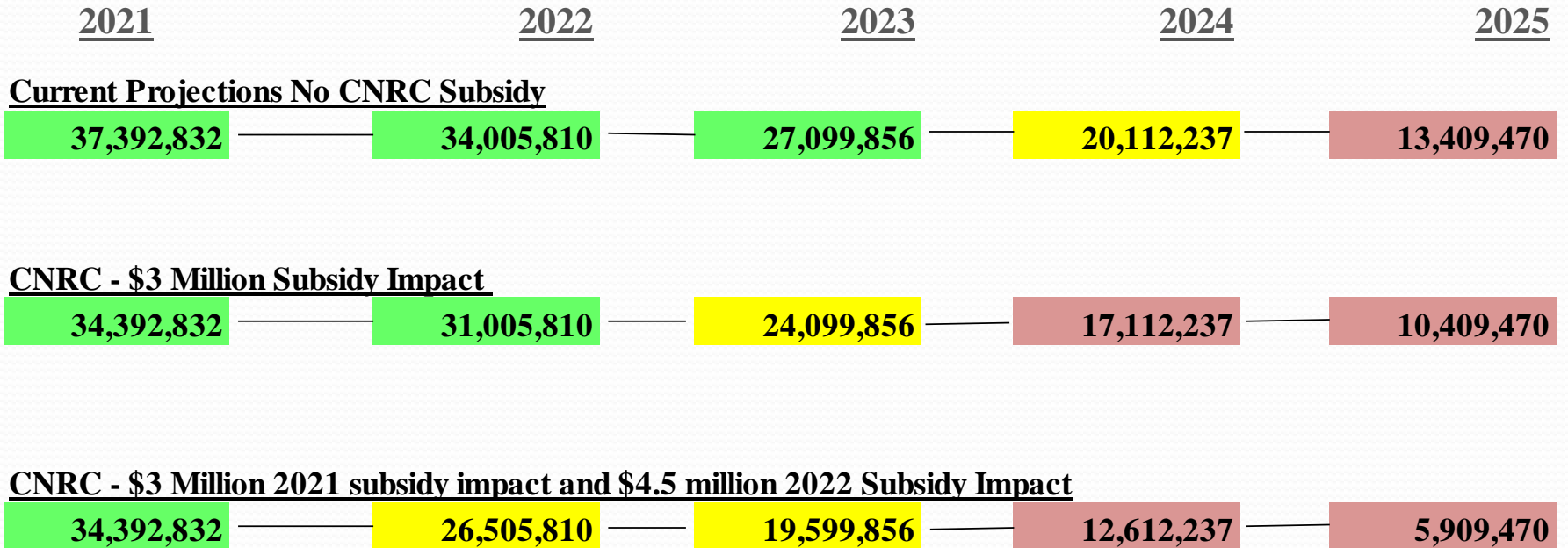
- Retirement
 - CNRC contributes approx. 23% of the Actuarially Determined Contribution
 - Average Annual contribution \$933,423 (2020 was \$828,838)
 - Unfunded Liability
- Bonds Payable
- OPEB Liability
- Compensated Absences (funded)
- Unemployment and Workers Compensation (funded)
- Record Retention (IT and space costs)
- Audit Findings/Penalties
- Contractual Obligations and other expenses/revenue not received
- General Fund will no longer receive indirect cost payments from CNRC

CNRC Impacts to the General Fund

Scenarios for Projections

1. Current 2021 projections use current fund balance and requires no subsidy.
2. Current 2021 projections requires a \$3 million subsidy
3. Current 2021 projections requires a \$3 million subsidy and 2022 budget has an estimated \$4.5 million subsidy

CNRC Impact to the General Fund



Red Zone under 18,741,000
 Yellow Zone between 18,741,000 and 26,773,000
 Green Zone over 26,773,000 to 42,151,000

1% change = 566,000

3% change = 1,701,000

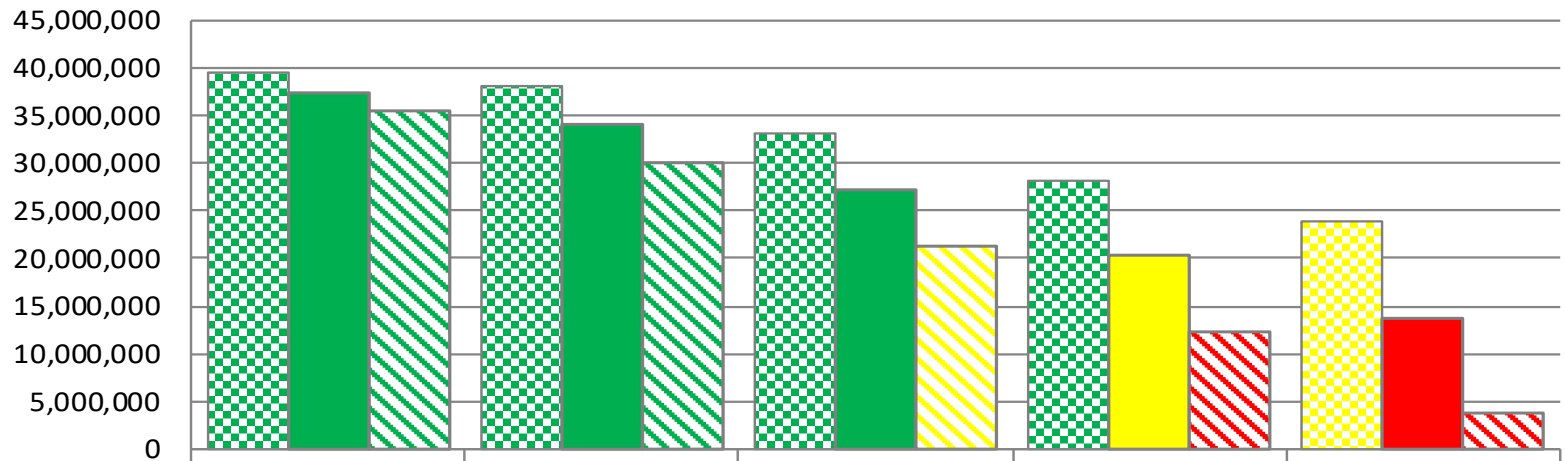
5% change = 2,835,000



Impact of On-Going Changes

Impact of On-Going Changes

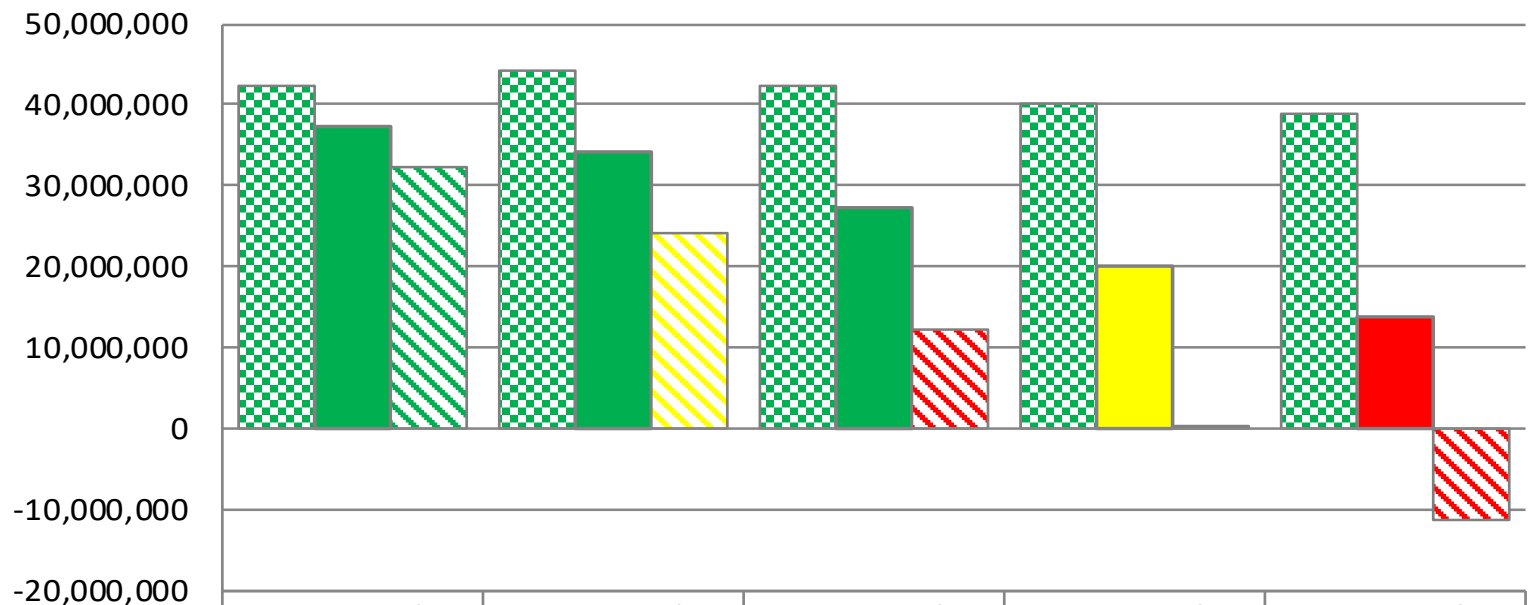
Unassigned Fund Balance +/- \$ 2 Million Change



	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025
2 Million Dollar Change	39,392,832	38,102,641	33,201,480	28,218,947	23,825,147
Current Projections	37,392,832	34,102,641	27,201,480	20,218,947	13,825,147
-2 Million Dollar Change	35,392,832	30,102,641	21,201,480	12,218,947	3,825,147

Impact of On-Going Changes

Unassigned Fund Balance +/- \$ 5 Million Change



	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025
5 Million Dollar Change	42,392,832	44,102,641	42,201,480	40,218,947	38,825,147
Current Projections	37,392,832	34,102,641	27,201,480	20,218,947	13,825,147
-5 Million Dollar Change	32,392,832	24,102,641	12,201,480	218,947	-11,174,853

Comparative Tax Rate

Third Class Counties

Benchmark Counties	Class	2020 Population	2020 Real Estate Tax	Average Tax per Household	Median Household Income	2020 Average Tax per Household per Median Household Income	2020 Property Tax per Capita
Lackawanna	3	215,896	\$ 88,360,429	\$639	\$52,821	1.21%	\$409
Luzerne	3	325,594	\$ 123,474,246	\$581	\$53,473	1.09%	\$379
Dauphin	3	286,401	\$ 105,996,619	\$590	\$60,715	0.97%	\$370
York	3	456,438	\$ 167,963,425	\$666	\$66,457	1.00%	\$368
Berks	3	428,849	\$ 146,058,470	\$625	\$63,728	0.98%	\$341
Northampton	3	312,951	\$ 100,451,481	\$618	\$70,471	0.88%	\$321
Chester	3	534,413	\$ 167,848,400	\$649	\$100,214	0.65%	\$314
Erie	3	270,876	\$ 82,341,054	\$461	\$51,529	0.89%	\$304
Lehigh	3	374,557	\$ 113,799,528	\$535	\$63,897	0.84%	\$304
Westmoreland	3	354,663	\$ 85,202,128	\$378	\$60,471	0.63%	\$240
Lancaster	3	552,984	\$ 123,639,358	\$416	\$66,056	0.63%	\$224
Cumberland	3	259,469	\$ 54,950,607	\$375	\$71,269	0.53%	\$212

Comparative Tax Rate

Surrounding Counties

Benchmark Counties	Class	2020 Population	2020 Real Estate Tax	Average Tax per Household	Median Household Income	2020 Average Tax per Household per Median Household Income	2020 Property Tax per Capita
Adams*	5	103,852	\$39,643,983	\$942	\$67,715	1.39%	\$382
Dauphin	3	286,401	\$105,996,619	\$590	\$60,715	0.97%	\$370
York	3	456,438	\$167,963,425	\$666	\$66,457	1.00%	\$368
Franklin	4	155,932	\$43,815,956	\$672	\$63,379	1.06%	\$281
Lebanon*	5	143,257	\$33,477,672	\$588	\$61,204	0.96%	\$234
Lancaster	3	552,984	\$123,639,358	\$416	\$66,056	0.63%	\$224
Cumberland	3	259,469	\$54,950,607	\$375	\$71,269	0.53%	\$212
Perry*	6	45,842	\$9,334,340	\$516	\$63,718	0.81%	\$204

* Denotes 2019 Data, 2020 AFR was not available, will update when it becomes available.

Commissioners:

Gary Eichelberger

Jean Foschi

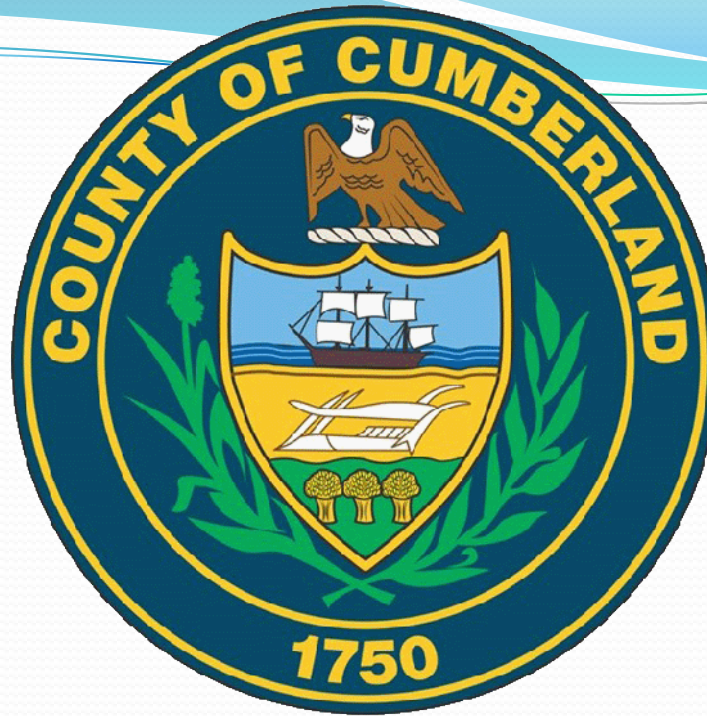
Vincent T. DiFilippo

Chief Operations Officer /
Chief Clerk:

Stacy M. Snyder

Chief Financial Officer:

Dana L. Best



October 2021 Financial Analysis Committee Presentation

* Presentation is available at www.ccpa.net/finance