



Cumberland County

2011

Budget Briefing

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Index:



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Introduction:



Mission:

The most livable community with the most efficient and effective public services in Pennsylvania.

Vision:

A place where family-sustaining economic opportunity is promoted, our environment is respected, public safety is ensured, and our quality of life is preserved for the future.

The Cumberland County Commissioners maintain a strategic planning process to identify service priorities in tandem with an outcome-oriented financial management system. These management tools have helped to improve core services to County residents while maintaining one of the lowest tax rates in South Central Pennsylvania.

The 2011 Budget builds upon the 2010 County Strategy and Budget that received the Government Finance Officers Association (GFOA) award for Distinguished Budget Presentation. The award reflects the County's adherence to an extensive array of budget planning and financial management principles that include:

- Ensuring that the County maintains a strong financial base to support essential services even in a changing environment;
- Directing financial resources toward achievement of the County's strategic plan;
- Maintaining sufficient liquidity to meet normal operating and contingent obligations;
- Maintaining and preserving infrastructure and capital assets;
- Implementing operating policies that minimize the cost of government and financial risks;
- Maximizing the level of public goods and services while minimizing the levels of debt and taxes.

Standard & Poor's has confirmed Cumberland County's AAA bond rating. This rare distinction among Pennsylvania counties indicates that the County maintains a strong long-term management structure and is prepared to enter 2011 in excellent financial shape.

RESPONDING TO ECONOMIC CONDITIONS

The County was not immune to the problems facing the nation, State, and local area between 2008 and 2010. Because of the County's long-term planning initiatives and solid financial position we were able to weather the economic storms and the continuing State budget crisis without severely cutting services or priorities.

The Commissioners called elected officials and department heads into action with a cost management initiative when the economic crisis began in 2008. Elected officials and department heads responded well, reducing expenditures \$1 million in 2008 and \$3.5 million in 2009. In 2010, County departments continued their focus on cost management. As a result, the County has been able to maintain priority services, its strong financial position, and the ability to respond to emergency situations. We will enter 2011 with a solid fund balance due to this cost management initiative.

Planning and implementation continues with several key initiatives, including the construction of a new Public Safety Building and the next phase of Prison renovations, as well as renovations to the Ritner Highway Campus and the New Courthouse in preparation for a sixth judge in 2012.

The County is currently assessing the future role of the Claremont Nursing & Rehabilitation Center, including what areas of operation should be expanded, the number of residents to be served, the best use for the tower building, etc. This analysis is part of the overall Strategic/Business Plan for Claremont.

The economy continues to affect several key areas of the budget and the Commissioners are extending their cost management initiative through 2011. They are asking departments to reduce expenditures by an additional \$1.25 million.

Comparisons:

TAX ALLOCATION

(by level of government entity)

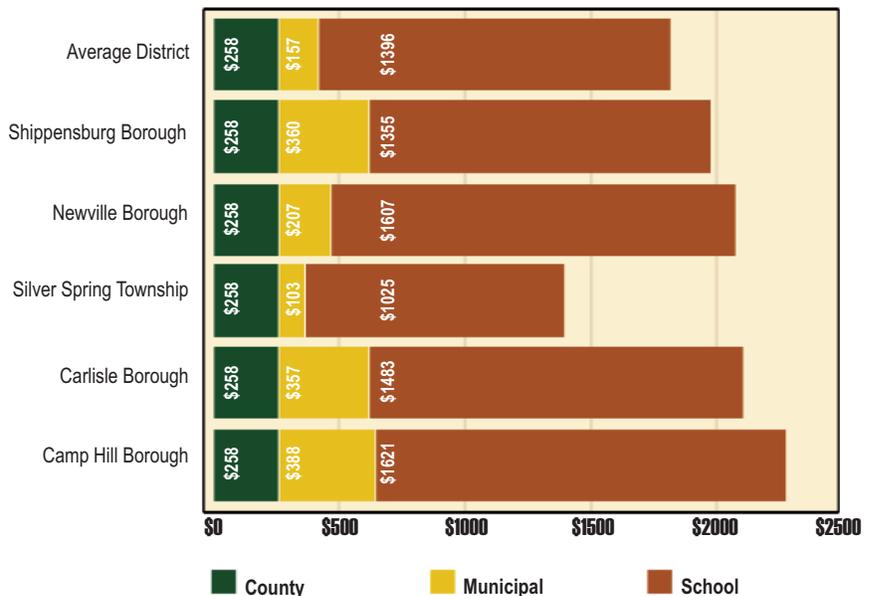
The Chart illustrates an estimate of local taxes paid on a home valued at \$100,000.

Cumberland County collected 14.24% of local tax dollars in 2010. These monies support a broad array of County services including, in part; the Prison, Courts, MDJ's, Human Services subsidy, and Public Safety.

Townships and boroughs collected 8.69% in taxes while local school districts brought in 77.07% of the total 2010 tax revenues.

2010 Tax Allocation

(Based on a \$100,000 Home)



COUNTY COMPARISONS

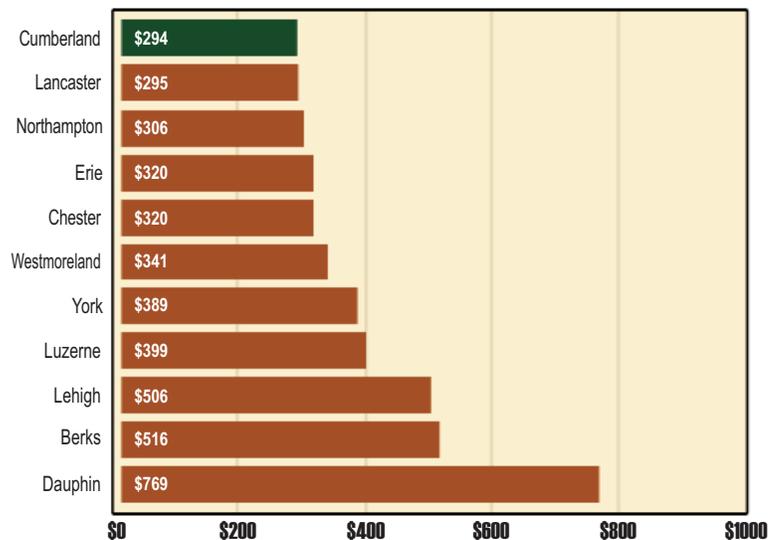
(General Fund expenditures)

Cumberland County General Fund expenditures per capita are \$294.

Based on the 2009 US Census population estimates, ten 3rd class counties were selected as benchmarks with Cumberland County. Of these counties, Cumberland County has the lowest per capita ratio at \$294.

2010 General Fund Budgeted Expenditures

(Per Capita)



Budget Summary:

TOTAL COUNTY REVENUES & EXPENDITURES

MAJOR FUTURE PROJECTS WITH LONG TERM IMPACT:

- The County purchased property on the Ritner Highway to provide additional space and co-locate County offices by function. Renovations began in 2010 and will continue through 2012. Federal stimulus funds will be used for energy related upgrades to the building.
2011 Budget Cost: \$822,000
- The Prison expansion and renovation project has necessitated the relocation of the Public Safety and 911 Call Center. Construction of this new facility began in 2009 and is scheduled for completion in May 2011.
2011 Budget Cost: \$1.3 million
- The 911 Infrastructure Project requires upgrading and relocating the existing emergency communications and 911 equipment and systems to accommodate the most recent developments in "next generation 911."
2011 Budget Cost: \$4.3 million
- A \$4.5 million cost reduction was achieved as part of the cost management strategy implemented in the 2008 -2009 budget years. Towards that goal, some major projects were either deferred or cancelled for a cost reduction of over \$3.5 million in 2009. The Commissioners have targeted an additional \$1.25 million in cost reductions and improved efficiencies in 2011.

REVENUES

Tax Revenue	\$ 47,915,406
Grant Revenue	\$ 94,623,741
Interfund Revenue	\$ 19,910,044
Other Revenue	\$ 56,336,068
Total Revenue	\$218,785,259
Appropriated Fund Balances	\$6,577,026
TOTAL	\$225,362,285

EXPENDITURES

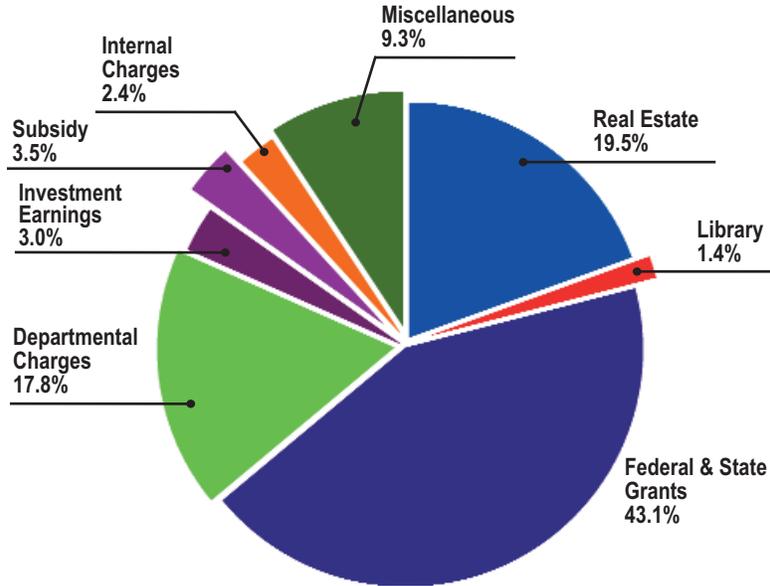
Salaries and Benefit	\$ 77,588,773
Operating Expense	\$120,521,800
Interfund Expense	\$ 21,453,653
Capital Expense	\$ 5,798,059
TOTAL	\$225,362,285

2011 Total County:

REVENUES

2011 County Revenues

(Total by Categories: \$218,785,259)



REAL ESTATE TAXES: 19.5% **\$42,625,525**

The County is permitted by State law to levy real estate taxes up to 25 mills on every dollar of adjusted valuation for general County purposes exclusive of the requirements for the payment of interest and principal on bonded debt. For 2011, County real estate taxes were levied at the rate of 2.045 mills for general County purposes. Real estate estimates are based upon assessed values, interim taxes, appeals, and delinquent tax collection estimates.

MISCELLANEOUS: 9.3% **\$20,363,771**

Receipt of revenue that is not otherwise specifically classified under any other revenue category.

INTERNAL CHARGES: 2.4% **\$5,209,239**

The County receives revenue from reimbursements from the Library System as well as maintenance for the Human Service Building and the Domestic Relations Building.

SUBSIDY: 3.5% **\$7,622,205**

Reflects the transfer of tax dollars from the General Fund to meet program match requirements or to subsidize a projected operating deficit.

INVESTMENT EARNINGS: 3.0% **\$6,534,683**

Interest is estimated by looking at the current trend of interest rates and estimated cash on hand.

DEPARTMENTAL CHARGES: 17.8% **\$38,984,247**

The majority of this category are fees charged by Claremont Nursing and Rehabilitation Center. The revenues are estimated based on projected bed days filled, case mix, and current rates with an estimated increase.

FEDERAL & STATE GRANTS: 43.1% **\$94,247,336**

Monies received from the federal or State government for a specified program or purpose. Revenue is estimated using allocation letters or estimates of State and federal appropriations based on trends and information from federal and State agencies.

LIBRARY TAXES: 1.4% **\$3,198,253**

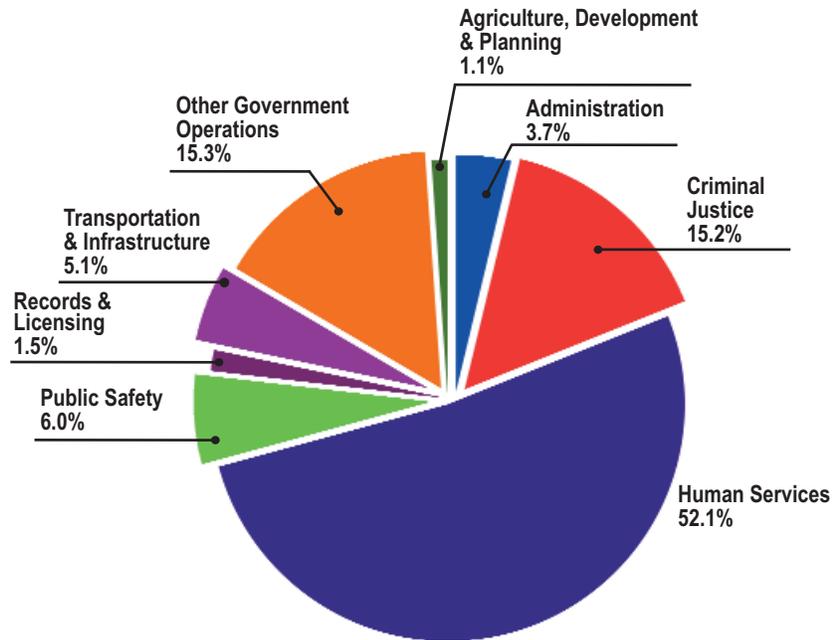
There is a levy for the County Library System at .143 mills. Library tax revenue is based on the estimated assessed values for the real estate taxes.

2011 total County:

EXPENDITURES BY FUNCTION

2011 County Expenditures

(Total by Function: \$225,362,285)



Human Services: 52.1%

\$117,413,796

Services provided with the purpose of promoting the general health and well being of the community.

Criminal Justice: 15.2%

\$34,139,842

Services directed at maintaining social control, deterring and controlling crime, and sanctioning those who violate laws with criminal penalties.

Administration: 3.7%

\$8,348,912

Services provided by the County for the benefit of the public and the governmental body as a whole.

Agriculture, Development & Planning: 1.1%

\$2,563,009

Programs provided to achieve a satisfactory living environment for the community as a whole.

Other Government Operations: 15.3%

\$34,520,649

Non-departmental program innovation and contingencies.

Transportation & Infrastructure: 5.1%

\$11,579,898

Provide safe, dependable, and efficient transportation for all eligible County residents, along with the reconstruction, maintenance, and repair of County owned/shared bridges.

Records & Licensing: 1.5%

\$3,252,800

Services provided by the County Row offices for the benefit of the public and the governmental body as a whole.

Public Safety: 6.0%

\$13,543,379

Services provided by the County for the safety and security of the public.

2011 Total County:

EXPENDITURES BY FUNCTION

Budgeted Expenditures

Administration

Commissioners	781,307
Human Resources	538,220
IMTO	2,490,441
Finance	987,532
Assessment	2,246,380
Elections	938,371
Solicitors	366,661
Total Administration	\$ 8,348,912

Criminal Justice

District Attorney	3,817,922
Public Defender	1,130,427
Clerk of Courts	745,953
Prison	12,089,310
Criminal Justice Planning & IP Programs ..	481,180
Courts	3,347,365
Magisterial District Judges	3,072,859
Adult Probation	3,588,656
Juvenile Probation	2,623,779
Domestic Relations	3,242,391
Total Criminal Justice	\$ 34,139,842

Human Services

Nursing Home	26,274,049
Children & Youth	14,768,104
Drug & Alcohol	3,034,497
Aging & Community Services	10,815,123
Library	4,091,402
Mental Health/Mental Retardation	18,972,758
Veterans' Affairs	230,930
Health Choices	38,686,278
Early Learning Center	540,655
Total Human Services	\$117,413,796

Public Safety

Public Safety	9,789,918
Coroner	744,088
Sheriff	3,009,373
Total Public Safety	\$ 13,543,379

Budgeted Expenditures

Records and Licensing

Recorder of Deeds	674,092
Treasurer	288,498
Register of Wills/ Clerk of Orphans' Court	500,593
Controller	1,112,731
Prothonotary	587,037
Records Improvement - County	89,849
Total Records and Licensing	\$ 3,252,800

Agricultural, Development, and Planning

Planning	1,072,037
Conservation District	840,963
Agricultural Extension	352,882
Vector Control and Weights & Measures	238,466
Historical Society	58,661
Total Agricultural, Development and Planning	\$ 2,563,009

Transportation and Infrastructure

Transportation	2,421,207
County Buildings	7,173,542
Recycling & Waste Authority	655,999
Bridges/Liquid Fuels	1,329,150
Total Transportation and Infrastructure	\$ 11,579,898

Other Government Operation

Grants	3,077,908
Debt	6,492,392
Subsidies	7,933,915
Insurance	1,562,875
Hotel Tax	1,303,000
Workers' Compensation	669,000
Retirement	11,125,171
Administrative Services	180,684
Affordable Housing	225,704
Other Government Operations	1,950,000
Total Other Government Operations	\$34,520,649

2011 TOTAL COUNTY BUDGET . . . \$ 225,362,285

Budget Summary:

GENERAL FUND REVENUES & EXPENDITURES

MANAGING THE BUDGET:

- 2011 Budget contains no tax increase.
- A \$4.5 million cost reduction was achieved as part of the cost management strategy implemented in the 2008 -2009 budget years. Departments generated \$1 million in savings in 2008 and \$3.5 million in savings in 2009.
- Through the American Recovery and Reinvestment Act (ARRA) Cumberland County was awarded a \$2.2 million block grant from the U.S. Department of Energy to implement a variety of energy efficiency and conservation projects.
- Children & Youth Services' subsidy was held to 2010 levels.

GENERAL FUND REVENUES

Real Estate Taxes	\$	42,625,525
Library Taxes	\$	3,198,253
Per Capita Tax	\$	665,419
Other Revenue	\$	4,521,100
Investment Earnings	\$	288,899
Federal & State Grant Revenue	\$	3,877,660
Departmental Charges	\$	8,014,666
Court Cost/Fees/Charges	\$	895,600
Total Revenue	\$	64,087,122

GENERAL FUND EXPENDITURES

General Government	\$	15,483,845
Tax Assessment	\$	1,515,582
Grants to Agencies	\$	3,077,908
Other Services	\$	2,149,719
Debt Retirement	\$	3,250,421
Library System	\$	4,091,402
County Subsidies	\$	7,933,915
Corrections	\$	17,197,375
Judicial	\$	15,393,334
Total Expense	\$	70,093,501

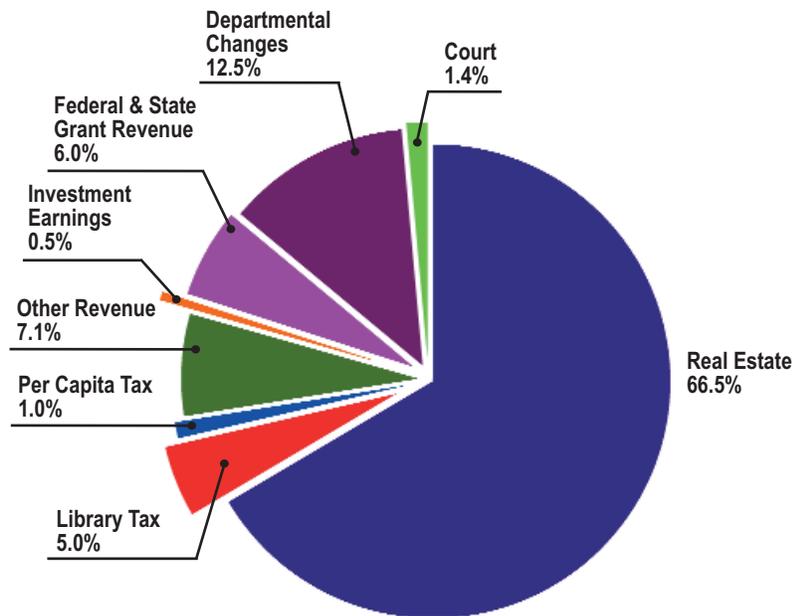
**Additional Budget Cuts/Total
Fund Balance Appropriations** (\$ 6,006,379)

2011 General Fund:

REVENUES

2011 County Revenues

(Total by Source: \$64,087,122)



Real Estate Taxes: 66.5% **\$42,625,525**

The County is permitted by State law to levy real estate taxes up to 25 mills on every dollar of adjusted valuation for general County purposes exclusive of the requirements for the payment of interest and principal on bonded debt. For 2011, County real estate taxes were levied at the rate of 2.045 mills for general County purposes. Real estate estimates are based upon assessed values, interim taxes, appeals, and delinquent tax collection estimates.

Library Taxes: 5.0% **\$3,198,253**

There is a levy for the County Library System at .143 mills. Library tax revenue is based on the estimated assessed values for the real estate taxes.

Per Capita Tax: 1.0% **\$665,419**

Per capita tax is based on current per capita rolls maintained by the County Assessment office as of July 31st of the current year.

Other Revenue: 7.1% **\$4,521,100**

Comprises three main types: departmental charges, investment earnings, and operating fees.

Investment Earnings: 0.5% **\$288,899**

Interest is estimated by looking at the current trend of interest rates and estimated cash on hand.

Federal & State Grant Revenue: 6.0% **\$3,877,660**

Monies received from the federal or State government for a specified program or purpose. Revenue is estimated using allocation letters or estimates of State and federal appropriations based on trends and information from federal and State agencies.

Departmental Charges: 12.5% **\$8,014,666**

The majority of this category are fees charged by Claremont Nursing and Rehabilitation Center. The revenues are estimated based on projected bed days filled, case mix, and current rates with an estimated increase.

Court Costs/Fees/Charges: 1.4% **\$895,600**

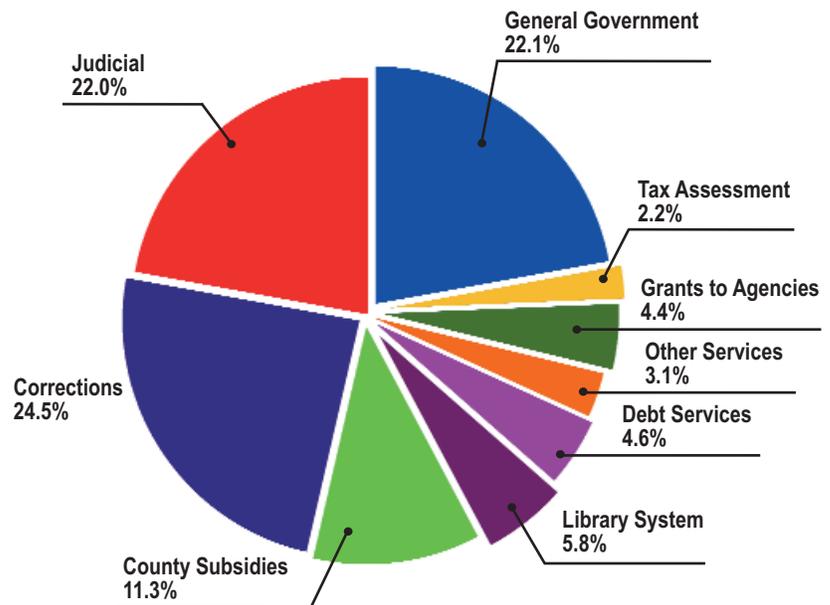
This category is comprised of payments of court-related fees, charges, costs, fines, and other monetary penalties.

2011 General Fund:

EXPENDITURES

2011 County Expenditures

(\$70,093,501)



General Government: 22.1%
\$15,483,845

Services provided by the County for the benefit of the public and the governmental body as a whole.

Tax Assessment: 2.2%
\$1,515,582

Assign fair and equitable assessments to all real property in the County for the generation of accurate tax bills. Collect and distribute tax revenues to all taxing authorities in a timely manner.

Grants to Agencies: 4.4%
\$3,077,908

Appropriations made to other governments or agencies that provide services to the community.

Other Services: 3.1%
\$2,149,719

Services not represented in any other category.

Debt Retirement: 4.6%
\$3,250,421
Repayment of debt.

Library System: 5.8%
\$4,091,402
Library services to residents of the County.

County Subsidies: 11.3%
\$7,933,915
Financial assistance to funds outside the general fund.

Corrections: 24.5%
\$17,197,375

Services provided by the Prison, Adult and Juvenile Probation, and other correctional programs.

Judicial: 22.0%
\$15,393,334

Services provided by the County to the Courts.

2011 General Fund:

EXPENDITURES BY FUNCTION & DEPARTMENT

	Budgeted Expenditures
Administration	
Commissioners	781,307
Human Resources	538,220
IMTO	2,490,441
Finance	987,532
Assessment	2,246,380
Elections	938,371
Solicitors	366,661
Total Administration	\$ 8,348,912
Criminal Justice	
District Attorney	2,905,632
Public Defender	1,130,427
Clerk of Courts	745,953
Prison	12,089,310
Courts	3,347,365
Magisterial District Judges	3,072,859
Adult Probation	2,484,286
Juvenile Probation	2,623,779
Total Criminal Justice	\$ 28,399,611
Human Services	
Library	4,091,402
Veterans' Affairs	230,930
Total Human Services	\$4,322,332
Public Safety	
Public Safety	813,705
Coroner	744,088
Sheriff	3,009,373
Total Public Safety	\$ 4,567,166

	Budgeted Expenditures
Records and Licensing	
Recorder of Deeds	560,906
Treasurer	288,498
Register of Wills/ Clerk of Orphans' Court	500,593
Controller	1,112,731
Prothonotary	587,037
Records Improvement - County	7,250
Total Records and Licensing	\$ 3,057,015
Agricultural, Development, and Planning	
Planning	1,072,037
Agricultural Extension	352,882
Vector Control and Weights & Measures	238,466
Historical Society	58,661
Total Agricultural, Development, and Planning	\$ 1,722,046
Transportation and Infrastructure	
County Buildings	2,950,616
Total Transportation and Infrastructure	\$ 2,950,616
Other Government Operation	
Grants	3,077,908
Debt	3,250,421
Subsidies	7,933,915
Insurance	332,875
Administrative Services	180,684
Other Government Operations	1,950,000
Total Other Government Operations	\$16,725,803

2011 TOTAL GF BUDGET **\$ 70,093,501**

Items of Note:

On-going & Future Initiatives:

PRISON EXPANSION PROJECT:

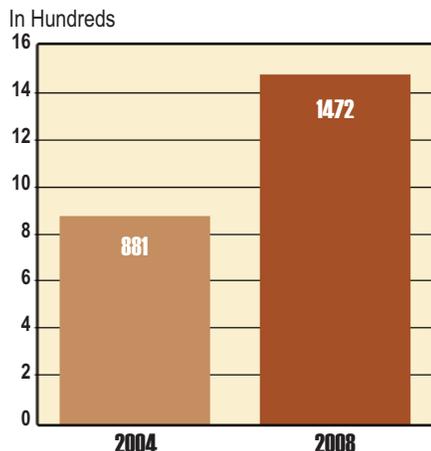
- Phase 1 of the Prison Expansion and Renovation Project has been completed, including an additional 160 beds which will increase capacity by 40%.
- The next phase of the Project will include a new inmate medical unit, renovation of eight male inmate housing units, new female inmate classification/general population housing unit, expansion of the male work release inmate housing unit, kitchen renovation, and the upgrade of mechanical and security systems.

CENTRAL COURT:

A strategic plan has been developed to manage an expanding offender population and make optimal use of resources due to increasing caseloads and prison population.

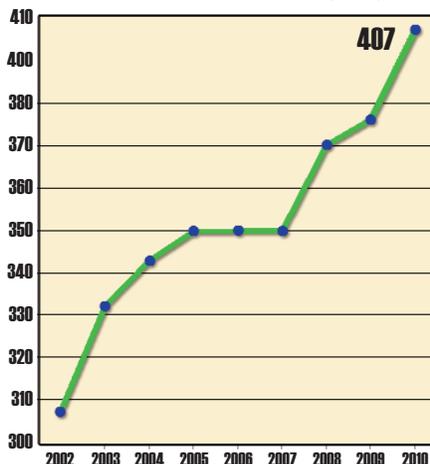
- A centralized DUI Court has the potential of eliminating 800 dockets from the Court of Common Pleas each year.
- DUI cases make up 50% of Cumberland County's criminal caseload and a large portion of these cases are eligible for diversion or alternative sanctions.
- The County has applied for a grant from the PA Commission on Crime and Delinquency to offset initial costs of implementing the new initiative.

Probation DUI Reports: (2004-2008)



DUI reports make up 50% of Cumberland County's caseload. These reports have increased by 67% between 2004 and 2008.

Average Daily Prison Population (2010)



PUBLIC SAFETY:

- Construction of the new Public Safety Building began in 2010. It is scheduled for completion in the spring of 2011 and is expected to be fully operational by July 2011.
- The 21,000 square foot building is located behind the Aging Building on Claremont Road across from the Cumberland County Prison.

Trend Tracker: (9-1-1 Statistics in 2009)

- 328,210 calls were received in the Communications Center.
- Of those calls 88,057 were 9-1-1 calls, an increase of 1% from the 87,214 calls in 2008.
- 240,153 calls were non-emergency calls.
- 54,052 of the 9-1-1 calls were made from cell phones. That's 64% of all 9-1-1 calls received!
- In 2002, only 47% of 9-1-1 calls came from cellular phones.

CLAREMONT NURSING & REHABILITATION CENTER:

- The County is currently assessing the future role of Claremont in the community, including what areas of operation should be expanded, the number of residents to be served, the best use for the tower building, etc. This analysis is part of the overall Strategic/Business Plan for Claremont.

RENOVATIONS FOR 6TH JUDGE:

After the Governor signed legislation in 2008 creating an additional judgeship in Cumberland County, the Facilities Department developed a long-range plan for the space needs for the 6th judge.

- The final plan, currently being implemented, includes a 6th courtroom, chambers, office and jury deliberation room.
- The current Jury Assembly Room will be moved to the 3rd floor of the Courthouse.
- Other departments will be relocated in order to accomplish these renovations for the new judge.

RITNER HIGHWAY CAMPUS:

- The County purchased property on the Ritner Highway to provide additional space and co-locate County offices by function. Renovations began in 2010 and will continue through 2012. Federal stimulus funds will be used for energy related upgrades to the building.
- Offices to be relocated include Library Administrative Offices; Bureau of Elections and voting machine storage; Transportation Department including bus parking; County Maintenance Garage; and Forensic Garage.

FINANCIAL MANAGEMENT:

- The economy continues to affect several key areas of the budget. The Commissioners are extending their cost management initiative through 2011, requesting departments to reduce expenditures by an additional \$1.25 million.
- Elected officials and department heads responded to the Commissioners' initiative in 2010 by reducing expenditures by \$2 million.

These Major Planning Projects will carry Cumberland County through the next two decades.



Prepared by the Cumberland County Board of Commissioners

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