



Commissioners:

Gary Eichelberger

Jean Foschi

Vincent T. DiFilippo

Acting Chief Clerk:

Stacy M. Snyder

Chief Financial Officer:

Dana L. Best

October 2020 Financial Analysis Committee Presentation

Financial Analysis Committee Presentation Overview

- County Highlights
- Current Year Status & Year End Projections
 - Based on 8/31/20
- 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 2021
- Public Safety is in the planning process for the P25 radio project. P25 is the national standard for interoperable digital two-way radio communications.
- Public Safety's new CAD system.
- Election Equipment
- Four bridges were in the construction phase (Kunkle, Orrs, Wolf, and Sample). In order to meet cash flow needs, the County is receiving a PIB loan to fund the construction of Sample Bridge.
- Opioid Crisis
- COVID-19 is impacting all of our operations.
 - Election, CNRC, Mental Health/Human Services
 - Supplies
 - Change in business processes
 - Long-term implications and watching indicators: assessment base, new court cases, interest rates, consumer price index
 - Continue to watch our operational costs and revenue impact
 - May materially impact projections
 - CARES Act

CARES Act (Fund 165)

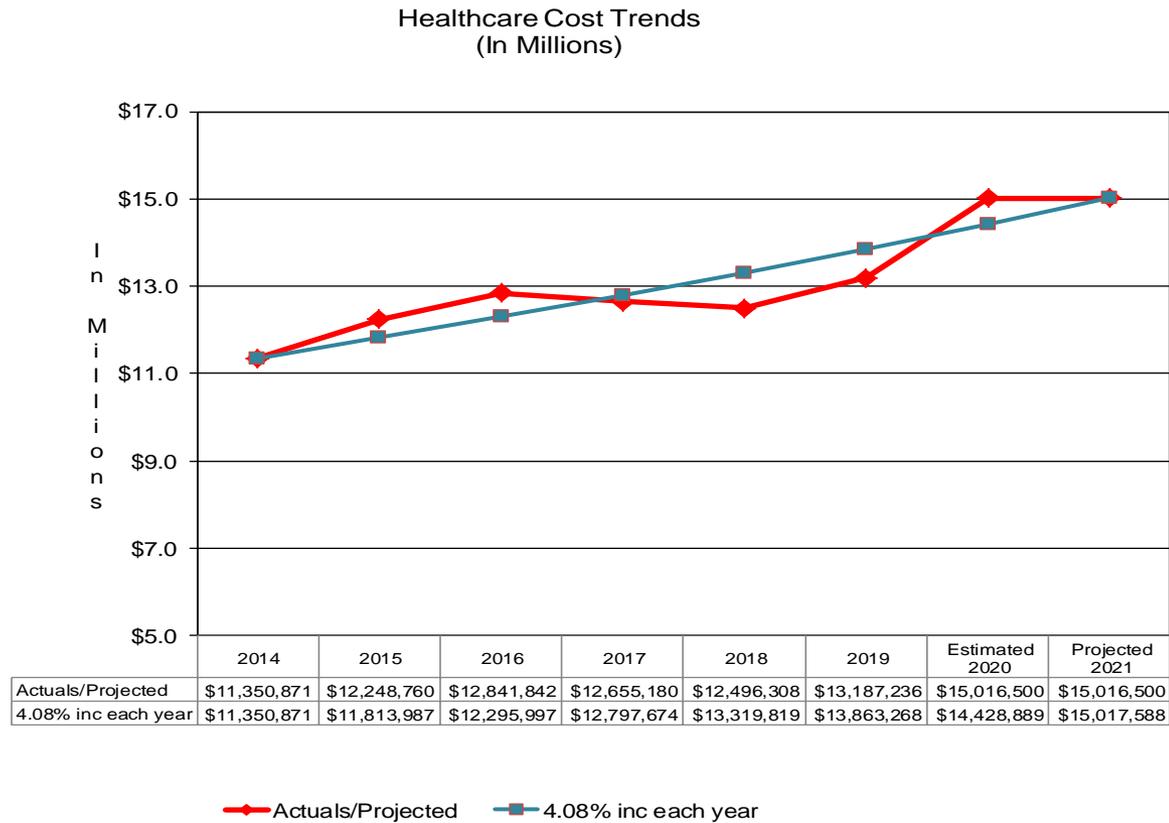
- Currently, we have received \$22.9 million in CARES Act funding
- Current CARES Act Allocation:
 - Business \$13,015,099
 - Non-Profit \$2,980,392
 - Behavioral Health \$91,408
 - County \$5,578,100
 - Municipality \$823,329
 - Tier 2 (small business and childcare) \$418,227

CARES Act (Fund 165)

- County Departments
 - Created separate fund to manage the \$22.9 million in CARES Act Funding
 - Only portion of CARES Act funding that will show in the General Fund is when we transfer funding in instead of charging expenses directly to the CARES Act fund (Personnel Expense)
 - A large portion of CARES Act funding is related to the General Fund Departments
 - Total \$4,625,505
 - Contingency \$1,411,869
 - Capital Improvements \$576,628
 - Technology \$994,781
 - COVID Supplies \$1,642,227

County Highlights

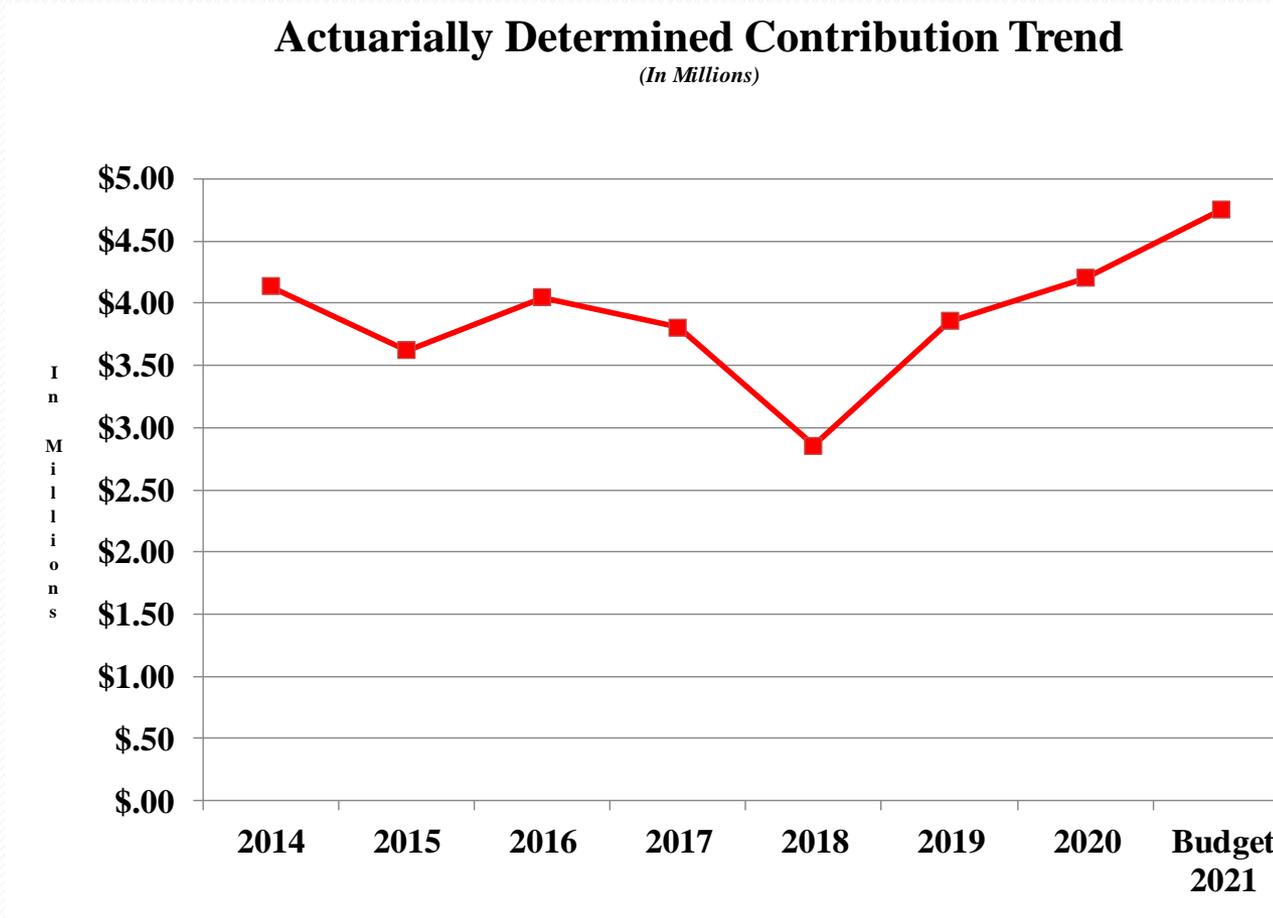
- 2021 medical premium expense remained the same as 2020.



Between 2014 and 2021 the increase, if spread evenly over the 7 years, would be 4.08% per year increase.

County Highlights

- 2021 retirement ADC increased 13% or approximately \$547,000 countywide





2020 General Fund Recap

2020 General Fund Status

| | Projected 2020 (Apr 2020) | Projected 2020 (Aug 2020) | Favorable (Unfavorable) | Percentage Change |
|--|------------------------------|------------------------------|----------------------------|----------------------|
| <i>Real Estate Taxes</i> | 54,643,697 | 54,643,697 | 0 | 0.00% |
| <i>All Other Revenue</i> | 30,848,920 | 31,244,673 | 395,753 | 1.28% |
| Total General Fund Revenue | 85,492,617 | 85,888,370 | 395,753 | 0.46% |
| Total General Fund Expenses | 89,355,141 | 86,874,454 | 3,303,787 | 3.70% |
| <i>Salary</i> | 31,671,493 | 31,408,514 | 262,979 | 0.83% |
| <i>Benefit</i> | 12,630,460 | 12,821,410 | (190,950) | (1.51%) |
| <i>Operating</i> | 25,111,516 | 24,325,095 | 786,421 | 3.13% |
| <i>Subsidy</i> | 8,109,580 | 7,940,571 | 169,009 | 2.08% |
| <i>Capital</i> | 7,892,532 | 6,439,304 | 1,453,228 | 18.41% |
| <i>Transfers / Debt</i> | 3,290,681 | 3,290,681 | 0 | 0.00% |
| <u>Additional Impacts</u> | | | | |
| <i>Fund Balance Moved From Assigned</i> | | 0 | 0 | 0.00% |
| <i>Fund Balance Moved to Assigned</i> | 648,879 | 648,879 | 0 | 0.00% |
| | | 0 | 0 | 0.00% |
| <i>Covid - 19 Salary Impact</i> | 523,100 | 0 | 523,100 | 100.00% |
| <i>Covid - 19 Operating Impact</i> | 300,000 | 0 | 300,000 | 100.00% |
| Projected Unassigned Fund Balance | 30,177,968 | 33,877,508 | 3,699,540 | 12.26% |

2020 General Fund Status

Comparison of current projections with the May 2020 presentation.

Revenues – Overall increasing \$395,763 – 0.46%

- All Other Revenue increasing \$395,753 or 1.28%
 - Transfer from Nursing Home increased \$443,000
 - Prison Transportation (offsetting expense) decreasing \$110,000

2020 General Fund Status

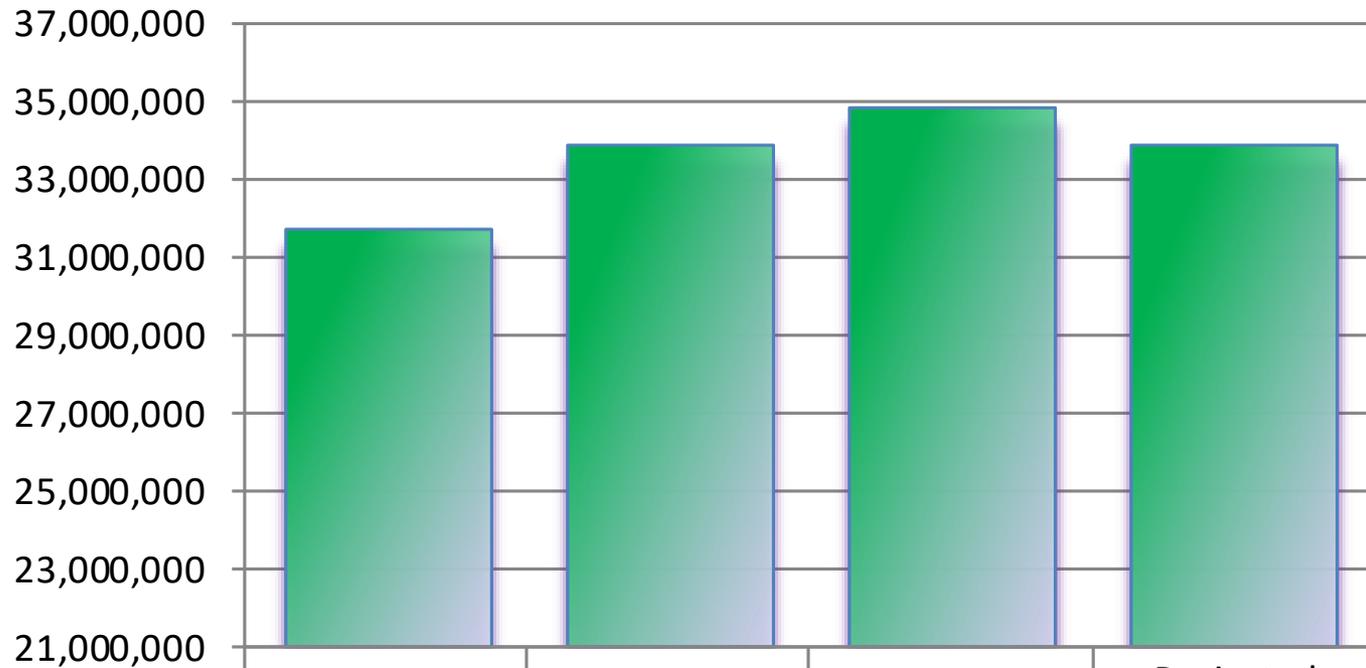
Comparison of current projections with the May 2020 presentation.

Expenses – Overall decreasing \$3,303,787 – 3.70%

- Operating decreasing \$786,421 – 3.13%
 - Prison–Transportation (offsetting revenue) decreasing \$110,000
 - Court Legal Conflict Counsel decreasing \$175,000
 - Prison Dietary decreasing \$75,000
 - Conferences / Seminars decreasing \$100,000
 - Staff Travel Mileage decreasing \$25,000
 - Computer Equipment decreasing \$100,000 (CARES Act funding)
 - Consumable Supplies decreasing \$13,000 (CARES Act funding)
 - Elections Postage / Printing increasing \$200,000
- Capital decreasing \$1,453,228 – 18.41%
 - Microsoft Office 365 (CARES Act Funding) \$445,000
 - Lab move to Ritner Building extended to 2021 \$270,000
 - Prison Elevator Replacement delayed to 2021 \$100,000

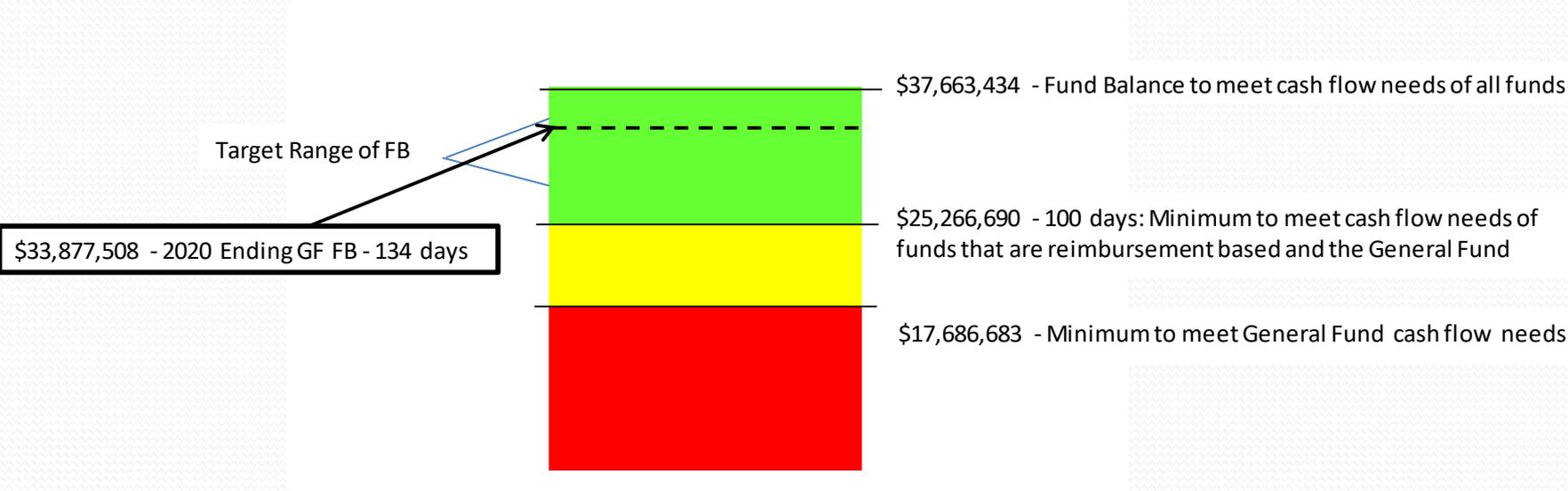
2020 General Fund Recap

Unassigned Fund Balance



| | 2017 | 2018 | 2019 | Projected 2020 |
|-------------------------|------------|------------|------------|----------------|
| Unassigned Fund Balance | 31,738,041 | 33,864,762 | 34,863,592 | 33,877,508 |
| Number of Days | 146 | 147 | 145 | 134 |

2020 Fund Balance Thermometer



2020 General Fund Status

| | Actuals 2019 | Projected 2020 | Favorable (Unfavorable) | Percentage Change |
|------------------------------------|-------------------|-------------------|----------------------------|----------------------|
| <i>Real Estate Taxes</i> | 53,802,121 | 54,643,697 | 841,576 | 1.56% |
| <i>All Other Revenue</i> | 29,056,627 | 31,244,673 | 2,188,046 | 7.53% |
| Total General Fund Revenue | 82,858,748 | 85,888,370 | 3,029,622 | 3.66% |
| Total General Fund Expenses | 78,670,022 | 86,874,454 | (8,204,432) | (10.43%) |
| <i>Salary</i> | 30,392,900 | 31,408,514 | (1,015,614) | (3.34%) |
| <i>Benefit</i> | 11,186,617 | 12,821,410 | (1,634,793) | (14.61%) |
| <i>Operating</i> | 24,579,642 | 24,325,095 | 254,547 | 1.04% |
| <i>Subsidy</i> | 6,307,902 | 7,940,571 | (1,632,669) | (25.88%) |
| <i>Capital</i> | 2,505,566 | 6,439,304 | (3,933,738) | (157.00%) |
| <i>Transfers / Debt</i> | 3,697,395 | 3,290,681 | 406,714 | 11.00% |
| <i>Additional Impacts</i> | | 648,879 | (648,879) | 0.00% |
| Unassigned Fund Balance | 34,863,592 | 33,877,508 | (986,084) | (2.83%) |

2020 General Fund Recap

2020 year end fund balance is projected \$33,877,508 which is 134 days of budgeted General Fund operating expense. (Recommended fund balance of 100 days)

Revenue – Overall increasing \$3,029,622 – 3.66%

- Real Estate Tax Revenue increasing \$841,576 – 1.56%
- Other Revenue increasing \$2,188,046 – 7.53%
 - Election Machine Capital Grant funding – one time increase \$2,379,367

2020 General Fund Recap

2020 year end fund balance is projected at \$33,877,508 which is 134 days of budgeted General Fund operating expense.
(Recommended fund balance of 100 days)

Expenses – Overall increasing \$8,204,432 – 10.43%

- Salaries increasing \$1,015,614 – 3.34%
- Benefits increasing \$1,634,793 – 14.61%
 - 2020 Medical premium rates increasing \$1,021,600
 - 2020 Retirement ADC increasing \$183,300

2020 General Fund Recap

Expenses – Overall increasing \$8,204,432 – 10.43%

- Operating decreasing \$254,547 – 1.04%
- Subsidies increasing \$1,632,669 – 25.88%
 - Children & Youth increasing \$1,356,800 due to receiving overmatch in 2019
 - Criminal Justice Services Programs increasing \$138,600
- Capital increasing \$3,933,738 - 157.00%
 - Election Machines increasing \$4,288,000
 - 7th Courtroom in 2019
- Transfers / Debt decreasing \$406,714 - 11.00%



2021 General Fund Budget

2021 General Fund Status

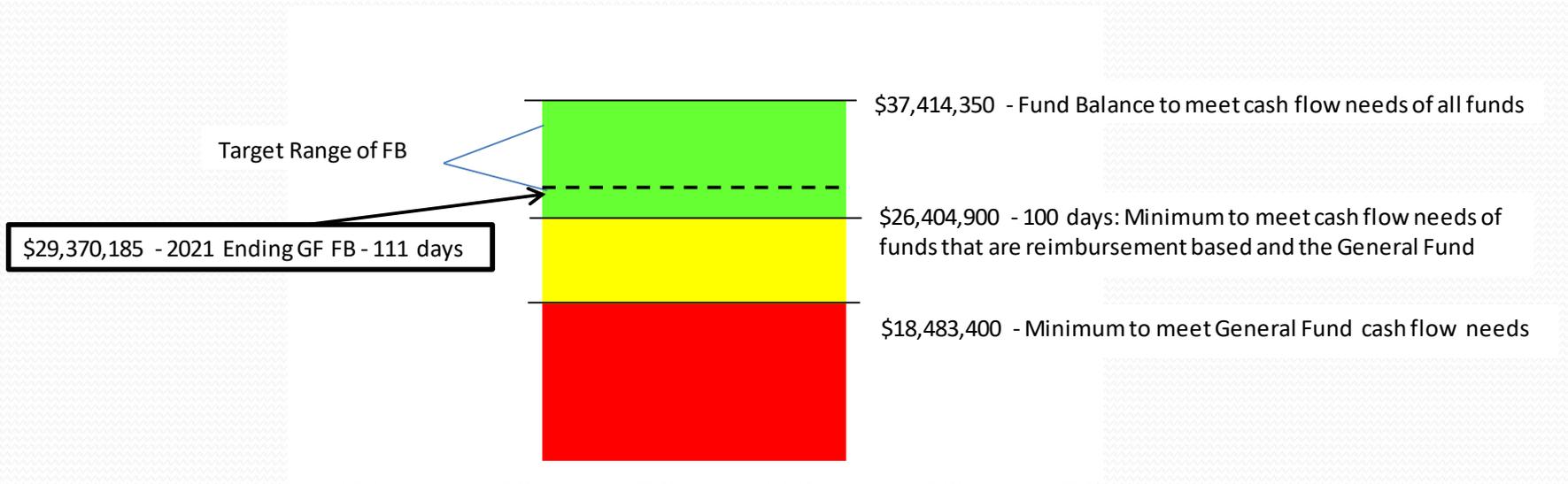
| | Preliminary Budget 2021 | Projected 2021 | Favorable (Unfavorable) | Percentage Change |
|-------------------------------------|-------------------------------|-------------------|----------------------------|----------------------|
| <i>Real Estate Taxes</i> | 55,448,907 | 55,448,907 | 0 | 0.00% |
| <i>All Other Revenue</i> | 29,178,267 | 28,767,240 | (411,027) | (1.41%) |
| Total General Fund Revenue | 84,627,174 | 84,216,147 | (411,027) | (0.49%) |
| Total General Fund Expenses | 96,377,915 | 88,723,470 | 7,654,445 | 7.94% |
| <i>Salary</i> | 32,801,604 | 32,422,269 | 379,335 | 1.16% |
| <i>Benefit</i> | 13,616,601 | 12,842,447 | 774,154 | 5.69% |
| <i>Operating</i> | 30,316,515 | 26,541,921 | 3,774,594 | 12.45% |
| <i>Subsidy</i> | 12,720,250 | 10,241,966 | 2,478,284 | 19.48% |
| <i>Capital</i> | 3,574,509 | 3,219,652 | 354,857 | 9.93% |
| <i>Transfers / Debt</i> | 3,348,436 | 3,455,215 | (106,779) | (3.19%) |
| <i>Additional Impacts</i> | | 0 | 0 | 0.00% |
| 2020 Unassigned Fund Balance | 22,126,767 | 29,370,185 | | |
| Break-even Percentage | 21.20% | 8.10% | | |

2021 General Fund Status

2021 Budget versus 2021 Projections

- Revenue decreasing \$411,027 – 0.49%
 - All Other Revenue decreasing \$411,027 – 1.41%
 - State Pass-Through Grants decreasing \$475,057 (offsetting expense)
- Expenses decreasing \$7,654,445 – 7.94%
 - Operating Expense decreasing of \$3,774,594 – 12.45%
 - Contingency \$1,200,000
 - State Pass-Through Grants decreasing \$475,057 (offsetting revenue)
 - Subsidies decreasing \$2,478,284 – 19.48%
 - CNRC budgeted subsidy of \$2 million removed
 - Capital decreasing \$354,857 – 9.93%
 - Estimated \$422,000 for projects using restricted funds

2021 Fund Balance Thermometer



2021 General Fund Status

| | Projected 2020 | Projected 2021 | Favorable (Unfavorable) | Percentage Change |
|------------------------------------|-------------------|-------------------|----------------------------|----------------------|
| <i>Real Estate Taxes</i> | 54,643,697 | 55,448,907 | 805,210 | 1.47% |
| <i>All Other Revenue</i> | 31,244,673 | 28,767,240 | (2,477,433) | (7.93%) |
| Total General Fund Revenue | 85,888,370 | 84,216,147 | (1,672,223) | (1.95%) |
| Total General Fund Expenses | 86,874,454 | 88,723,470 | (1,849,016) | (2.13%) |
| <i>Salary</i> | 31,408,514 | 32,422,269 | (1,013,755) | (3.23%) |
| <i>Benefit</i> | 12,821,410 | 12,842,447 | (21,037) | (0.16%) |
| <i>Operating</i> | 24,325,095 | 26,541,921 | (2,216,826) | (9.11%) |
| <i>Subsidy</i> | 7,940,571 | 10,241,966 | (2,301,395) | (28.98%) |
| <i>Capital</i> | 6,439,304 | 3,219,652 | 3,219,652 | 50.00% |
| <i>Transfers / Debt</i> | 3,290,681 | 3,455,215 | (164,534) | (5.00%) |
| <i>Additional Impacts</i> | 648,879 | 0 | 648,879 | 100.00% |
| Unassigned Fund Balance | 33,877,508 | 29,370,185 | (4,507,323) | (13.30%) |

2021 General Fund Status

2021 year end fund balance is projected at \$29,370,185 which is 111 days of budgeted General Fund operating expense. (Recommended fund balance of 100 days which equates to \$26,404,900).

Projected Revenue – Overall decreasing \$1,672,223 – 1.95%

- Real Estate Taxes increasing \$805,210 - 1.47%
- Other Revenue decreasing \$2,477,433 - 7.93%
- Election Machine Capital Grant funding – one time increase \$2,379,367

2021 General Fund Status

2021 year end fund balance is projected at \$29,370,185 which is 111 days of budgeted General Fund operating expense. (Recommended fund balance of 100 days which equates to \$26,404,900).

Projected Expenses – Overall increasing \$1,849,016 – 2.13%

- Salaries increasing \$1,013,755 – 3.23%
 - Salary Adjustments, Union Contracts, New Positions
- Benefits increasing \$21,037 – 0.16%
 - Unemployment Compensation and Workers Comp decreasing \$270,000
 - Retirement increasing \$211,000
 - Medical no change

2021 General Fund Status

2021 year end fund balance is projected at \$29,370,185 which is 111 days of budgeted General Fund operating expense. (Recommended fund balance of 100 days which equates to \$26,404,900).

Projected Expenses – Overall increasing \$1,849,016 – 2.13%

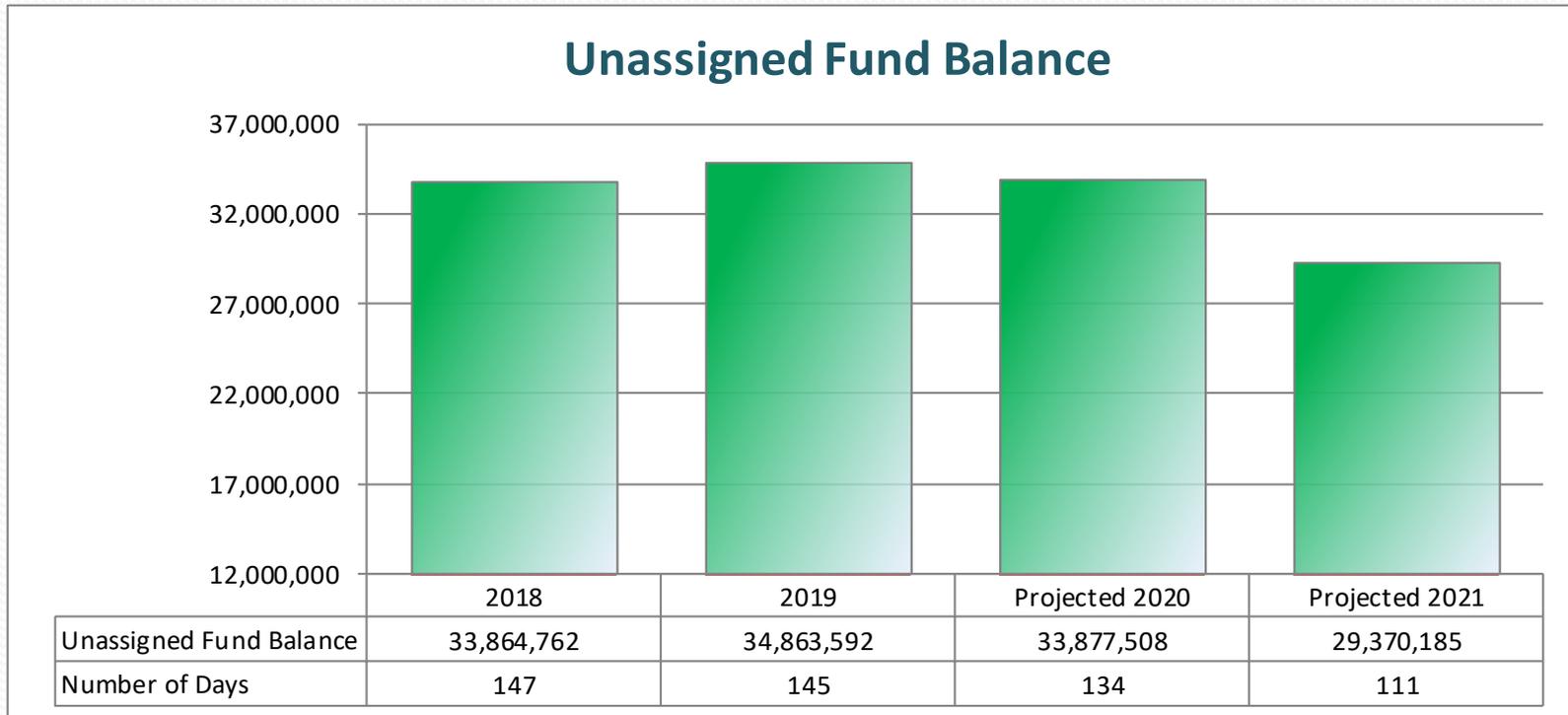
- Operating Expense increasing of \$2,216,826 - 9.11%
 - Lawson server upgrade \$500,000
 - Courts trial expenses increasing \$325,000
- Subsidies increasing \$2,301,395 – 28.98%
 - 9-1-1 increasing \$1,681,544 due to projects and uniform funding is not covering all expenses
- Capital decreasing \$3,219,652 – 50.00%
 - Election Machines decreasing \$4,288,000
- Transfers / Debt increasing \$164,534 - 5.00%

2021 General Fund Status

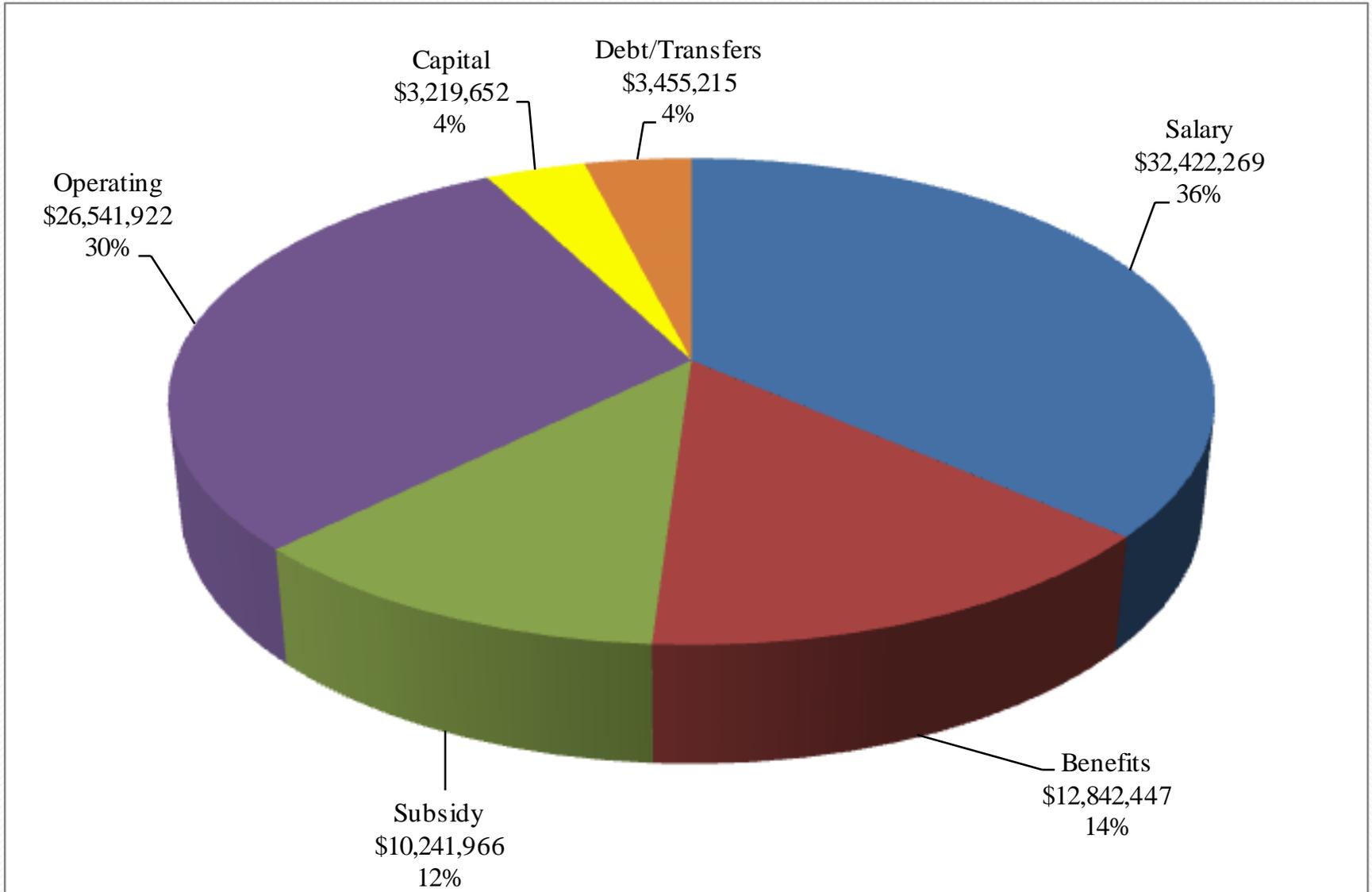
2021 year end fund balance is projected at \$29,370,185 which is 111 days of budgeted General Fund operating expense. (Recommended fund balance of 100 days which equates to \$26,404,900).

Fund Balance

- Decreasing \$4,507,323 which is 23 days or 17.2% reduction in days



2021 General Fund Expenses



2021 General Fund Operating Expenses

Payments to Agencies / Other Govts - \$11.1 million

CNRC IGT - \$4.6 million
 Library Taxes - \$4.2 million
 Redevelopment Authority Pass-Thru Grants - \$1.7 million

Professional Services - \$6.4 million

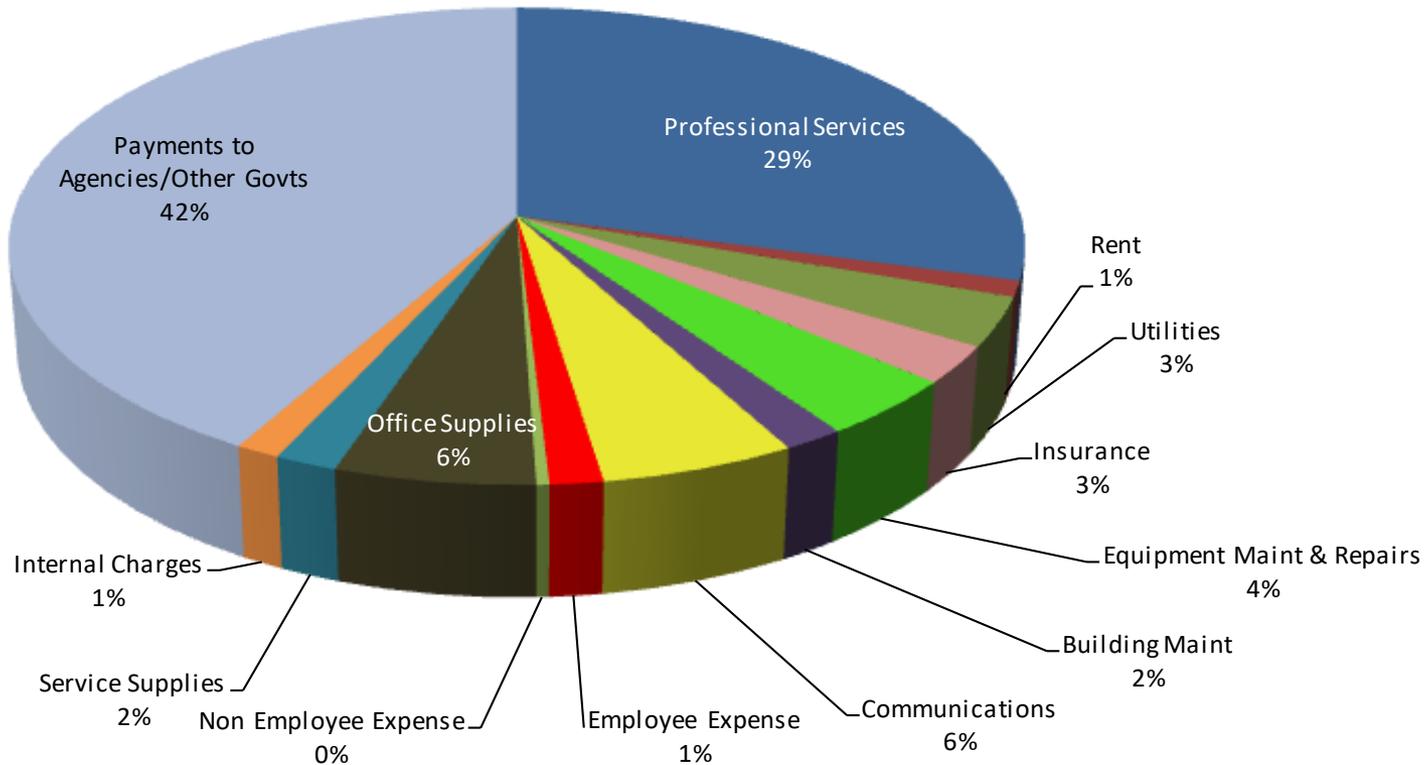
Prison Medical & Catastrophic - \$1.8 million
 Court Mandated Legal Services - \$1.0 million
 Prison Dietary Services - \$520,000
 Election Officers - \$300,000

Office Supplies - \$1.6 million

Computer Equipment / Software / Network
 Equipment - \$550,000
 Books & Periodicals - \$190,000

Communications- \$1.5 million

Telephone / Mobile - \$500,000
 Postage - \$470,000



Revenue Drivers

2021 General Fund Budget

Millage Rate History

| | |
|-------------|---|
| 2010 | 2.399 County millage (0% increase) |
| 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) |

* Reassessment Year

Revenue Drivers

Taxable Assessed Value

Growth in Taxable Assessed Value / Building Permits



| | 1998 | 1999 | 2000 | 2002 | 2003 | 2004 | 2006 | 2007 | 2008 | 2009 | 2010 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| — Growth | 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% |
| — 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 |

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



General Fund 2020 Thru 2024 Projections

Major Assumptions in the Projections

- 9-1-1 Uniform Funding is no longer covering all eligible expenses
- 9-1-1 will need subsidy for any capital projects not related to the radio project.
- Beginning in 2021 the radio project will be funded by bond proceeds.
- Farmland Preservation is projected at \$850,000 per year.
- Capital has increased from the previous presentations based on updated five year plans.
- CNRC no subsidy
- Debt Service

Debt Service Changes

| | |
|------|-----------|
| 2020 | (620,389) |
| 2021 | 158,875 |
| 2022 | 710,500 |
| 2023 | (751,203) |
| 2024 | (4,500) |

Final one-time Hornbaker payment in 2022 which increases 2022 and then decreases in 2023

- 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
- Election
- Farmland Preservation - \$850,000
- Lawson Upgrade
- Radio Project Two Bonds
- 9-1-1 Uniform Funding
- Radio Infrastructure
- Growth of the County
- State Budget – only have a 5 month budget approved
- CNRC
- Capital Cases

In Projections
Not In Projections

2020 Thru 2024 General Fund Projections

| | Projected 2020 | 0.0% Projected 2021 | 0.0% Projected 2022 | 0.0% Projected 2023 | 0.0% Projected 2024 |
|------------------------------------|-------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| <i>Real Estate Taxes</i> | 54,643,697 | 55,448,907 | 56,280,214 | 57,123,991 | 57,980,424 |
| <i>All Other Revenue</i> | 31,244,673 | 28,767,240 | 29,391,087 | 29,978,919 | 30,398,973 |
| Total General Fund Revenue | 85,888,370 | 84,216,147 | 85,671,301 | 87,102,910 | 88,379,398 |
| Total General Fund Expenses | 86,874,454 | 88,723,470 | 92,097,949 | 94,562,078 | 96,288,311 |
| <i>Salary</i> | 31,408,514 | 32,422,269 | 33,463,402 | 34,545,308 | 35,663,275 |
| <i>Benefit</i> | 12,821,410 | 12,842,447 | 13,405,704 | 13,752,326 | 14,294,535 |
| <i>Operating</i> | 24,325,095 | 26,541,921 | 26,282,596 | 26,686,474 | 27,005,092 |
| <i>Subsidy</i> | 7,940,571 | 10,241,966 | 11,311,769 | 11,146,023 | 11,725,029 |
| <i>Capital</i> | 6,439,304 | 3,219,652 | 3,799,189 | 4,635,011 | 3,290,858 |
| <i>Transfers / Debt</i> | 3,290,681 | 3,455,215 | 3,835,289 | 3,796,936 | 4,309,522 |

Additional Impacts

| | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|------------------|
| <i>Fund Balance Moved From Assigned</i> | | (408,000) | | | |
| <i>Fund Balance Moved to Assigned</i> | 648,879 | 0 | | | |
| <i>HazMat Vehicle</i> | | 408,000 | | | |
| <i>Library</i> | | ??? | ??? | ??? | ??? |
| <i>Children & Youth and CNRC</i> | | ??? | ??? | ??? | ??? |
| Unassigned Fund Balance | 33,877,508 | 29,370,185 | 22,943,537 | 15,484,369 | 7,575,455 |
| <i>Days of Fund Balance</i> | 134 | 111 | 87 | 59 | 29 |

Assumptions in the Projections

Projections are based on current trends

- Salaries – 3.2% increase for 2020-2024
 - Union contracts
 - Merit Based Compensation
 - Overtime
- Benefits - 22.9% increase for 2020, 0.16% increase for 2021, 3.6 % average yearly increase for 2022 - 2024
 - Medical Insurance is projected at 16% for 2020, 0% for 2021
 - Retirement is projected at 19.5% for 2020, 1.0% for 2021, average of 4.0% for 2022 - 2024
- Operating Expenses – (-1.0%) in 2020, 9.1% for 2021, 1.75% average yearly increase for 2022 - 2024
- Subsidy – 30.0% in 2020, 33.0% in 2021, (-4.0%) in 2022 and 7.5% in 2023-2024. No CNRC subsidy
- Capital is projected based on history and known capital projects

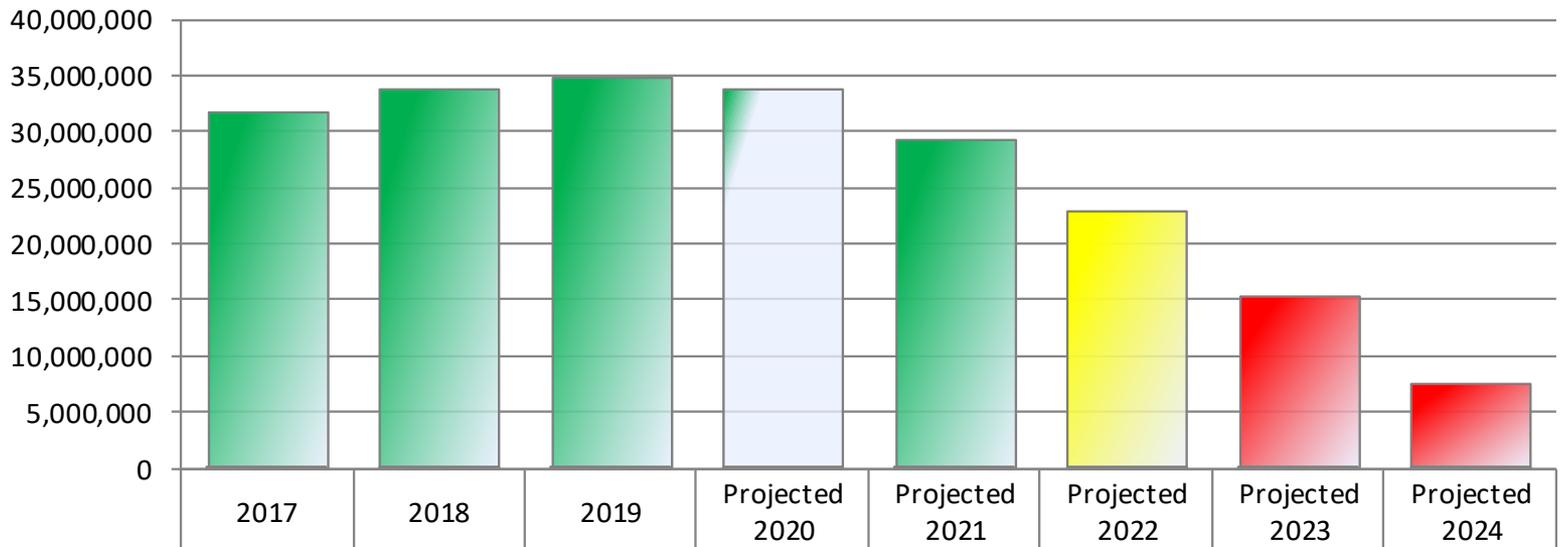
Assumptions in the Projections

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

- \$10 million bond in 2021 with first payment in 2022.
- \$7 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 assigned fund balance in the General Fund in addition to bond financing.
- P25 is in the development process and there is a high probability of change.
 - Project costs
 - Funding formula changes
 - Timing of projects
 - Material effect on the projections

General Fund Projections

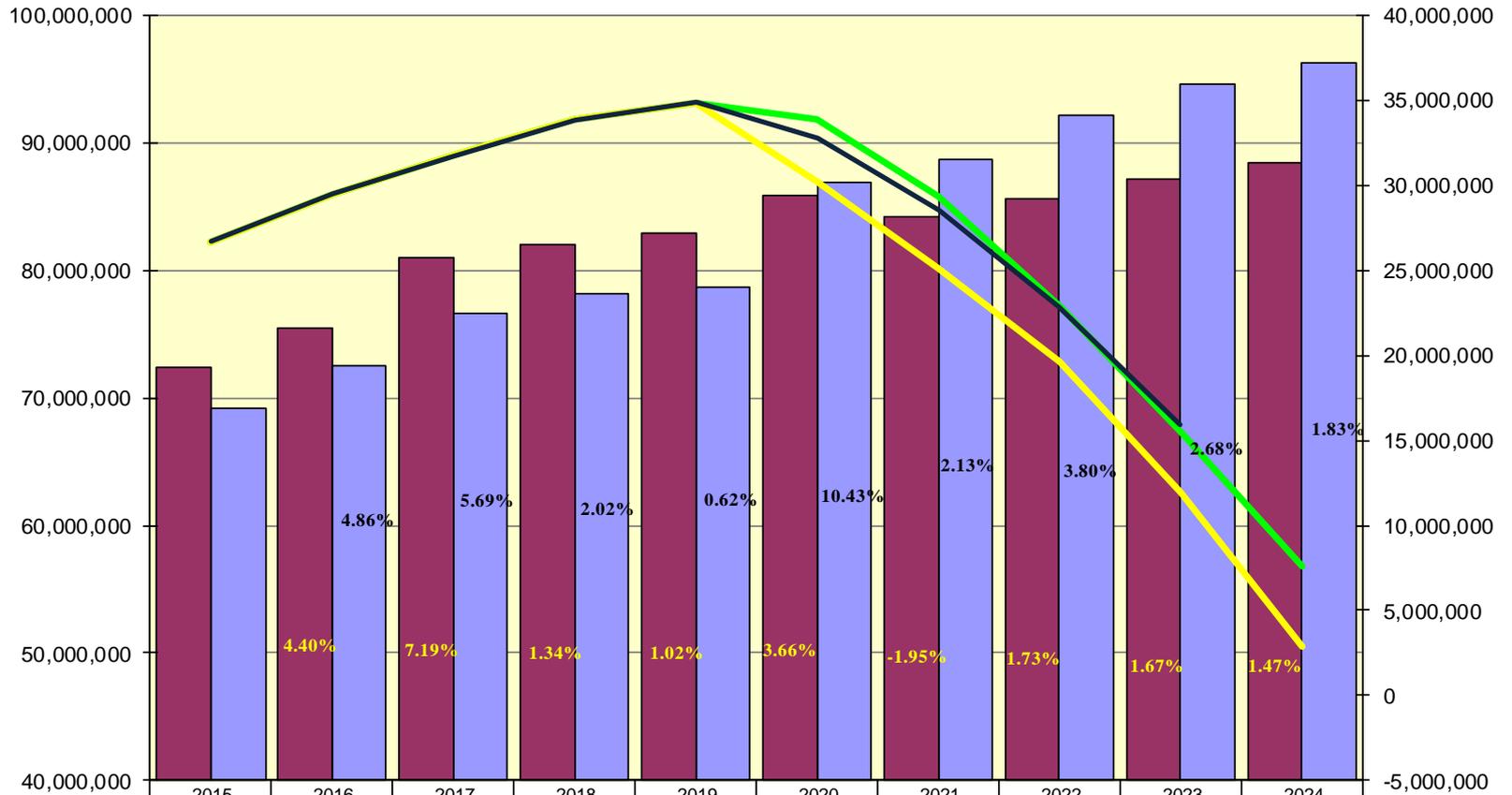
Unassigned Fund Balance



| | | | | | | | | |
|-------------------------|------------|------------|------------|------------|------------|------------|------------|-----------|
| Unassigned Fund Balance | 31,738,041 | 33,864,762 | 34,863,592 | 33,877,508 | 29,370,185 | 22,943,537 | 15,484,369 | 7,575,455 |
| Number of Days | 146 | 147 | 145 | 134 | 111 | 87 | 59 | 29 |

2023 is 11 days below our minimum cash flow needs

2015 Thru 2024 General Fund Actuals and Projections



| | | | | | | | | | | |
|------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Revenue | 72,328,838 | 75,510,004 | 80,938,811 | 82,024,947 | 82,858,747 | 85,888,370 | 84,216,147 | 85,671,301 | 87,102,910 | 88,379,398 |
| Expense | 69,147,998 | 72,511,511 | 76,635,632 | 78,182,918 | 78,670,022 | 86,874,454 | 88,723,470 | 92,097,949 | 94,562,078 | 96,288,311 |
| Revenue Change | 0.00% | 4.40% | 7.19% | 1.34% | 1.02% | 3.66% | -1.95% | 1.73% | 1.67% | 1.47% |
| Expense Change | 0.00% | 4.86% | 5.69% | 2.02% | 0.62% | 10.43% | 2.13% | 3.80% | 2.68% | 1.83% |
| Fund Balance (Aug 2020 Projection) | 26,672,683 | 29,468,205 | 31,738,041 | 33,864,762 | 34,863,592 | 33,877,508 | 29,370,185 | 22,943,537 | 15,484,369 | 7,575,455 |
| Fund Balance (Apr 2020 Projection) | 26,672,683 | 29,468,205 | 31,738,041 | 33,864,762 | 34,863,592 | 30,177,968 | 25,098,922 | 19,586,670 | 11,932,980 | 2,843,460 |
| Fund Balance (Aug 2019 Projection) | 26,672,683 | 29,468,205 | 31,738,041 | 33,864,762 | 34,863,592 | 32,758,922 | 28,579,691 | 22,812,824 | 15,960,311 | |

2020 – 2024 Fund Balance Projections

| <u>2020</u> | | <u>2021</u> | | <u>2022</u> | | <u>2023</u> | | <u>2024</u> | |
|---------------------|------|-------------|-------------|-------------|----|-------------|------|-------------|-------------|
| <u>No Change</u> | | | | | | | | | |
| 33,877,508 | ———— | 0% | 29,370,185 | ———— | 0% | 22,943,537 | ———— | 0% | 7,575,455 |
| | | | (4,507,323) | | | (6,426,648) | | | (7,908,914) |
| <u>Break - Even</u> | | | | | | | | | |
| 33,877,508 | ———— | 8.1% | 33,859,244 | ———— | 2% | 33,205,155 | ———— | 3% | 33,493,775 |
| | | | | | | | | 0% | 33,448,866 |

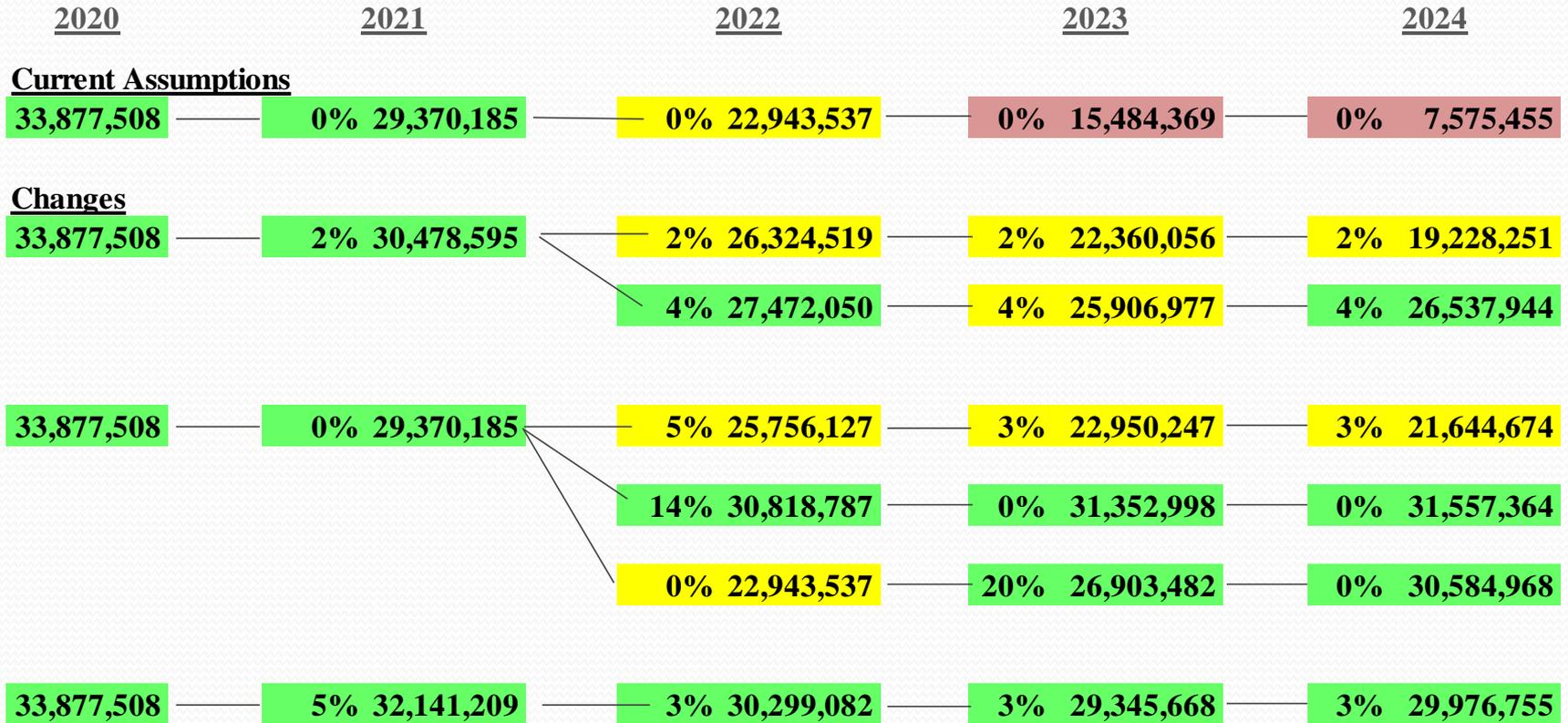
Black - Fund Balance
1% change = 555,000

Blue - Difference between revenue and expense
3% change = 1,664,000

5% change = 2,773,000

Change can be on-going change in expenses or revenues

2020 – 2024 Fund Balance Projections



Red Zone under 18,483,400
 Yellow Zone between 18,483,400 and 26,404,900
 Green Zone over 26,404,900 to 37,414,350

1% change = 555,000

3% change = 1,664,000

5% change = 2,773,000

2020 – 2024 Fund Balance Projections

| <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|----------------------------|----------------|---------------|---------------|---------------|
| Current Assumptions | | | | |
| 33,877,508 | 0% 29,370,185 | 0% 22,943,537 | 0% 15,484,369 | 0% 7,575,455 |
| Changes | | | | |
| 33,877,508 | 1% 29,924,390 | 0% 24,060,260 | 0% 17,172,048 | 0% 9,842,654 |
| 33,877,508 | -1% 28,815,980 | 0% 21,826,814 | 0% 13,796,690 | 0% 5,308,256 |
| 33,877,508 | 2% 30,478,595 | 0% 25,176,983 | 0% 18,859,726 | 0% 12,109,852 |
| 33,877,508 | -2% 28,261,775 | 0% 20,710,091 | 0% 12,109,012 | 0% 3,041,058 |

Red Zone under 18,483,400
 Yellow Zone between 18,483,400 and 26,404,900
 Green Zone over 26,404,900 to 37,414,350

1% change = 555,000

3% change = 1,664,000

5% change = 2,773,000



Additional Scenarios

CNRC Impacts to the General Fund

Scenarios for Projections

1. Current 2020 projections use current fund balance and requires no subsidy.
 - COVID-19 impacts
 - Census estimated average 238 (budgeted 267)
 - Medicare estimate average 5 (budgeted 16)
 - Unable to take admissions
 - Shut down services and visitation
 - Staffing – Overtime and Agency have increased
 - Additional stimulus funding received of \$2,696,369 is currently offsetting implications of COVID-19

CNRC Impacts to the General Fund

2. Current 2021 budget requires a \$2 million subsidy.
 - Assumption is it will take more than one year to fully rebuild the census.
 - Census budgeted 250
 - Medicare budgeted 10 or 4% of census
 - Medicaid flat funded (next increase expected 2024)
 - No stimulus funds budgeted
3. Current 2022 thru 2024 projections increases the \$2 million subsidy by 20% each year.

CNRC Impact to the General Fund

2020

2021

2022

2023

2024

Current Projections No CNRC Subsidy

1. **33,877,508** — **29,370,185** — **22,943,537** — **15,484,369** — **7,575,455**

CNRC - \$2 Million Subsidy Impact

2. **33,877,508** — **27,370,185** — **18,943,537** — **9,484,369** — **-424,545**

CNRC - \$2 Million with 20% inc each year Subsidy Impact

3. **33,877,508** — **27,370,185** — **18,543,537** — **8,204,369** — **-3,160,545**

Red Zone under 18,483,400

Yellow Zone between 18,483,400 and 26,404,900

Green Zone over 26,404,900 to 37,414,350

1% change = 555,000

3% change = 1,664,000

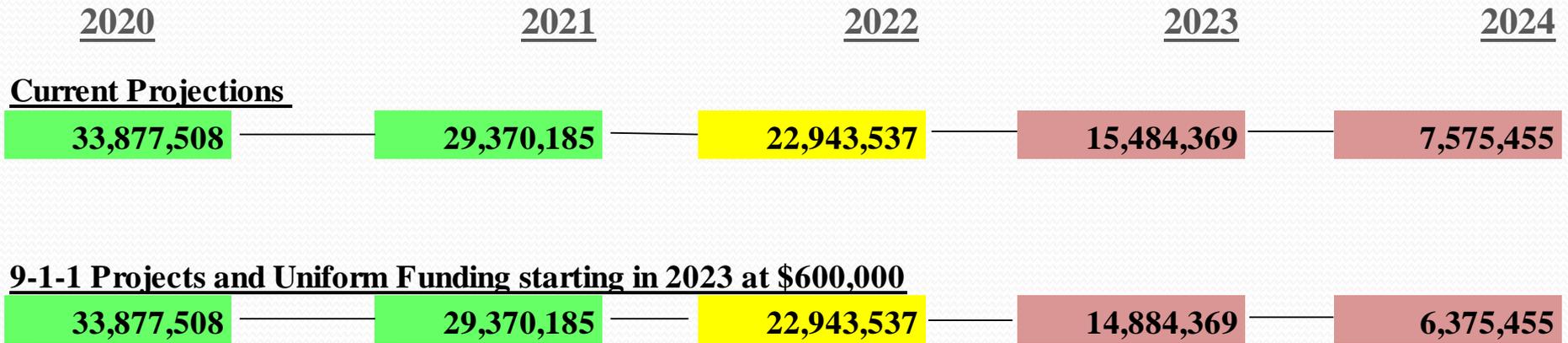
5% change = 2,773,000

9-1-1 Impacts to the General Fund

Starting in 2023 the projections have a \$600,000 decrease each year in the 9-1-1 Uniform Funding.

- The new funding formula has not been approved yet.
- All capital projects during the projection period are part of the P25 radio project.

9-1-1 Uniform Funding Impact to the General Fund



Red Zone under 18,483,400

Yellow Zone between 18,483,400 and 26,404,900

Green Zone over 26,404,900 to 37,414,350

1% change = 555,000

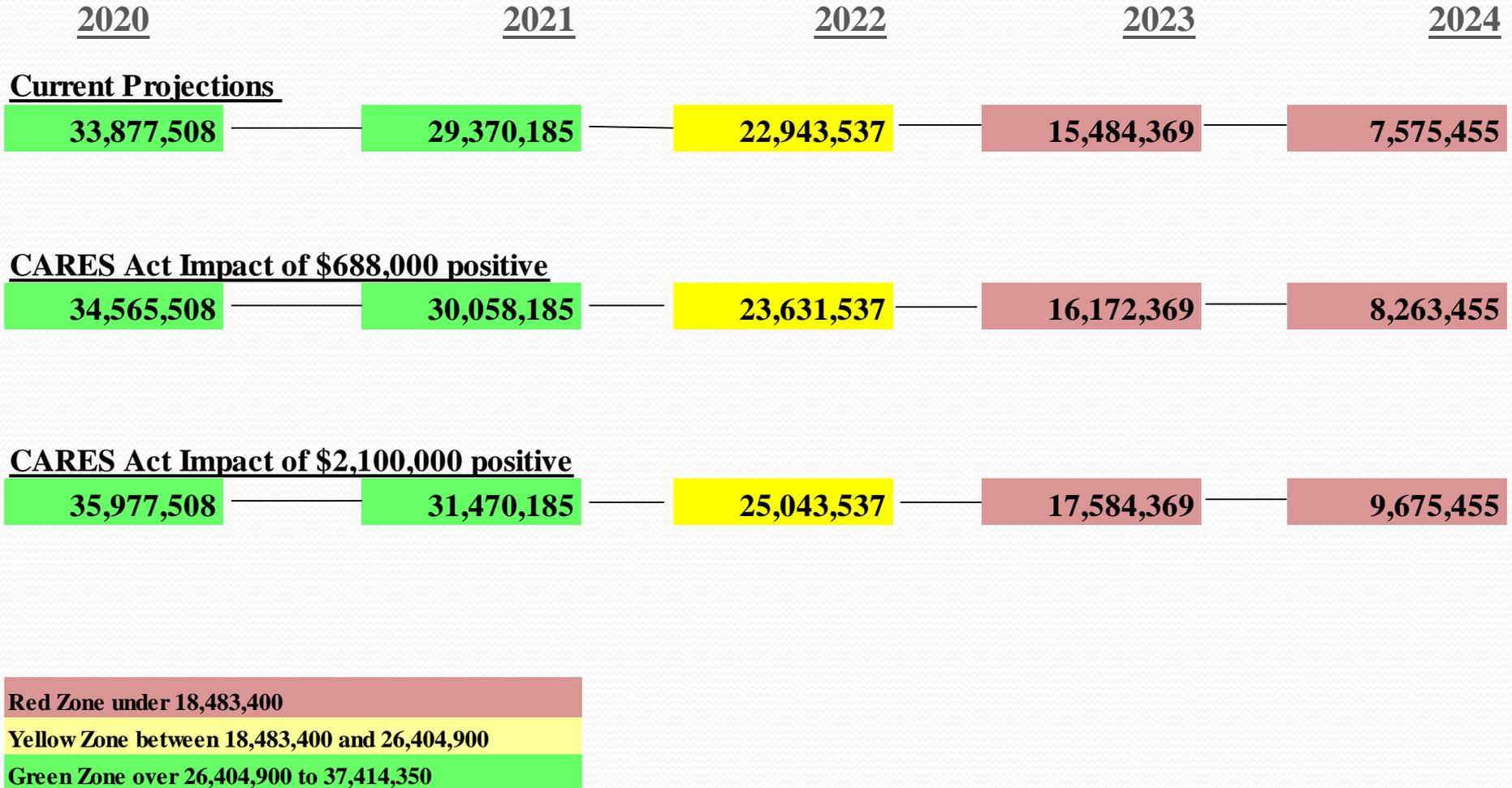
3% change = 1,664,000

5% change = 2,773,000

CARES Act Impacts to the General Fund

- The current County Relief Block Grant may provide additional funding beyond our current projections.
- The scenarios include a range of \$688,000 to \$2.1 million in additional funding to cover eligible expenses incurred.
- There is potential for additional funding to become available beyond the \$2.1 million.

CARES Act Funding Impact to the General Fund



1% change = 555,000

3% change = 1,664,000

5% change = 2,773,000

Combined Impacts to the General Fund

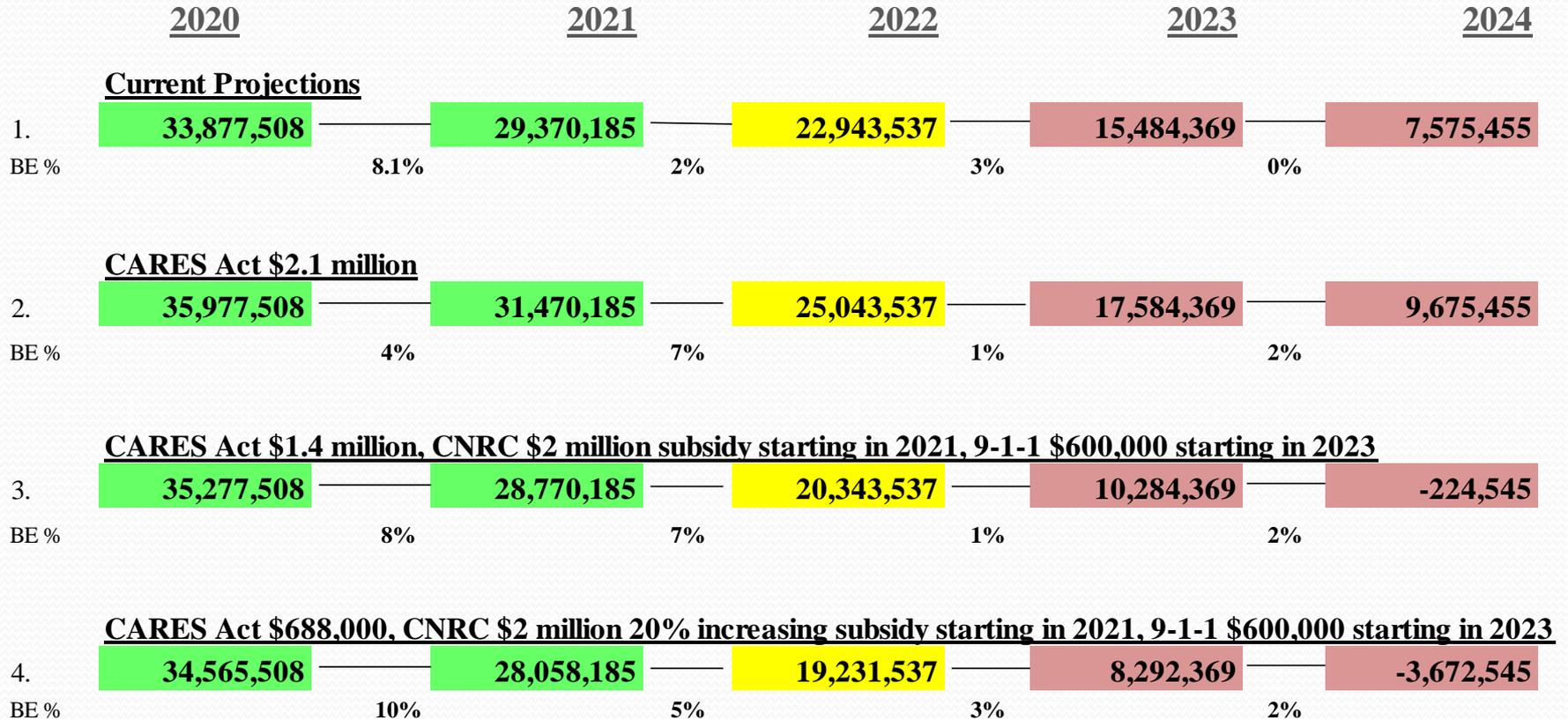
The projections include the combined impacts of the CNRC, 9-1-1, and CARES Act slide.

Scenarios

1. Current Projections
2. CARES Act with \$2.1 million to cover expenses incurred
3. CARES Act with \$1.4 million to cover expense incurred. CNRC \$2 million on-going subsidy beginning in 2021. 9-1-1 Uniform Funding decrease beginning in 2023 of \$600,000
4. CARES Act with \$688,000 to cover expense incurred. CNRC \$2 million beginning in 2021 with a 20% increase each year. 9-1-1 Uniform Funding decrease beginning in 2023 of \$600,000

The BE% is the breakeven percentage to maintain approximately a \$33.8 million fund balance thru 2024

Combined Impacts to the General Fund



Red Zone under 18,483,400

Yellow Zone between 18,483,400 and 26,404,900

Green Zone over 26,404,900 to 37,414,350

1% change = 555,000

3% change = 1,664,000

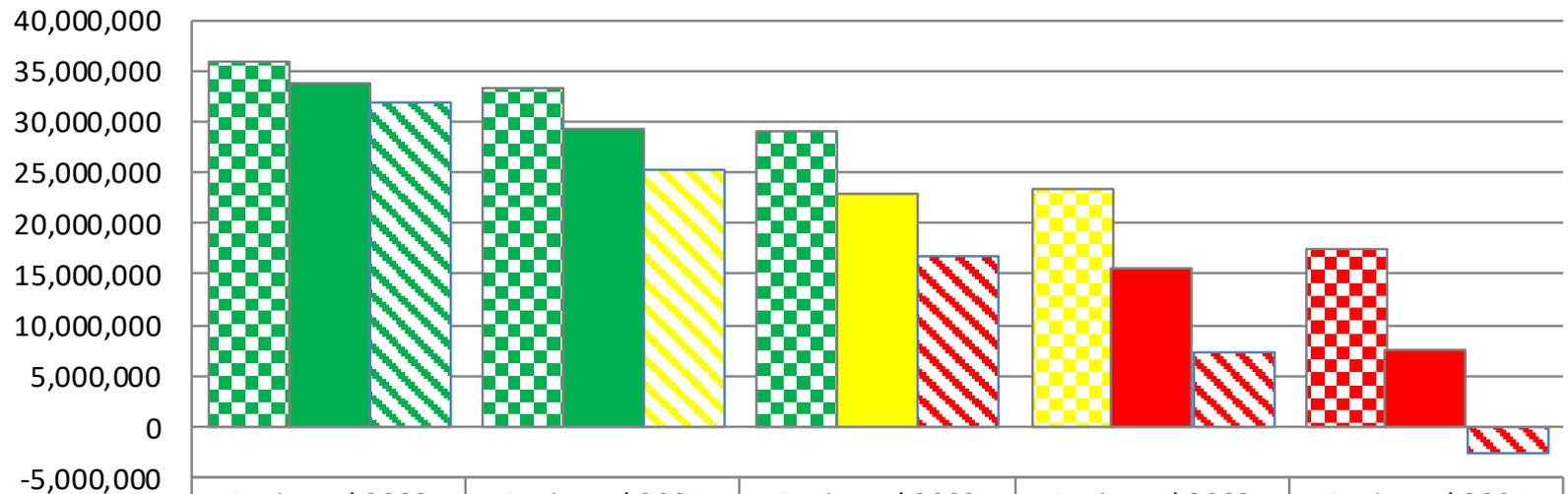
5% change = 2,773,000



Impact of On-Going Changes

Impact of On-Going Changes

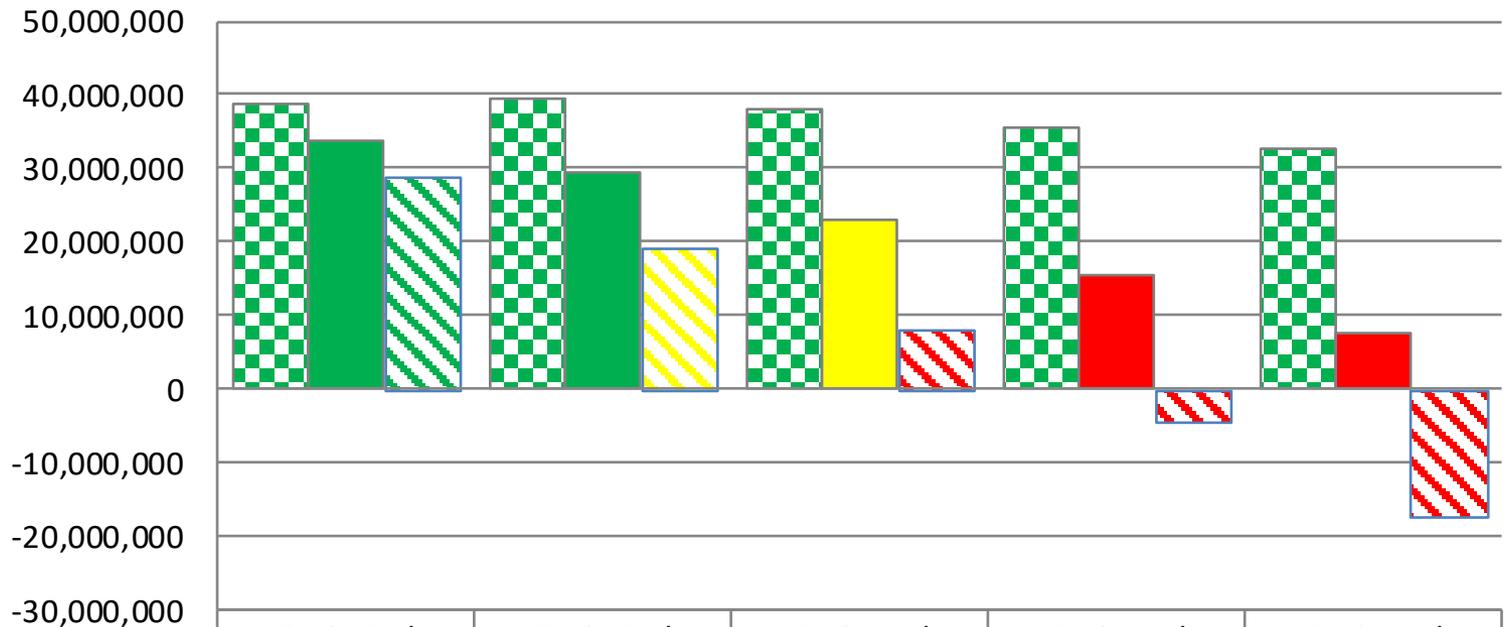
Unassigned Fund Balance +/- \$ 2 Million Change



| | Projected 2020 | Projected 2021 | Projected 2022 | Projected 2023 | Projected 2024 |
|--------------------------|----------------|----------------|----------------|----------------|----------------|
| 2 Million Dollar Change | 35,877,508 | 33,370,185 | 28,943,537 | 23,484,369 | 17,575,455 |
| Current Projections | 33,877,508 | 29,370,185 | 22,943,537 | 15,484,369 | 7,575,455 |
| -2 Million Dollar Change | 31,877,508 | 25,370,185 | 16,943,537 | 7,484,369 | -2,424,545 |

Impact of On-Going Changes

Unassigned Fund Balance +/- \$ 5 Million Change



| | Projected 2020 | Projected 2021 | Projected 2022 | Projected 2023 | Projected 2024 |
|--------------------------|----------------|----------------|----------------|----------------|----------------|
| 5 Million Dollar Change | 38,877,508 | 39,370,185 | 37,943,537 | 35,484,369 | 32,575,455 |
| Current Projections | 33,877,508 | 29,370,185 | 22,943,537 | 15,484,369 | 7,575,455 |
| -5 Million Dollar Change | 28,877,508 | 19,370,185 | 7,943,537 | -4,515,631 | -17,424,545 |

Comparative Tax Rate

| Benchmark Counties | 2019 Class | 2019 Population | 2019 Real Estate Tax | Average Tax per Household | Median Household Income | 2019 Average Tax per Household per Median Household Income | 2019 Property Tax per Capita |
|--------------------|------------|-----------------|----------------------|---------------------------|-------------------------|--|------------------------------|
| Dauphin | 3 | 278,299 | \$ 105,926,477 | \$586 | \$58,916 | 0.99% | \$381 |
| Luzerne | 3 | 317,417 | \$ 120,506,548 | \$565 | \$51,646 | 1.09% | \$380 |
| Lackawanna | 3 | 209,674 | \$ 79,153,746 | \$607 | \$50,875 | 1.19% | \$378 |
| York | 3 | 449,058 | \$ 162,929,137 | \$661 | \$63,902 | 1.03% | \$363 |
| Berks | 3 | 421,164 | \$ 145,321,065 | \$623 | \$61,522 | 1.01% | \$345 |
| Northampton | 3 | 305,285 | \$ 99,769,639 | \$580 | \$67,565 | 0.86% | \$327 |
| Chester | 3 | 524,989 | \$ 167,468,897 | \$643 | \$96,726 | 0.66% | \$319 |
| Erie | 3 | 269,728 | \$ 81,960,521 | \$459 | \$49,716 | 0.92% | \$304 |
| Lehigh | 3 | 369,318 | \$ 108,673,445 | \$537 | \$62,178 | 0.86% | \$294 |
| Westmoreland | 3 | 348,899 | \$ 83,353,745 | \$367 | \$58,866 | 0.62% | \$239 |
| Lancaster | 3 | 545,724 | \$ 122,914,746 | \$412 | \$63,823 | 0.65% | \$225 |
| Cumberland | 3 | 253,370 | \$ 53,750,856 | \$370 | \$68,895 | 0.54% | \$212 |

Comparative Tax Rate

| Benchmark Counties | Class | 2019 Population | 2019 Real Estate Tax | Average Tax per Household | Median Household Income | 2019 Average Tax per Household per Median Household Income | 2019 Property Tax per Capita |
|--------------------|----------|-----------------|----------------------|---------------------------|-------------------------|--|------------------------------|
| Adams | 5 | 103,009 | \$39,641,070 | \$942 | \$64,507 | 1.46% | \$385 |
| Dauphin | 3 | 278,299 | \$105,926,477 | \$586 | \$58,916 | 0.99% | \$381 |
| York | 3 | 449,058 | \$162,929,137 | \$661 | \$63,902 | 1.03% | \$363 |
| Franklin | 4 | 155,027 | \$43,430,742 | \$666 | \$59,713 | 1.12% | \$280 |
| Lebanon | 5 | 141,793 | \$33,477,672 | \$588 | \$59,114 | 0.99% | \$236 |
| Lancaster | 3 | 545,724 | \$122,914,746 | \$412 | \$63,823 | 0.65% | \$225 |
| Cumberland | 3 | 253,370 | \$53,750,856 | \$370 | \$68,895 | 0.54% | \$212 |
| Perry | 6 | 45,969 | \$9,334,340 | \$516 | \$62,266 | 0.83% | \$203 |



Commissioners:

Gary Eichelberger

Jean Foschi

Vincent T. DiFilippo

Acting Chief Clerk:

Stacy M. Snyder

Chief Financial Officer:

Dana L. Best

October 2020 Financial Analysis Committee Presentation

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