

2020 ADAMS COUNTY BUDGET

Budget Overview

Dear Board of County Commissioners and Adams County Residents:

The Finance Team is pleased to present a balanced budget for 2020 to the Board of Commissioners and Adams County citizens. Our budget indicates a healthy budget, steady growth, decreased debt, strong cash reserves and a positive outlook. Services to the citizens of Adams County is our primary goal. This budget was balanced using a modest amount of reserves and a collaborative effort from all the County and Court departments. Finally, the leadership from the Board of Commissioners and in accordance with the Commonwealth of Pennsylvania County Code and Adams County budget and fiscal policies.

Moreover, this budget embodies the organizational core values, strategic goals and planning efforts by the Commissioners to provide an overall better quality of life in Adams County. By providing a more efficient government; preserving agriculture and growing our economy; utilizing the criminal justice system; delivering emergency preparedness; and fostering healthy communities, these all encompass the elements of a successful strategic plan represented in Adams County, Pennsylvania's 2020 Adopted Budget.

Our budget format is presented in summary by three sections; the General Fund; the Special Revenue Funds; and Special Funds. For each section you will find Funding Sources and Expenditures broken out by function type according to Governmental Accounting Standards Board. (GASB).

First, an aggregate view for all budgeted funds (services) for 2020 where revenues and expenditures total \$70.9 million. This includes utilizing 2 million of reserves, leaving \$172,134 as a transfer out for contribution to Capital. The County has other funds that we are not required to budget for and are identified on page 50.

General Fund

The County's largest major fund; the General Fund, includes all operations except for what makes up the Special Revenue Funds and Special Funds. The General Operating Fund Revenues adopted in 2020, excluding transfers and appropriated fund balance, totaled \$50.4 million, a 1.0% increase over the 2019 adopted General Fund.

There are twenty-nine departments/programs/division that make up the General Fund services. These include: Building and Maintenance, County Complex, Clerk of Courts, Commissioners, Controller, Cooperative Extension, Coroner, Court Administration, District Attorney, Elections/Voter Registration, Emergency Services, Finance/Purchasing, Human Resources, Information Technology, Planning and Development, Conservation District, Protective Inspections, Prison, Central Processing, Prothonotary, Public Defender, Register/Recorder, Security, Sheriff, Solicitor, Tax Services, Treasurer, Veteran's Affairs, and Victim Witness. The County allocates all salaries and benefits directly to their perspective program.

Including net transfers, the General Fund for 2020, produced a negative contingency reserve of \$1.8 million, while anticipating \$2 million from fund balance reserves, ending up with a positive contribution to capital of \$172,134. This includes covering the subsidy for the special funds.

While reviewing the financial metrics of the County, it was determined since the County has a solid and healthy Fund Balance, to utilize a modest portion toward 2020's budget and waive a tax increase this year.

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Highlights of the **General Fund revenue** increases are primarily due to the following factors:

- The largest noticeable increase with revenues is attributed to the Adams County Adult Correctional Facility. Last year the County researched rates for housing Federal inmates. A study showed the County's rate was on the low end in comparison to other like facilities and therefore, suggested the County look into requesting a rate increase. The rate increase has been granted and the 2020 budgeted revenues have increased from 2019 to 2020 by \$309,000.
- Court Administration encompasses all court combined departments representing an increase in revenues of \$289,000 primarily due to an increase in County fines and fees. The County continues to review their revenues looking for potential increases based on trend analysis. Departments are routinely reviewing and increasing their fees for Charges for Services. The results are reflected in the increase charges for services throughout this budget in various departments. For example, the collaborative efforts have produced more accurate budgeted revenues in the Treasurer's Office and Clerk of Courts Office. Keeping a close eye on the market with respect to declining interest rates, we still found we were understating interest income and therefore we able to make positive adjustments with revenues.

Highlights of the **General Fund expenditure** increases are primarily due to the following programs:

- From 2019 to 2020, the Adams County Court Programs show an increase in budgeted expenditures of approximately \$1 million dollars or approximately 11% due primarily to the restructuring initiative. In addition to the initiative that began in 2019, the Courts added several new positions based on caseload and demand. This was accomplished through strategic goals and planning, for example, by adding two new probations officers that are skilled in utilizing effective assessment tools to identify low risk offenders and prison alternatives. The true impact of this initiative is represented between 2019 and 2020 budgets. Finally, in 2020 two more tip staff positions were added to the pool to increase efficiencies with court processes. Part of the restructure included rolling into the Courts Budget the Law Library, a budget by itself is approximately \$160,000.
- In 2020, the Adams County Adult Correctional Complex saw a 4% increase, approximately \$535,000 over 2019. The primary share of this increase is due to health insurance rate increases. Other areas that increased over 2019 are Professional Services, Contracted Services and salary adjustments. The facility is now over 16 years old and is starting to require upkeep maintenance and several contracts have increased. Also, the food service contract increased. Given this facility is 24/7 operation, the County is continuously managing various challenges such as employee turnover, union contracts, overtime, and general maintenance cost to maintain.
- Information Technology increased by \$339,000, or 27% over 2019 due to department restructuring and contracted services. Technology is a fast-growing industry and resources are needed to keep software and hardware up to date.

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Special Revenue Funds

The County's Special Revenue Funds are made up of the following services: 911 Telecommunications, Children & Youth Services, and Hazardous Materials. Total aggregate revenues adopted for 2020 Special Funds are \$14.3 million (includes subsidy from General Fund of \$3.1 million) a slight increase in revenues over 2019 of \$373,000, or approximately 3%. The following program is a driving factor for the increase:

- The Children and Youth Services program increased revenues by \$250,000 primarily due to an increase in the following state programs: Act 148; Truancy Prevention Grant and EBG-Family Finding. In turn the special fund expenditures also increased causing the subsidy from the General Fund to increase over last year by \$113,708.

Special Revenues Fund	2019	2020	Variance
911 Telecommunications	2,228,434	2,182,159	(46,275)
Children & Youth Services	8,184,807	8,435,543	250,736
Independent Living	408,655	465,105	56,450
Hazardous Materials	65,326	63,899	(1,427)
	10,887,222	11,146,706	259,484
<i>General Fund Subsidies</i>	<i>3,036,661</i>	<i>3,150,369</i>	<i>113,708</i>
Total Special Funds	\$ 13,923,883	\$ 14,297,075	\$ 373,192

Other Special Funds

Overall the 2020 Adams County Special Funds adopted budget, compared to the 2019 Special Funds adopted budget, shows an overall increase of approximately \$267,000 in revenues and \$267,000 in expenditures. Under this section, the County budgets for the Act 13 Bridge Improvements and the Liquid Fuels grant. Both are federal funds focused on improving and maintaining the 42 County- owned bridges. Each year the County Engineer will evaluate and identify any needed improvements and projects relating to the bridges. The increase in revenues and expenses are a result of the wear and tear that the County bridges face every day whether it is accidents or the weather that affect the bridges.