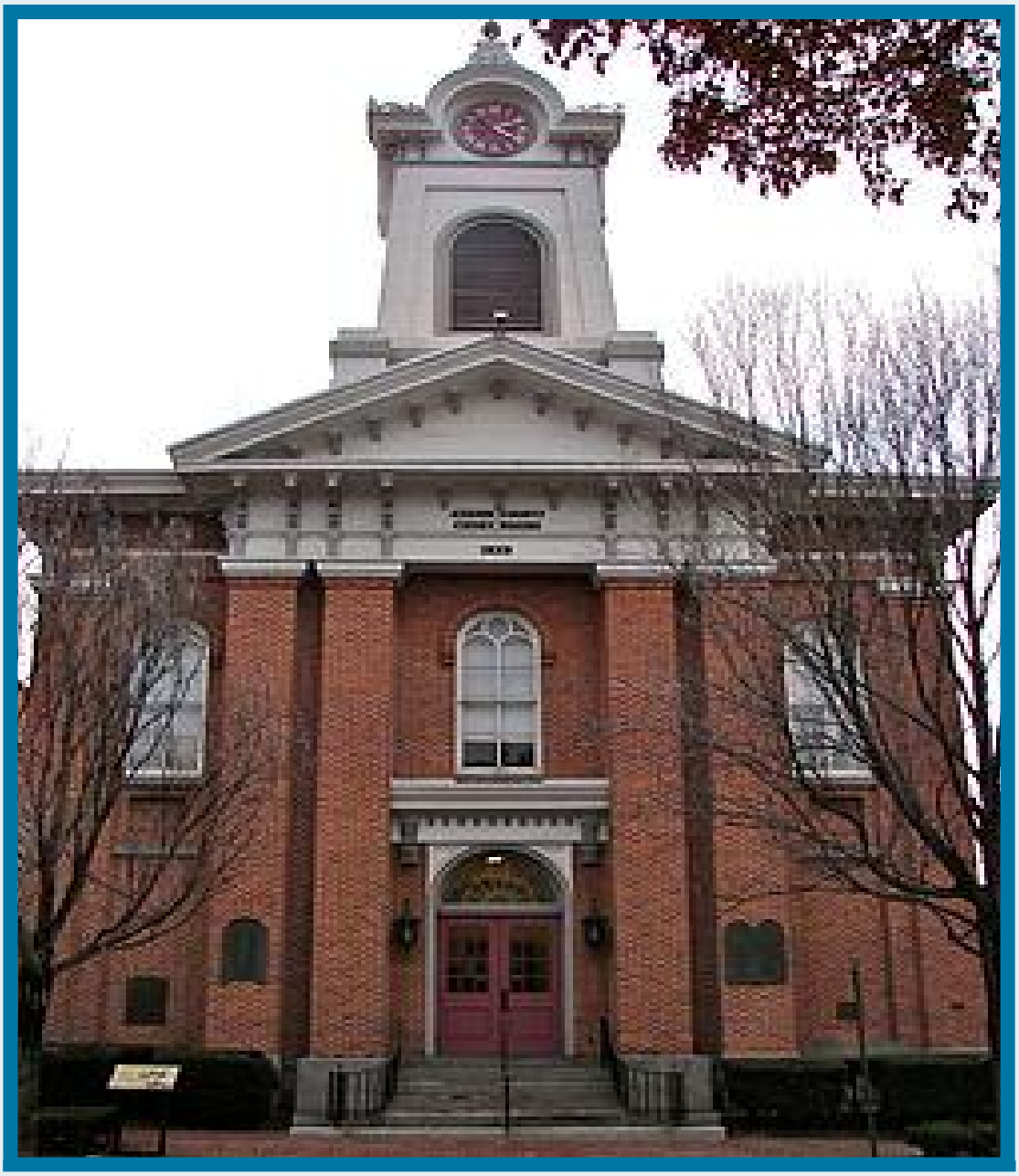
COUNTY OF ADAMS, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2017



PREPARED BY THE OFFICE OF THE CONTROLLER

STEVEN W. RENNER, CONTROLLER

TABLE OF CONTENTS

COUNTY OF ADAMS, PENNSYLVANIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION
Letter of Transmittal 1
County of Adams Organizational Chart 7
County of Adams Listed of Elected Officials 8
Map of Adams County 9
FINANCIAL SECTION
Independent Auditor's Report 10
Management's Discussion and Analysis 13
Basic Financial Statements 28
- Statement of Net Position 29
- Statement of Activities 30
- Balance Sheet – Governmental Funds 31
- Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position 33
- Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) Governmental Funds 34
- Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities 35
- Statement of Fund Net Position – Proprietary Funds 36
- Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds 37
- Statement of Cash Flows- Proprietary Funds 38
- Statement of Fiduciary Net Position – Fiduciary Funds 39
- Notes to Financial Statements 40

Required Supplementary Information 78
- Schedule of Funding Progress for Postemployment Benefits Other than Pensions 79
- Schedules of Changes in the County's Net Pension Liability and Related Ratios – Last 10 Years 80
- Schedule of County Contributions – Last 10 Years 81
- Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – General Fund 82
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Children and Youth Fund 83
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual - Managed Care Fund 84
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – 911 Fund 85
- Notes to Required Supplementary Information 86

COUNTY OF ADAMS, PENNSYLVANIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017

TABLE OF CONTENTS (CONTINUED)

Page

Other Supplementary Information 88
Combining and Individual Fund Financial Statements and Schedules 89
Combining Balance Sheet – Nonmajor Governmental Funds 91
Combing Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit) – Nonmajor Governmental Funds 93
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Liquid Fuels 95
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Domestic Relations 96
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Hazardous Materials 97
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Act 13 Bridge Improvements 98
Combining Statement of Changes in Assets and Liabilities – Agency Funds 99
Combining Statement of Changes in Assets and Liabilities – Row Offices 100
Combining Balance Sheet – Agency Funds 101

STATISTICAL SECTION 102
Net Position by Component – Last Six Years 103
Net Assets by Component – Previous Four Years 104
Changes in Net Position – Last Six Years 105
Changes in Net Assets – Previous Four Years 107
Governmental Activities Tax Revenues by Source – Last Ten Years 109
Fund Balances of Governmental Funds – Last Ten Years 110
Changes in Fund Balances of Governmental Funds – Last Ten Years 111
General Governmental Expenditures by Function –Last Ten Years 112
General Governmental Revenues by Source – Last Ten Years 113
Governmental Funds Tax Revenues by Source – Last Ten Years 114
Property Values – Last Ten Years 115
Assessed and Estimated Actual Value of Taxable Property – Last Ten Years 116
Real Estate Millage Rates – Direct and Overlapping Governments – Last Ten Year 117
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years 118
Principal Property Taxpayer 119
Real Estate Taxes Levied and Collected – Last Ten Years 120
Ratio of Outstanding Debt by Type 121
Ratio of Outstanding Debt to Assessed Value of Real Estate and General Obligation Debt Per Capita – Last Ten Years 122
Direct and Overlapping Governmental Activities Debt 123
Computation of Legal Debt Margin – Last Ten Years 126

COUNTY OF ADAMS, PENNSYLVANIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017

TABLE OF CONTENTS (CONTINUED)

Page

Demographic and Economic Statistics – Last Ten Years 128
Principal Employers – Current Year and Nine Years Ago 129
Employees by Function/Program- Last Ten Years 130
Operating Indicators by Function – Last Ten Years 131
Capital Asset Statistics by Function – Last Ten Years 132

ADAMS COUNTY CONTROLLER

Steven W. Renner, Controller

COURTHOUSE, ROOM 207B

117 BALTIMORE STREET, GETTYSBURG, PA 17325

TELEPHONE: 717-337-9805

July 27, 2018

To the Citizens of the County of Adams, Pennsylvania:

I am pleased to present the comprehensive annual financial report of the County of Adams, Pennsylvania for the fiscal year ended December 31, 2017. This CAFR was prepared by the office of the County Controller with assistance from County officials. The County's management assumes full responsibility for the completeness and reliability of the information contained in this report. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the County in accordance with generally accepted accounting principles. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

Management of the County is responsible for establishing and maintaining internal controls designed to ensure that the assets of the County are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles general accepted in the United States of America. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgements by management.

The comprehensive annual financial report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the County's organizational chart, a list of the County's principal officials, and a map of Adams County. The financial section includes the independent auditor's report, Management's Discussion and Analysis (MD&A), the basic financial statements, required supplementary information and the combining and individual fund financial statements and schedules for the year ended December 31, 2017. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

The County's financial statements have been audited by the certified public accounting firm of Zelenkofske Axelrod LLC. The independent certified public accounting firm has issued an unmodified opinion on the County's financial statements as of and for the year ended December 31, 2017. The auditor's report is located at the beginning of the financial section of this report.

Generally Accepted Accounting Principles (GAAP) requires management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County of Adams' MD&A can be found immediately following the report of the independent auditors.

This report is designed to furnish information to various users including creditors, investors, government officials and the general public. Its express purpose is to represent the County's financial condition and the financial consequences of operations for the year ended December 31, 2017.

PROFILE OF THE COUNTY

Introduction

The County of Adams is a fifth class county created on January 22, 1800 from part of York County, and named in honor of President John Adams. The County, with a total of 522 square miles, is situated in the south-central part of the Commonwealth of Pennsylvania along the Mason-Dixon Line. Harrisburg, the state capital, is located 36 miles north of Gettysburg. The outer suburbs of Washington, D.C. and Baltimore are within an hour's drive from many communities. Surrounding counties include Cumberland, Franklin and York in Pennsylvania, and Carroll and Frederick counties in Maryland.

The County's character is primarily residential and rural in nature. Gettysburg, which is the economic center of the County, is surrounded by countryside rich in visual beauty and encompasses some of the East Coast's most productive agricultural area. The fruit industry has been an important part of Adams County since the mid-1800's. Adams County ranks first in the State for apple production, and 6th in the nation.

The County is governed by an elected Board of Commissioners consisting of three members elected to four year terms. The Commissioners are the responsible managers and administrators of the County's fiscal affairs. County Code provides for the elected Controller to act as a "check and balance" on County management and administrators by supervising the County's fiscal affairs by keeping the books, auditing, settling and adjusting accounts, and reporting the County's financial results. The Treasurer is elected to receive and receipt all monies due or accruing to the County including the deposit and investing of surplus funds. The Court of Common Pleas is part of the Unified Judicial System provided for by the Pennsylvania Constitution. Court related row offices include the Coroner, Clerk of Courts, District Attorney, Prothonotary, Recorder of Deeds and Register of Wills and Sheriff.

This CAFR includes all funds of the County. The County provides its residents with a variety of services in areas such as 911 emergency operations, prison, courts, probation, bridge maintenance, planning and conservation, and human services which include children services, domestic relations and mental health and intellectual and developmental disabilities. In addition to general County activities, the Commissioners have financial accountability for the Adams County Conservation District and the Adams County Industrial Development Authority. Therefore, these component units are included in the reporting entity. The County Commissioners are also responsible for appointing the members of the boards of a number of other authorities and advisory boards, but the County's accountability for these organizations does not extend beyond the appointments. (See Note 1 to the financial statements.)

Local Economy

Adams County is located in one of the fastest growing regions in Pennsylvania. As of 2016, Adams County ranked 31st in the state with a population of 102,180 people. The median age of a county resident is 43.6 years (Source: U.S. Census Bureau).

The unemployment rate in 2017 was 3.2% compared to the state unemployment rate of 5.2%. Manufacturing, Healthcare & Social Assistance, and Accommodation & Food Services are the County's top three industries. Adams County's per capita personal income is $45,853. The county is ranked 16th in the state and is 90 percent of the state average, $50,742, and 93 percent of the national average, $49,246. (Source: 2016 data from the U.S. Department of Commerce, Bureau of Economic Analysis).

Tourism is strong in Adams County. Tourism generates approximately $686 million in visitor spending and supports a workforce of over 7,700 employees. More than 3.5 million people visit annually from all over the world. In addition to the battlefields and Civil War attractions, there are many other attractions that Adams

County has to offer. The County has over 31,000 acres of State and Federal land which includes Michaux State Forest, Gettysburg National Military Park, and State Game Lands. Adams County has over 14,000 acres of orchard land. The Adams County Fruitbelt contains a unique combination of soils, slopes, and micro-climate that has been recognized as prime land for orchards. Another growing sector of the Agro-Tourism Industry in Adams County is the production of wine, beer, cider and distilled spirits. The soils in the Fruitbelt are not only good for tree fruit, but also grapes. There are several established "Trails" in the region which showcase the area's history, agriculture and local economy.

Long-Term Financial Planning

The County adopted a formal Fund Balance Policy in 2010. The County recognizes the significance of maintaining an appropriate level of fund balance as one component of sound financial management. An adequate fund balance level is an essential element in both short-term and long-term financial planning, and serves to mitigate future risks, sustain operations during economic downturns, and enhance credit worthiness. The unassigned fund balance in the general fund was 48% of total general fund revenues at December 31, 2017. Through the maintenance of an adequate level of fund balance, the County can help stabilize funding for operations, stabilize taxes and fees, and realize cost savings.

The County's bond rating was upgraded by Moody's Investors Service to Aa2 with a stable outlook in 2017.

Budget

The County of Adams is required to adopt an annual budget no later than December 31 of the previous year. Public meetings are conducted on the proposed budget and made available for 20 days prior to the final adoption. Activities of the general fund and certain special revenue funds are included in the annual appropriated budget. The Commissioners may at any time, by resolution, make supplemental appropriations for any lawful purpose. The County maintains budgeting control at the individual fund level. Unexpended appropriations lapse at year-end.

In 2017, management was tasked to reduce expenses such as rent, over-time, contracted services and right-sizing operations in order to balance the budget with flat revenue. Management continues to look for areas to reduce spending and maximize revenues.

Major Initiatives

Adams County Courts

On-going positive improvements within the Adams County Court of Common Pleas; and its related offices; is something that has become expected by our staff, current stakeholders and the community at large over the last several years. The Court continues to be committed to the fair and impartial administration of justice; the protection of constitutional and statutory rights and liberties; equal access to justice for all in a safe and dignified environment; the efficient, effective and accountable resolution of disputes; and the prompt and courteous service to the public by committed and dedicated professionals utilizing best practices in a manner that inspires public trust and confidence.

As part of recent strategic planning efforts, each court related department (Court Administration (including the Courts), District Magistrates, Domestic Relations, Operational Services, and Probation Services) was asked to continue the self-examination that began with the Assessment and Transformation Project in 2010 and to formulate overall goals for their on-going operations. New objectives are always being identified by these departments and they guide each agency toward successful completion of their stated projects and goals in an efficient and economical manner.

The following is a description of the major initiatives that were started, worked on, and/or completed in 2017 by the various agencies that make up the Adams County Court system:

Video Conferencing Project

In 2017, the Court, in consultation with a multi-disciplinary team of stakeholders, leased and implemented a new video conferencing environment which included new equipment being located at the Adams County Courthouse and the Adams County Adult Correctional Complex (ACACC). This environment was established to reduce the number of prisoner transports for certain Court proceedings, which accomplishes:

1. Better safety and security for the public-at-large, as prisoners remain within their secure setting, eliminating the chance of escape during transport.
2. Decreased risk of injury to Prison and Sheriff staff, who have to prepare prisoners for discharge from the ACACC, to transport prisoners to the Courthouse, house the prisoners in the Courthouse (in potentially overcrowded conditions), return the prisoners to the ACACC and intake the prisoners back into the ACACC.
3. Reduce the number of staff hours dedicated to the activity described in #2, which allows for better management of human resources available to the ACACC and to the Sheriff's Office.
4. Reduces interruption to ACACC prisoner programming by eliminating discharge (and re-entry) of the prisoner from the facility and allowing more concise targeting of the time necessary for Court hearing (as opposed to prisoners being transported to the Courthouse and possibly waiting all day for a hearing that may take 5 minutes).

Transcript Production

In 2017, the Supreme Court of Pennsylvania adopted rules that required the Court and Court Administration to develop new procedures for managing requests for and production of transcripts. This labor-intensive procedure was developed with no funding for staff ("unfunded mandate") but impacted the Common Pleas Judges, the Court Reporters, Court Administration, and three filing offices (Clerk of Courts, Prothonotary and Domestic Relations section), as well as attorneys, agencies and individuals who would seek to obtain a transcript. These changes took the former process of Court Reporters dealing directly with requestors and made the process more transparent and accountable, albeit with more work involved. The new process requires Court Administration to track and report all information related to transcript production back to the Administrative Office of Pennsylvania Courts. In order to do so, all requests now pass through the hands of Court Administration, while payment for transcripts must pass through the hands of the appropriate filing office. Despite the difficulty in managing this process, Court Administration has been able to track transcript production as required under the Supreme Court Rules.

E-Citation Program

A major initiative in 2017, which originated through the Adams County Criminal Justice Advisory Board, was the E-Citation and Information Sharing program involving local law enforcement throughout the county. The objective of the initiative was to equip each vehicle in the county with e-citation software to allow officers on the street to scan both driver's licenses and vehicle registration into a computer in the police vehicle and print a typewritten copy of the citation to a violator. This initiative substantially decreased the time required in filing citations, increased data accuracy and generate a clean printed copy without the issues usually found on a handwritten citation. Additionally, this initiative provided internet access to law-enforcement vehicles that were not already equipped with such technology by installing new laptops.

After a citation is issued, the e-citation solution electronically sends the data to the Magisterial District Judge, so no data entry is required or false interpretation of handwriting occurs. This electronic sharing has shown to save court time and improve accuracy since its initial implementation in the fall of 2017. At this time 13 of the 16 law enforcement agencies are utilizing the e-citation system in Adams County. Funding was secured in 2017 from the Pennsylvania Commission on Crime and Delinquency to initiate this project.

Planning

The Adams County Office of Planning and Development strives to provide for economic vitality in balance with the environmental integrity of the community. Our knowledgeable staff achieve this goal by focusing their skills on long-range visioning in the preparation of planning tools that address development design quality through engaging comprehensive planning, appropriate ordinance preparation and implementation strategies. Planning initiatives focus on advocacy for the community and municipal governments in relation to desired development strategies and resource conservation in Adams County.

Adams County Agricultural Land Preservation Program

The Adams County Agricultural Land Preservation Program was created in 1990 to conserve and protect viable agricultural lands in Adams County to assure that farmers will have sufficient land available for agricultural production. Purchased with State and County funds, a Conservation Easement will prevent the development or improvement of the land for any purpose other than agricultural production in perpetuity. With Agriculture and Tourism being the top industries in Adams County it makes good planning sense to preserve and protect these valuable lands and view sheds.

Through 2017 we have protected 21,500 acres of land on 176 farms. In addition, we work closely with the Land Conservancy of Adams County, which was created in 1995 and who have preserved an additional 10,733 acres of farmland, forest land and open space.

Parks, Recreation, and Greenspace Grant Program

ACOPD uses the County's Act 13 (Marcellus Shale) funding allocation to provide financial assistance for the preservation of agricultural lands, open space, park lands, historic and cultural resources, and the development of recreational and trail projects. The current focus of this program is on recreation projects. In 2017, 8 recreation and trail projects received partial funding, totaling $155,821 awarded, and leveraging $1,950,049 in matching funds.

Adams County Solid Waste Plan

All Pennsylvania counties must update their municipal solid waste management plans, in accordance with the requirements of the Municipal Waste Planning, Recycling and Waste Reduction Act (Act 101) ensuring adequate disposal capacity for projected needs for a period of at least 10 years. Adams County began their latest plan revision in 2011 and will conclude this process with new disposal contracts in place before the end of 2018. A Solid Waste Advisory Committee, appointed by the Adams County Board of Commissioners and representing different segments of the community is assisting in the development of the new plan.

Annual Tire Recycling

Every year in May, ACOPD works in partnership with Probation Services to hold a tire collection event at the Adams County Agricultural and Natural Resources Building. Adams County residents wishing to participate are permitted to bring 20 tires per household and must pre-register and pre-pay $1 per tire. **The 2017 event disposed of 1,409 tires, weighing 21 tons**. Many of these tires are the remnants of old farm stockpiles being cleaned up throughout the county.

Electronics Recycling Event

ACOPD and Adams County Council of Governments (COG) worked with the Adams County Board of Commissioners and Adams Electric to organize, fund and host a one-day county-wide drop-off Covered Device recycling event in September 2017 that successfully accepted 31,406 pounds of equipment for proper disposal. **Within approximately 5 hours, over 15 tons of covered devices and other electronics were collected.** ACOPD and the COG will continue to partner and advocate for state legislation to resolve Covered Device disposal issues.

Grant Administration

ACOPD administers applications and provides assistance to the recipients of several grant programs whose goal is to fund activities that will benefit disabled or low-income persons, expand the supply of decent, affordable housing, and address homelessness.

CDBG
Community Development Block Grants are made available to municipalities and organizations serving low to moderate income persons. Funds are used towards projects providing housing rehabilitation, public services, community facilities, improvements to infrastructure, development, and planning. **In 2017, ACOPD assisted 6 recipients in securing $474,196 and administered $409,053 for recipients throughout Adams County.**

HOME
HOME grants are for new construction and rehabilitation of affordable housing, and down payment assistance. **In 2017, ACOPD administered $375,084 towards HOME projects.**

ESG
The Emergency Solutions Grant provides assistance with outreach, shelter, rapid re-housing, and homelessness prevention to local governments. **In 2017, ACOPD secured and administered two separate Emergency Solutions Grants which helped to ensure the continuation of quality services to Adams County residents.**

Information Technology

During the past year the IT department has successfully implemented several initiatives to ensure the integrity of the corporate computing infrastructure and customer data. The initiatives have included the refresh of user technology over six years of age, enhanced system security, and upgrades to the core virtual server environment. The department is also working towards ensuring compliance with best practices to provide a standardized delivery method for products and services.

Major projects completed in 2017 include: data center move; IT training center built; MDJ transition to County Network; Prison, Probation upgrades; video conferencing; VOIP system; GIS evaluation/system migration; E-Citation project; Quest Kace implementation; Superion business process review; cloud backups; Courts jury system replacement; virtual warrant system; firewall upgrade; switch closets backup generator; security system implementation; mobile device management.

Acknowledgements

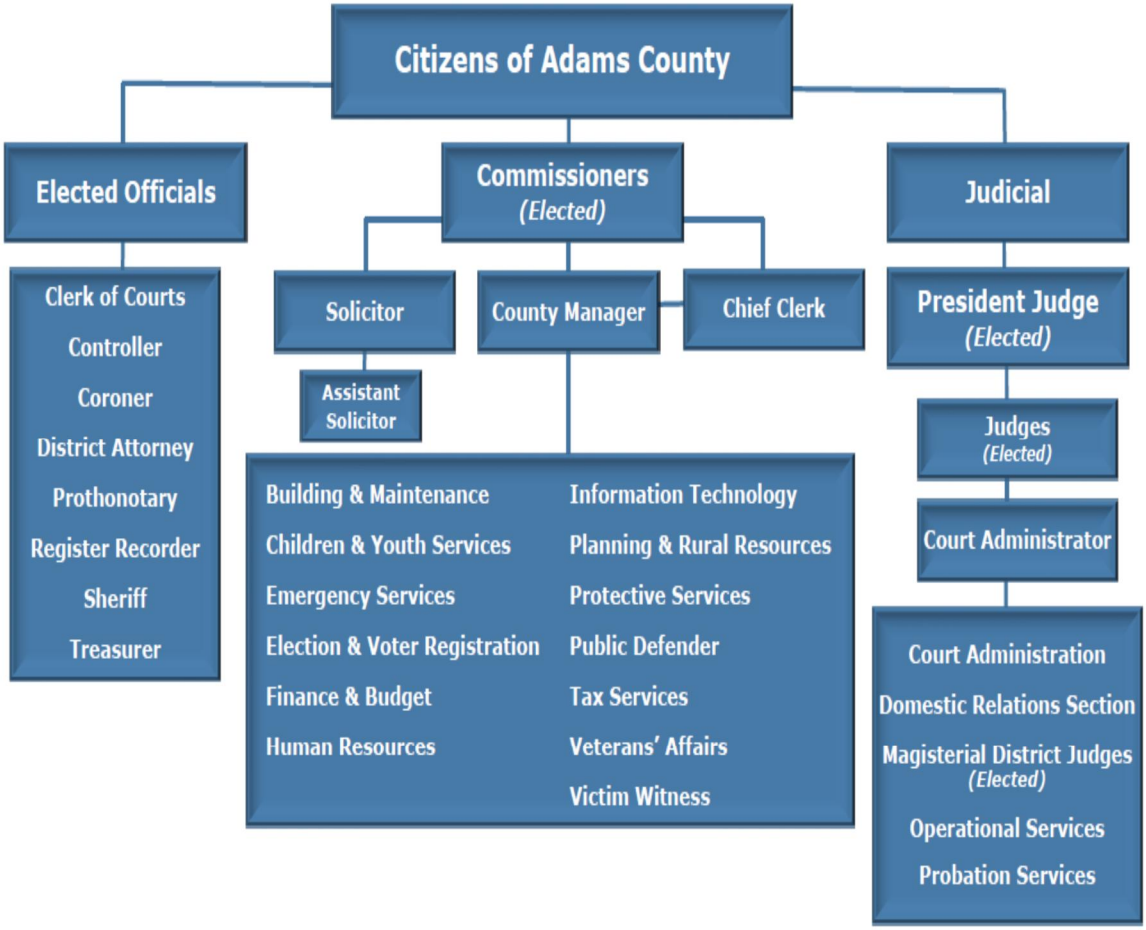
The preparation of the County's first ever comprehensive annual financial report was made possible by the dedicated services of the staff of the Controller's Office, the Finance Office and all county and court departments.

Sincerely,

Steven W. Renner

Controller

Adams County Organizational Chart



COUNTY OF ADAMS, PENNSYLVANIA
LIST OF ELECTED OFFICIALS
AS OF DECEMBER 31, 2017

Judiciary

Court of Common Pleas

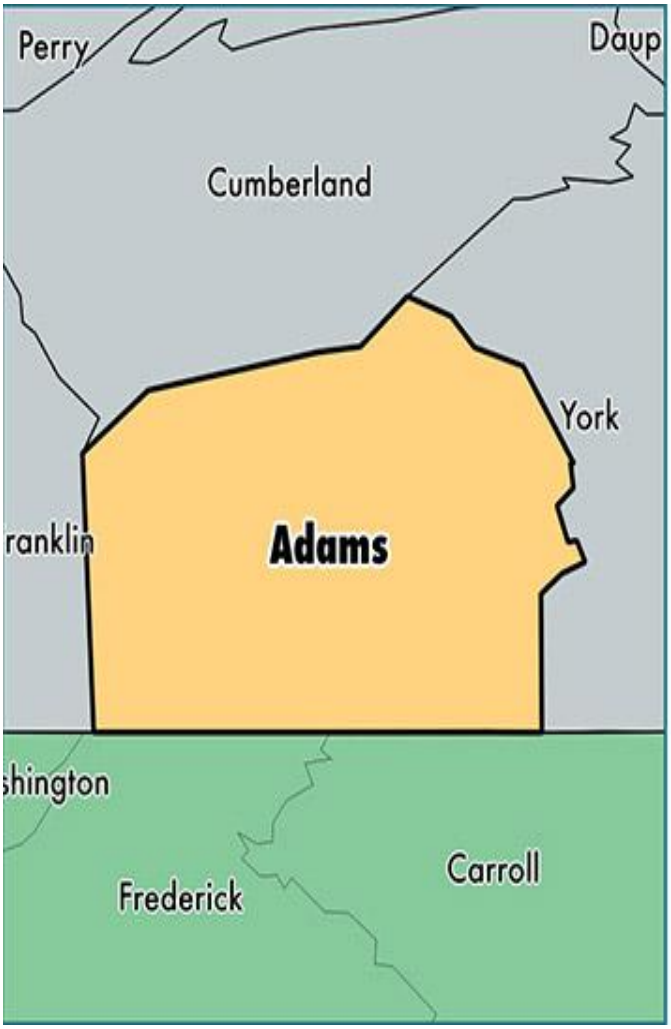
President Judge	Honorable Michael George
Judge	Honorable Thomas Campbell
Judge	Honorable Sean Wagner
Judge	Honorable Christina Simpson

Elected County Officials

County Commissioner, Chairperson	Randy Phiel
County Commissioner, Vice Chairperson	Jim Martin
Commissioner	Marty Karsteter Qually
County Controller	Steven Renner
County Coroner	Patricia Felix
County Treasurer	Theresa Adamik
District Attorney	Brian Sinnett
Register of Wills Recorder of Deeds	Karen Heflin
Clerk of Courts	Kelly Lawver
Prothonotary	Beverly Boyd
Sheriff	James Muller

COUNTY OF ADAMS, PENNSYLVANIA

MAP OF ADAMS COUNTY



INDEPENDENT AUDITOR'S REPORT

County Commissioners
County of Adams
Gettysburg, Pennsylvania
Page 10

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the COUNTY OF ADAMS, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the COUNTY OF ADAMS's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The COUNTY OF ADAMS's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the blended component unit financial statements for the Adams County Industrial Development Authority, which represent 100% of the assets, net position, and revenues of the business-type activities. In addition, we did not audit the blended component unit financial statements of the Adams County Conservation District, a nonmajor fund, which represents 2.1%, 5.7%, and 1.9% of the assets, net position, and revenues, respectively, of the reported governmental activities and 15.4%, 30.6%, and 8.4% of the assets, fund balances, and revenues, respectively, of the reported aggregate remaining fund information. Those statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the business-type activities, governmental activities, and the aggregate remaining fund information, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Adams County Industrial Development Authority were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the COUNTY OF ADAMS, as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Adoption of Governmental Accounting Standards Board Pronouncements

As discussed in Note 1 to the financial statements in 2017, the COUNTY OF ADAMS adopted the provisions of Governmental Accounting Standards Board's ("GASB") Statement *No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*", *the provisions of* Statement No. 80, "*Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*", *the provisions of Statement* No. 81, "*Irrevocable Split-Interest Agreements*", and the provisions of Statement No. 82, "*Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No.73*". Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Funding Progress for Postemployment Benefits Other Than Pensions, Schedule of Changes in the County's Net Pension Liability and Related Ratios – Last 10 Years, Schedule of County Contributions – Last 10 years, and budgetary comparison schedules on pages 13 through 27 and pages 79 through 87 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the COUNTY OF ADAMS's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and budget and actual schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and budget and actual schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, the combining and individual nonmajor fund financial statements and budget and actual schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2018 on our consideration of the COUNTY OF ADAMS's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the COUNTY OF ADAMS's internal control over financial reporting and compliance.

Zelenkofske Axelrod LLC

ZELENKOFSKE AXELROD LLC

Harrisburg, Pennsylvania
July 27, 2018

The COUNTY OF ADAMS, hereafter referred to as the "COUNTY", is pleased to present its financial statements developed in compliance with Statement of Governmental Accounting Standard No. 34, entitled "Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments (hereafter "GASB 34"), and related standards. GASB 34 enhances information provided to the users of its financial statements. This section of the financial reporting package presents our discussion and analysis of the COUNTY'S financial performance during the years ended December 31, 2016 and December 31, 2017. Please read it in conjunction with the COUNTY'S financial statements that follow this section. Certain reclassifications were made to prior year amounts to conform to current year presentation.

Financial Highlights:

- Total assessed taxable property values in 2017 were $9,331,317,200. The Library millage rate remained at .1147 mills during 2017; 3.8046 for general county purposes which includes .3675 for public safety projects for an overall total County Millage of 3.9193 in 2017.

- The COUNTY'S general fund balance was $25.8 million with an unassigned portion of $22.5 million or 52% of the total general fund expenditures.

- The COUNTY'S governmental activities net position (assets, plus deferred outflows of resources less liabilities, less deferred inflows of resources) increased by approximately $4.4 million from 2016.

- The COUNTY'S bond rating was upgraded by Moody's to Aa2 with a stable outlook in 2017.

- The COUNTY had $76,082,790 of governmental activities general obligation debt outstanding as of December 31, 2017. The County issued the General Obligation Bonds, Series A, B and C of 2017 in the amount of $34,675,000. Of this, $5,535,000 was to fund the termination of an Interest Rate Swap Agreement; $24,015,000 was to refund the General Obligation Bond of 2014; and the remaining $5,125,000 was to fund various capital projects.

- In 2017 the COUNTY completed the renovation of the Human Services Building. The COUNTY moved Adult/Juvenile Probation, Children & Youth Services, Domestic Relations, Court Operations, two District Magistrate offices and IT to the newly renovated building. York-Adams MHIDD rounded out the complement of departments in the Human Services Building.

OVERVIEW OF THE FINANCIAL STATEMENTS

This report consists of the following four parts:

- Management's discussion and analysis (this section)

- Basic financial statements (including notes)

- Required supplementary information

- Other supplementary information

Management's discussion and analysis is a guide to reading the financial statements and provides related information to help the reader to better understand the COUNTY'S government. The basic financial statements include notes that provide additional information essential to a full understanding of the financial data provided in the government-wide and fund financial statements. Required supplementary information is provided on the COUNTY's budget to actual figures for the general fund and other budgeted major

governmental funds, as well as information for the County's pension and other postemployment benefit plans.

The basic financial statements present two different views of the COUNTY.

- *Government-wide financial statements*, the first two statements, provide information about the COUNTY'S overall financial status as well as the financial status of the County's component units.

- *Fund financial statements,* the remaining statements, focus on individual parts of the COUNTY'S government. They provide more detail on operations than the government-wide statements. There are three types of fund financial statements:

    - *Governmental funds statements* show how general government services such as public safety, human services, public works, culture and recreation, and conservation and development are financed in the short term, as well as what remains for future spending.

    - *Proprietary fund statements* offer short-term and long-term financial information about the activities the COUNTY that operates similar to a business.

    - *Fiduciary funds statements* reflect activities involving resources that are held by the COUNTY as a trustee or agent for the benefit of others. Fiduciary funds are not reflected in the government-wide statements because the resources cannot be used to support the COUNTY'S programs.

Table A-1: Organization of the COUNTY'S comprehensive annual financial report

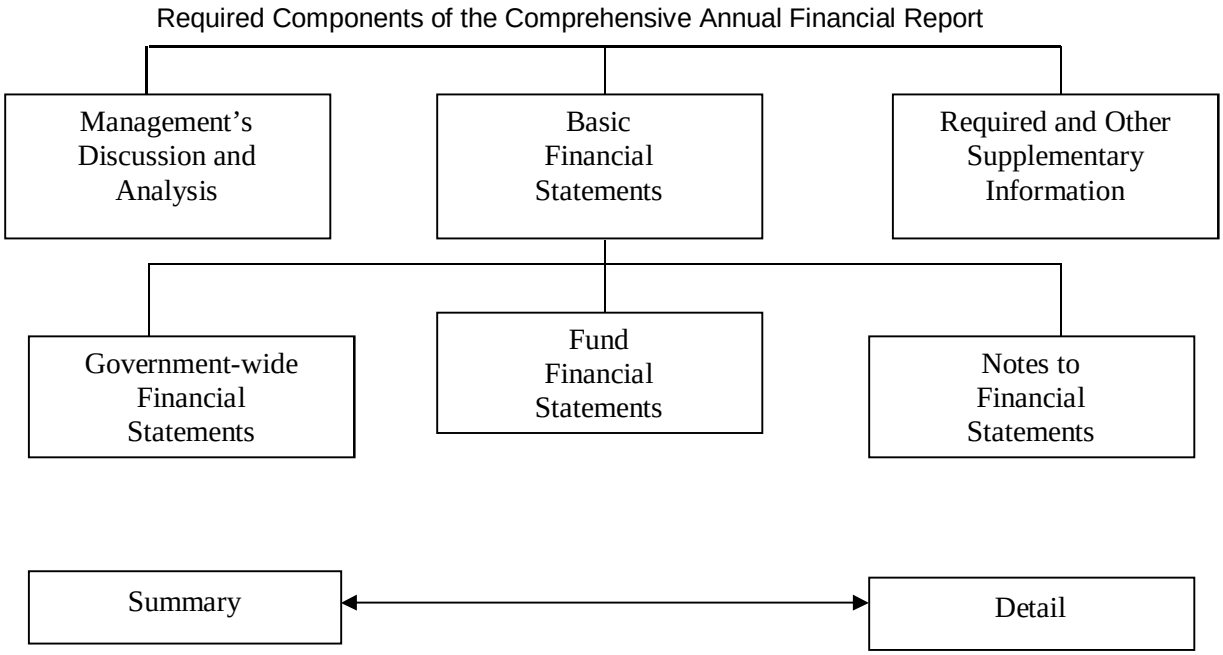


Table A-2 summarizes the major features of the COUNTY'S financial statements, including the area of the COUNTY'S activities they cover and the types of information they contain.

Table A-2: Major features of the government-wide and fund financial statements

	Government-wide Statements	Fund Financial Statements		
		Governmental	Proprietary	Fiduciary
Scope	Entire entity and component units (except fiduciary funds)	The day-to-day operating activities of the COUNTY, such as public safety and courts	The activities of the COUNTY, such as the Adams County Industrial Development Authority	Instances in which the COUNTY administers resources on behalf of others
Required Financial Statements	-Statement of net position -Statement of activities	-Balance Sheet -Statement of revenues, expenditures and changes in fund balance	-Statement of net position -Statement of revenues, expenses and changes in net position -Statement of cash flows	-Statement of fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources measurement focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset, deferred outflow of resources, liability, and deferred inflows of resources information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital, short-term and long-term	Current assets and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital, short-term and long-term	All assets and liabilities
Type of inflow and outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during the year or soon thereafter; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year; regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

The remainder of the overview explains the structure and contents of the government-wide and fund financial statements.

Government-wide financial statements

Government-wide financial statements report information about the COUNTY as a whole using accounting methods similar to those used by private-sector companies.

- The statement of net position includes all the COUNTY'S assets, deferred outflow of resources, liabilities, and deferred inflows of resources, except fiduciary funds, with the difference reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business.

- The statement of activities focuses on how the COUNTY'S net position changed during the year. Because it separates program revenue (revenue generated by specific programs through charges for services, grants and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program has to rely on local taxes for funding.

All changes to net position are reported using the accrual method of accounting, which requires that revenues be reported when they are earned and expenses be reported when the goods and/or services are received, regardless of when cash is received or paid.

Net position is one way to measure the COUNTY'S financial position. Over time, increases or decreases in the COUNTY'S net position is one indicator of whether the COUNTY'S financial position is improving or deteriorating. However, other non-financial factors such as changes in the COUNTY'S property tax base and general economic conditions must be considered to assess the overall position of the COUNTY.

The primary government and its component units are included in the government-wide financial statements. Component units reflect the activities of legally separate government entities over which the COUNTY can exercise influence and/or be obligated to provide financial support. The COUNTY has two blended component units, the Adams County Industrial Development Authority and the Adams County Conservation District (See Note 1, Notes to the Financial Statements.)

There are two categories of activities for the primary government:

- *Governmental activities* include the COUNTY'S basic services such as general government, judicial, public safety, public works, human services, culture and recreation, and conservation and development.

- *Business-type activities* such as the Adams County Industrial Development Authority.

Net position of the governmental activities differ from the governmental fund balances because governmental fund level statements only report transactions using or providing current financial resources. Also, capital assets in the fund level statements are reported as expenditures when financial resources (money) are expended to purchase or build assets. Likewise, the financial resources that may have been borrowed are considered revenue when they are received. The principal and interest payments are both considered expenditures when paid. Depreciation is not calculated as it does not provide or reduce current financial resources. Finally, capital assets and long-term debt do not affect fund balances.

Government-wide statements are reported using an economic resources measurement focus and full accrual basis of accounting that involves the following steps to format the statement of net position:

- Capitalize current outlays for capital assets
- Report long-term debt as a liability
- Depreciate capital assets and allocate the depreciation to the proper program/activities
- Calculate revenue and expense using the economic resources measurement focus and the accrual basis of accounting
- Allocate net position balances as follows:
    - Net Investment in capital assets
    - Restricted net position are those with constraints placed on the use by external sources (creditors, grantors, contributors, or laws or regulations of governments) or imposed by law through constitutional provisions or enabling legislation
    - Unrestricted net position are assets that do not meet any of the above restrictions

Fund Financial Statements

Fund financial statements provide more detailed information on the COUNTY'S most significant funds, not the COUNTY as a whole. Funds are accounting devices, i.e., a group of related accounts, the COUNTY uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law. Other funds are established to control and manage resources designated for specific purposes. Fund financial statements are reported using current financial resources and modified accrual accounting established by the Government Accounting Standards Board (GASB) for governments.

The COUNTY has three kinds of funds:

- *Governmental funds* include most of the COUNTY'S basic services and focus on: (1) the flow in and out of cash and other financial assets that can readily be converted into cash, and: (2) the balances left at year-end that are available for spending. These funds are reported using the modified accrual accounting basis, and a current financial resources measurement focus. Consequently, the governmental funds statements provide a detailed short-term view for the financial resources available in the near future to finance the COUNTY'S programs.

  The relationship between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation that follows the governmental fund financial statements.

  The COUNTY adopts an annual budget for the general fund, as required by state law. A budgetary comparison of the COUNTY'S general fund and other budgeted major governmental funds is presented as required supplementary information.

Fund Financial Statements (Continued)

- *Proprietary Funds* report business-type programs and activities that charge fees designed to recover the cost of providing services. The proprietary funds report using full accrual accounting. The COUNTY maintains two different types of proprietary funds; enterprise funds and internal service funds. Internal service funds are used to accumulate and allocate costs internally among the COUNTY'S various functions. The COUNTY uses an internal service fund to account for its Health Insurance program which is a self-insured model.

- *Fiduciary Funds* are for which the COUNTY is the trustee or fiduciary. These include certain agency funds, or clearing accounts for assets held by the COUNTY in its role as custodian until the funds are allocated to the private parties, organizations or government agencies to which they belong. The COUNTY is responsible to ensure the assets reported in these funds are used for their intended purposes. This fiduciary activity is reported in a separate statement of fiduciary net position. These funds are excluded from the COUNTY'S government-wide financial statements because the COUNTY cannot use these assets to finance its operations.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Position

GASB No. 34 requires that all capital assets, including infrastructure, be valued and reported within the governmental activities column of the government-wide financial statements, but allowed infrastructure to be added over several years. In 2007, the COUNTY fully adopted the provisions of GASB No. 34.

The COUNTY'S total assets were $127,745,099 at December 31, 2017. Of this amount, $84,751,437 was capital assets. Assets and deferred outflow of resources exceeded liabilities and deferred inflows of resources by $42,447,218. Capital assets increased by $2.8 million due to the construction on the Horner Bridge and renovation of the Human Services Building. Other assets increased by $2.1 million primarily due to the COUNTY recording a receivable of $3.1 million from a RACP Grant for the 911 Radio Project.

The COUNTY's current liabilities decreased by $1.9 million primarily due to a decrease in accounts payable of $2.1 million. Health Insurance claims payable decreased by $.7 million as the County received claims from the third party administrator in a timelier fashion in 2017 and the remaining decrease was primarily due to fewer payables for the renovation of Human Services Building. Long-term liabilities increased by $1.6 million primarily due to the issuance of the General Obligation Bonds, Series of 2017.

Forty-three percent of the COUNTY'S net position reflects its net investment in capital assets. Twenty-five percent of the COUNTY'S net position are legally restricted. Unrestricted net position increased by $5.1 million primarily due to the County recording revenue for a $3.1 million RACP Grant for the 911 Radio Project.

The following table presents a comparative view of the County's government-wide financial statements.

County of Adams Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Capital Assets	$ 84,751,437	$ 81,889,431	$ -	$ -	$ 84,751,437	$81,889,431
Other Assets	41,251,871	39,140,230	1,741,791	1,774,076	42,993,662	40,914,306
Total Assets	126,003,308	121,029,661	1,741,791	1,774,076	127,745,099	122,803,737
Deferred Outflows of Resources	10,299,236	11,569,006	-	-	10,299,236	11,569,006
Current Liabilities	8,811,356	10,709,382	114,572	119,760	8,925,928	10,829,142
Long-term Liabilities	84,152,057	82,434,241	1,306,209	1,445,067	85,458,266	83,879,308
Total Liablilities	92,963,413	93,143,623	1,420,781	1,564,827	94,384,194	94,708,450
Deferred Inflows of Resources	1,212,923	1,703,769	-	-	1,212,923	1,703,769
Net Position:						
Net Investment in capital assets	18,324,116	20,099,187	-	-	18,324,116	20,099,187
Restricted	10,755,283	9,670,625	-	-	10,755,283	9,670,625
Unrestricted	13,046,809	7,981,463	321,010	209,249	13,367,819	8,190,712
Total Net Position	$ 42,126,208	$ 37,751,275	$ 321,010	$ 209,249	$ 42,447,218	$37,960,524

Changes in Net Position

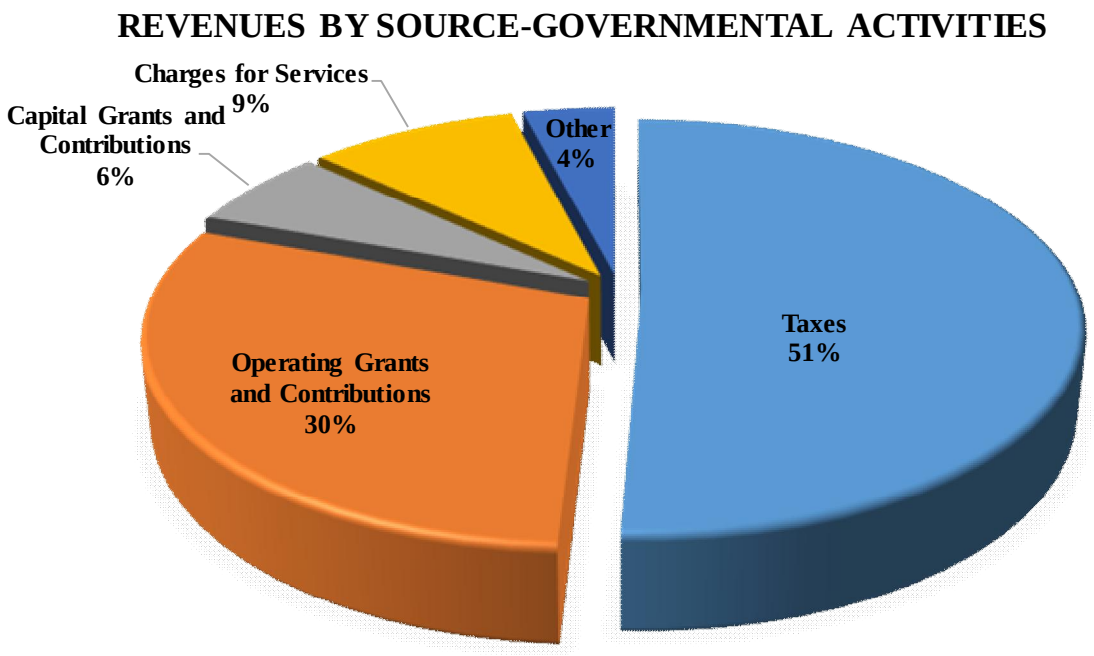
The table below summarizes the changes in net position for the COUNTY for the period ended December 31, 2017 and 2016

County of Adams Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Program Revenues:						
Charges for Services	$ 7,065,072	$ 6,750,400	$ 19,401	$ 56,603	$ 7,084,473	$ 6,807,003
Operating Grants and Contributions	23,223,142	29,410,209	191,606	195,446	23,414,748	29,605,655
Capital Grants and Contributions	4,878,891	-	-	-	4,878,891	-
General Revenues:						
Property Taxes	36,344,820	36,188,653	-	-	36,344,820	36,188,653
Per Capita Taxes	344,893	304,515	-	-	344,893	304,515
Hotel Taxes	2,790,732	2,509,580	-	-	2,790,732	2,509,580
Unrestricted Investment	1,019,777	118,413	2,341	3,946	1,022,118	122,359
Miscellaneous	2,106,964	571,237	-	-	2,106,964	571,237
Total Revenues	77,774,291	75,853,007	213,348	255,995	77,987,639	76,109,002
Expenses:						
General Government-Administrative	9,414,772	9,369,291	-	-	9,414,772	9,369,291
General Government- Judicial	8,491,327	8,396,108	-	-	8,491,327	8,396,108
Public Safety	25,273,513	24,426,340	-	-	25,273,513	24,426,340
Public Works	852,987	352,043	-	-	852,987	352,043
Human Services	20,625,794	28,193,445	-	-	20,625,794	28,193,445
Culture and Recreation	2,605,317	2,716,703	-	-	2,605,317	2,716,703
Conservation and Development	3,014,442	2,784,425	-	-	3,014,442	2,784,425
Debt Service	3,121,206	2,743,128	-	-	3,121,206	2,743,128
Adams County IDA	-	-	101,587	180,362	101,587	180,362
Total Expenses	73,399,358	78,981,483	101,587	180,362	73,500,945	79,161,845
Change in Net Position	4,374,933	(3,128,476)	111,761	75,633	4,486,694	(3,052,843)
Net Position-Beginning	37,751,275	40,879,751	209,249	133,616	37,960,524	41,013,367
Net Position-End of the Year	$ 42,126,208	$37,751,275	$321,010	$ 209,249	$42,447,218	$37,960,524

Governmental activities

The following chart illustrates the sources of revenues for governmental activities for the fiscal year ended December 31, 2017.



Taxes contributed 51% of the total revenues received by the COUNTY. For 2017 the COUNTY received $39,480,445 in total taxes. Tax rates remained the same in 2017. In addition to real estate and per capita taxes, the COUNTY levies a 5% hotel lodging tax. Proceeds from the hotel tax are used to assist in the promotion, advertising, and marketing of tourism and special events. This is done through Destination Gettysburg, the designated visitor's bureau. For the year ending 2017, the hotel tax receipts amounted to $2,790,732, this is an 11% increase from 2016.

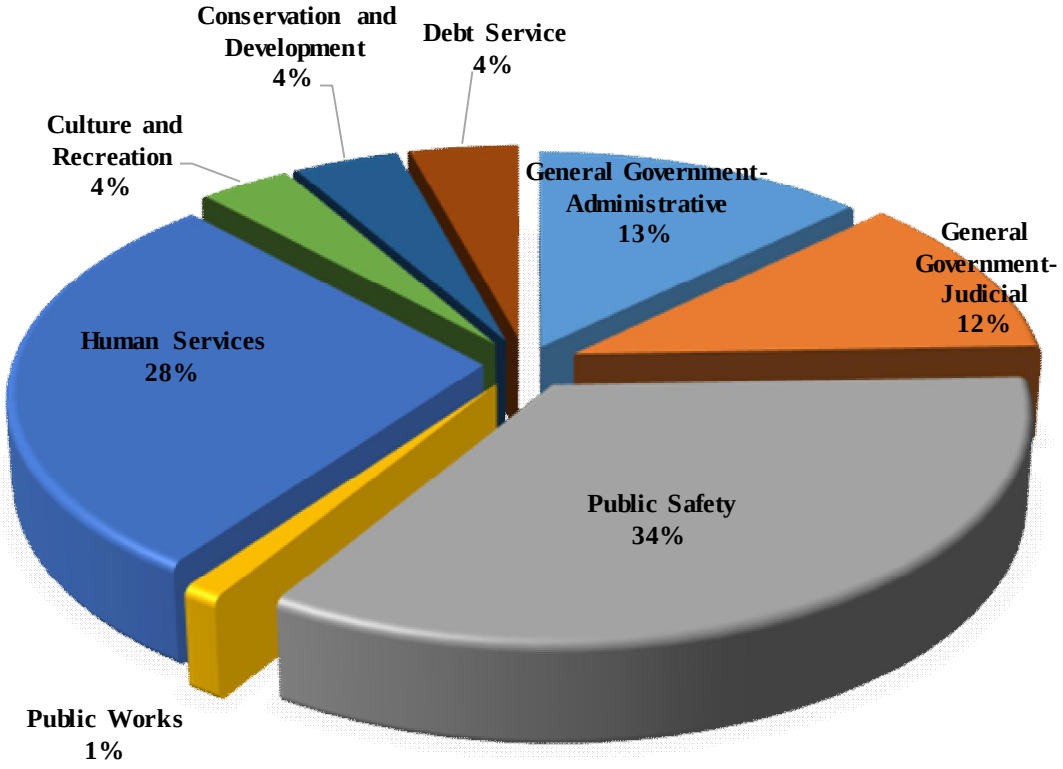
Operating Grants and Contributions was the second largest source of revenue to the COUNTY at thirty percent. Operating Grants and Contributions consist primarily of State and Federal funding. The COUNTY saw a 21% decrease in this source of revenue. This was primarily due to Human Services funding for our Managed Care Program. In July 2017, the COUNTY entered into a joinder agreement with York County to administer the Health Choices program jointly. The Joinder Governing Board established the Health Choices Behavioral Health Management Unit which administers the program for both counties.

Charges for services, 9% of governmental activities funding sources, saw a 5% increase from the prior year. This increase was attributed to the increase in collection of fees in the Clerk of Courts and Register and Recorder and also a 23% increase in Prison revenues for Out of County Fees collected for housing US Marshalls. Charges for services include fees, fines, licenses, permits, and commissions on certain fees collected by County row offices on behalf of the Commonwealth of Pennsylvania.

Capital Grants and Contributions were 6% of governmental activities revenue sources. This funding source consisted of the award of a Redevelopment Assistance Capital Program (RACP) for the new 800 MHz Digital Radio System in the amount of $3.1 million and also for Liquid Fuels state funding received for the replacement of the Horner Bridge.

The following chart illustrates the expenses by function for governmental activities for the fiscal year ended December 31, 2017.

EXPENSES BY FUNCTION-GOVERNMENTAL ACTIVITIES



In 2017, total expenses for governmental activities were $73.4 million. Public Safety had the largest expense at $25.3 million, an increase of 3.5% from the prior year. This increase is primarily due to an increase in the public safety salary expenses, minor equipment, and 911 contracted services due to the new radio system.

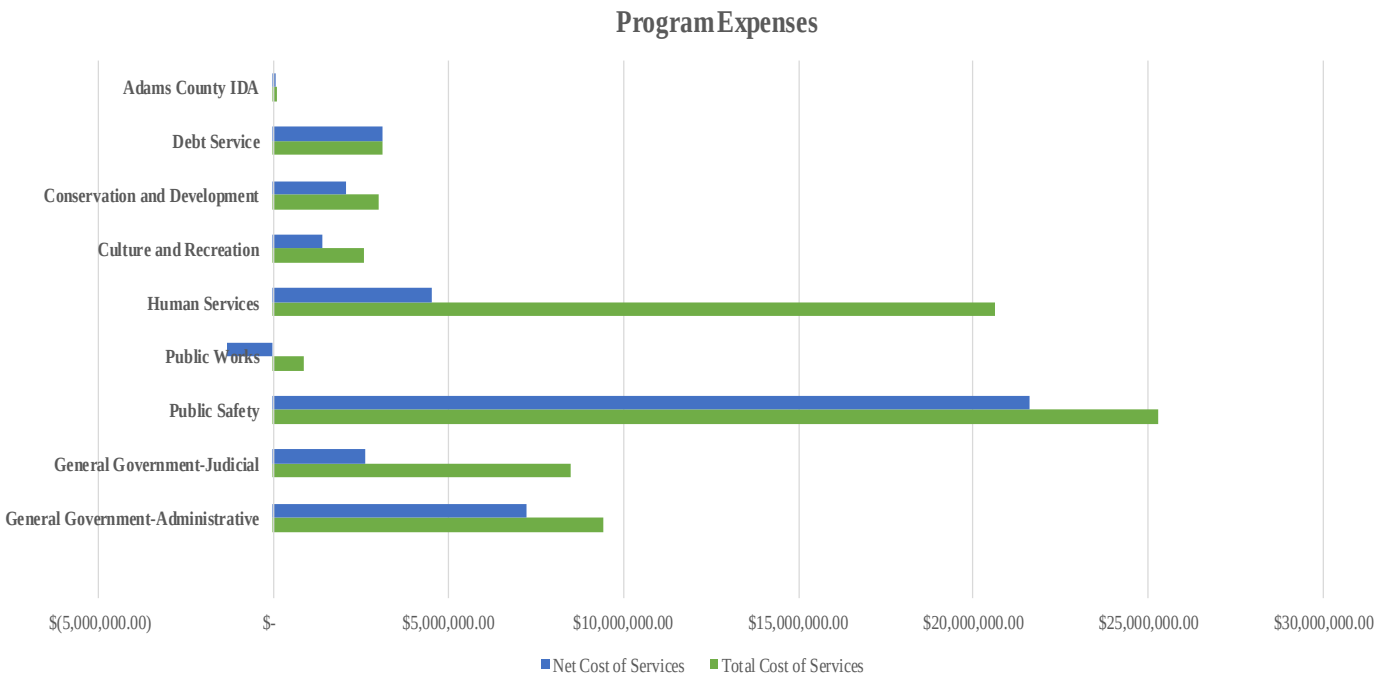
The second largest category is Human Services at $20.6 million. This is a decrease of $7.5 million or 27% from 2016. This decrease was primarily due to the change in the administration of our Managed Care Program. In July 2017 the COUNTY entered into a joinder agreement with York County to administer the Health Choices program jointly.

Business-Type Activities

In 2017, total revenues and expenses decreased by $42,647 and $78,775, respectively, for the County's business-type activities. The decrease was related to the Authority having fewer projects open as compared to the prior year.

Net Program Expenses

Net program expenses indicate the amount of support required from taxes and other general revenues for a program of the government. In 2017 property, hotel, and per capita taxes brought in $39,480,445.



The COUNTY relied on property taxes and other general revenues to fund 52% of its governmental and business-type activities in 2017.

The property tax is based on one-hundred percent of the assessed value of real property. Changes in the assessed valuation affect tax revenues.

Sixty percent of the General Government Administrative expenses and 65% of the General Government Judicial expenses came from property tax and other general revenues with the remainder coming from grants, fines and court costs. Property taxes and other general revenues covered sixty-eight percent of public safety costs with the remainder coming from grants and charges for services.

Public works expenses were primarily funded by The Commonwealth Liquid Fuels tax and reimbursements from Penn Dot for Bridge Improvements. Property taxes and general revenues covered 100 percent of the County's Debt Service payments.

Property tax and other general revenues funded 54 percent of the cost of culture and recreation; 22 percent of Human services; 70 percent of the County's contribution to Conservation and Development.

Funds Financial Analysis

As noted earlier, the COUNTY uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the COUNTY'S financing requirements. In particular, unassigned fund balance may serve as a useful measure of the COUNTY'S net resources available for spending at the end of the year.

The COUNTY'S governmental funds include the general fund, special revenue funds, and capital project funds. The general fund is the chief operating fund for the COUNTY. Special revenue funds are restricted to specific legislated use. Capital project funds account for the proceeds of bond issues. The major funds are shown on the statement of revenues, expenditures and changes in fund balances in the financial statements.

The General Fund is the primary operating fund of the County of Adams. At the end of 2017, the unassigned fund balance of the General Fund was $22,483,842 while the total fund balance was $25,851,773. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 52% of total general fund expenditures while total fund balance represents 60% of that same amount.

The increase in Governmental Fund revenues and other financing sources from the prior year was $19.1 million of which $34.6 million came from debt proceeds due the issuance of the General Obligation Bonds, Series A, B and C of 2017 in the amount of $34,675,000. Of this, $5,535,000 was to fund the termination of an Interest Rate Swap Agreement; $24,015,000 was to refund the General Obligation Bond of 2014; and the remaining $5,125,000 was to fund various capital projects.

Intergovernmental revenues showed a decrease of 4% mainly due to the change in the administration of our Managed Care Program. In July 2017 the COUNTY entered into a joinder agreement with York County to administer the Health Choices program jointly. Also, the COUNTY recognized revenue of $3.1 million from the RACP Grant for the Radio Project. Operating Transfers In increased by $2 million in 2017. A portion of this increase is due to the increase from 2016 in non-major Governmental Funds transfers which include transfers in from the Hotel Tax Fund.

Governmental Fund expenditures and other financing uses totaled $119 million. This is an increase of $22 million from the prior year. A significant portion of this increase was due to the Issuance of debt/refunding bonds which increased by $15.4 million due to the issuance of the General Obligation Bonds, Series A, B and C of 2017. Also contributing to the increase was General Government-Administrative expenditures which were $5.8 million more than prior year. Of this, the 2017 Capital Projects fund was the majority of the increase at $5.4 million to fund the termination of the 2008 swap.

Capital Outlay also increased by approximately $2.8 million. Construction of the Horner Bridge project and the renovation of the Human Services building contributed to this increase.

Capital Asset and Debt Administration

Capital Assets

The COUNTY'S investment in capital assets at December 31, 2017, net of accumulated depreciation, was $84,751,437. Capital assets consist primarily of land, infrastructure, buildings, agricultural easements, and equipment. The following is a summary of capital assets at December 31, 2017:

Governmental Activities

	2017	2016
Land	$ 1,306,312	$ 1,071,712
Construction in Process	1,983,114	2,957,011
Infrastructure	7,486,218	7,486,218
Building and Improvements	64,179,284	56,811,540
Equipment and Vehicles	41,744,756	39,648,021
Agricultural Easements	9,942,377	10,685,755
Accumulated Depreciation	(41,890,624)	(36,770,826)
Total Net Capital Assets	$ 84,751,437	$ 81,889,431

In 2017, building and improvements category increased by 13%. This was primarily due to the renovation of the Human Services Building. Equipment and vehicles increased by 5%. This increase was attributed to furniture and equipment purchases for the Human Services Building; installation of a new 911 airbus phone system; replacement of an aging phone system with a VOIP (Voice Over IP) system and other IT needs; upgrade of the Prison security control system and the outdoor surveillance camera system; replacement of a chiller for the Courthouse and finally a new jury management system.

Detailed information about the COUNTY'S capital assets can be found in Note 5, Notes to the Financial Statements.

Debt Administration

At December 31, 2017, the COUNTY had $76,553,249 of debt outstanding, excluding other long term liabilities. Debt increased 9% from the previous year. The County issued the General Obligation Bonds, Series A, B and C of 2017 in the amount of $34,675,000. Of this, $5,535,000 was to fund the termination of an Interest Rate Swap Agreement; $24,015,000 was to refund the General Obligation Bond of 2014; and the remaining $5,125,000 was to fund various capital projects.

The following is a summary of general obligation bonds and notes payable for the 2017 year, this includes the Adams County Industrial Authority, a blended component unit:

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
General Obligation Bonds & Notes	$ 76,082,790	$ 69,763,142	$ 470,459	$ 603,748	$ 76,553,249	$ 70,366,890
Total	$ 76,082,790	$ 69,763,142	$ 470,459	$ 603,748	$ 76,553,249	$ 70,366,890

Detailed information about the COUNTY'S debt can be found in Note 11, Notes to the Financial Statements.

General Fund Budgetary Highlights

The Board of Commissioners reviews statements of operations and budget reports on a monthly basis and meets regularly with the Finance Department for updates and forecasts. Department directors also review budget reports on a monthly basis and monitors revenues and expenditures for any variances throughout the year. In general, the budget modifications during the year are primarily reclassifications from one line item to another as approved by the Board of Commissioners.

The COUNTY budgets their tax revenue at a 96% collection rate and during 2017 they collected less than the budgeted amount but overall the actual revenue received totaled $36.9 million or 97% of the final budget.

General Fund revenues resulted in a positive variance of $1.2 million primarily due to an increase in charges for services, court costs and fines, licenses and permits and one-time revenues for unexpected dividends received by the COUNTY as members of PComp and PCoRP. The COUNTY also received revenues from the sale of county farmland property to the Civil War Trust and the repayment of a bridge loan by the ACEDC.

General Fund expenditures were 5% under the budgeted amount for 2017. Contributing factors to this positive variance was a reduction in expenditures for professional and contracted services and decreased transfers out to special funds.

Economic Factors and Next Year's Budgets and Rates

The key economic factors affecting the COUNTY include the following:

- The COUNTY'S real estate millage rate will increase from 3.9193 mills to 4.1893 mills
- The COUNTY'S general fund budgeted expenses will increase 3% or $1.1 million.
- The 2018 budget will utilize $1.3 million in unrestricted fund balance to balance the budget.

The total General Fund budget for 2018 is $50.8 million with general administration expenses, public safety, and judicial budgeted at $29.9, $13.1 and $7.1 respectively. Total salaries and wages for 2018 are projected at $20.1 million. Benefits including medical and retirement add an additional $9.5 million.

The COUNTY'S rising costs, lack of commercial development, flat revenues and future projections necessitate additional revenues. An increase in the real estate millage rate is required to cover the short fall.

To reduce the increase in taxes, the COUNTY will not be filling open positions; will monitor and manage shift staffing to mitigate overtime where possible; and continue to look for opportunities to reduce expenses.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the COUNTY'S finances and to demonstrate the COUNTY'S accountability. Questions concerning this financial information or requests for additional information should be directed to:

COUNTY of ADAMS
Steven W. Renner
Controller
117 Baltimore Street
Gettysburg, PA 17325

Phone: 717-337-9805
Fax: 717-334-2091

BASIC FINANCIAL STATEMENTS

COUNTY OF ADAMS, PENNSYLVANIA
STATEMENT OF NET POSITION
DECEMBER 31, 2017

	Primary Government		
	Governmental Activities	Business-type Activity	Total
Assets			
Cash and Cash Equivalents	$ 22,370,916	$ 43,436	$ 22,414,352
Investments	5,836,494	-	5,836,494
Receivables (Net, Where Applicable, of Allowance for Uncollectibles)			
Accounts	2,419,820	2,727	2,422,547
Taxes	1,305,880	-	1,305,880
Due From Other Governments	5,788,958	-	5,788,958
Notes Receivable	186,318	40,767	227,085
Loans Receivable	947,434	-	947,434
Other Assets	109,018	876	109,894
Restricted Assets			
Cash for Program Purposes	15,845	-	15,845
Cash Held in Escrow	451,809	-	451,809
Cash for Debt Service	58,268	-	58,268
Cash for Construction	1,761,111	-	1,761,111
Land Held For Resale	-	1,653,985	1,653,985
Capital Assets, Not Being Depreciated	13,231,803	-	13,231,803
Capital Assets Being Depreciated, Net	71,519,634	-	71,519,634
Total Assets	126,003,308	1,741,791	127,745,099
Deferred Outflows of Resources			
Deferred Loss on Refunding	5,316,175	-	5,316,175
Pensions	4,983,061	-	4,983,061
Total Deferred Outflows of Resources	10,299,236	-	10,299,236
Liabilities			
Liabilities			
Accounts Payable	3,776,113	986	3,777,099
Accrued Liabilities	562,591	-	562,591
Accrued Interest Payable	431,069	-	431,069
Unearned Revenues	530,454	-	530,454
Long Term Liabilities:			
Due within one year			
General Obligation Debt	3,511,129	113,586	3,624,715
Due in more than one year			
General Obligation Debt	75,528,478	356,873	75,885,351
Accrued Compensated Absences	1,171,138	-	1,171,138
Upfront Payment (Borrowing)	717,685	-	717,685
Due to Related Party - Long Term	-	949,336	949,336
Net Pension Liability	6,214,489	-	6,214,489
Postemployment Benefits Other Than Pensions	520,267	-	520,267
Total Liabilities	92,963,413	1,420,781	94,384,194
Deferred Inflows of Resources			
Pensions	1,212,923	-	1,212,923
Total Deferred Outflows of Resources	1,212,923	-	1,212,923
Net Position			
Net Position			
Net Investment in Capital Assets	18,324,116	-	18,324,116
Restricted for:			
Debt Service	58,268	-	58,268
Capital Projects	911,133	-	911,133
Public Works	1,178,284	-	1,178,284
Judicial	1,810,875	-	1,810,875
Public Safety	102,322	-	102,322
Cultural and Recreation	2,211,851	-	2,211,851
Conservation and Development	3,913,779	-	3,913,779
General Government	568,771	-	568,771
Unrestricted	13,046,809	321,010	13,367,819
Total Net Position	$ 42,126,208	$ 321,010	$ 42,447,218

The accompanying notes are an integral part of the financial statements

COUNTY OF ADAMS, PENNSYLVANIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

			Program Revenues			Net (Expense) Revenue and Changes in Net Position		
						Primary Government		
Functions/Programs	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:								
Governmental activities:								
General Government - Admin	$ 12,588,274	$ (3,173,502)	$ 3,437,204	$ 306,235	$ -	$ (5,671,333)		$ (5,671,333)
General Government - Judicial	7,264,651	1,226,676	1,266,861	1,710,320	-	(5,514,146)		(5,514,146)
Public Safety	23,733,127	1,540,386	1,915,463	3,003,057	3,168,750	(17,186,243)		(17,186,243)
Public Works	840,530	12,457	350	467,614	1,710,141	1,325,118		1,325,118
Human Services	20,320,561	305,233	-	16,078,254	-	(4,547,540)		(4,547,540)
Culture and Recreation	2,605,317	-	268,815	927,872	-	(1,408,630)		(1,408,630)
Conservation and Development	2,925,692	88,750	176,379	729,790	-	(2,108,273)		(2,108,273)
Bond Issuance Costs	267,161	-	-	-	-	(267,161)		(267,161)
Interest on Debt Service	2,854,045	-	-	-	-	(2,854,045)		(2,854,045)
Total governmental activities	73,399,358	-	7,065,072	23,223,142	4,878,891	(38,232,253)		(38,232,253)
Business-type activity:								
Economic Development	101,587	-	19,401	191,606	-	-	$ 109,420	109,420
Total business-type activities	101,587	-	19,401	191,606	-	-	109,420	109,420
Total Primary government	$ 73,500,945	$ -	$ 7,084,473	$ 23,414,748	$ 4,878,891	(38,232,253)	109,420	(38,122,833)

General revenues:			
Taxes:			
Property taxes, levied for general purposes	36,344,820	-	36,344,820
Per capita taxes	344,893	-	344,893
Hotel taxes	2,790,732	-	2,790,732
Unrestricted investment earnings	1,019,777	2,341	1,022,118
Miscellaneous	2,106,964	-	2,106,964
Total general revenues	42,607,186	2,341	42,609,527
Change in net position	4,374,933	111,761	4,486,694
Net position - beginning	37,751,275	209,249	37,960,524
Net position - ending	$ 42,126,208	$ 321,010	$ 42,447,218

The accompanying notes are an integral part of the financial statements

COUNTY OF ADAMS, PENNSYLVANIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017

Assets	General	Children & Youth	Managed Care	911 Fund	911 Capital Projects Fund	2017 Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents	$ 11,768,969	$ 7	$ -	$ 104,433	$ -	$ -	10,492,346	$ 22,365,755
Investments	4,065,000	-	-	-	-	-	1,182,458	5,247,458
Receivables								
Accounts, net	956,500	3,187	-	40	-	-	1,194,599	2,154,326
Taxes	1,305,880	-	-	-	-	-	-	1,305,880
Notes Receivable	-	-	-	-	-	-	186,318	186,318
Loans Receivable	947,434	-	-	-	-	-	-	947,434
Due From Other Funds	10,659,709	1,556,547	-	1,117,484	-	911,133	67,824	14,312,697
Due From Other Governments	422,251	980,767	-	511,029	3,168,750	-	706,161	5,788,958
Other Assets	75,295	1,675	-	23,709	-	-	7,882	108,561
Restricted Assets								
Cash Held in Escrow	451,809	-	-	-	-	-	-	451,809
Cash for Debt Service	58,268	-	-	-	-	-	-	58,268
Cash for Construction	-	-	-	-	-	1,761,111	-	1,761,111
Cash for Program Purposes	15,845	-	-	-	-	-	-	15,845
Total Assets	$ 30,726,960	$ 2,542,183	$ -	$ 1,756,695	$ 3,168,750	$ 2,672,244	$ 13,837,588	$ 54,704,420

The accompanying notes are an integral part of the financial statements

COUNTY OF ADAMS, PENNSYLVANIA
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
DECEMBER 31, 2017

Liabilities and Fund Balances	General	Children & Youth	Managed Care	911 Fund	911 Capital Projects Fund	2017 Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Liabilities								
Accounts Payable	$ 868,761	$ 580,563	$ -	$ 15,929	$ -	$ -	$ 1,521,816	$ 2,987,069
Accrued Liabilities	421,018	47,675	-	26,352	-	-	67,546	562,591
Unearned Revenue	57,682	50,205	-	-	-	-	422,567	530,454
Due to Other Funds	2,764,766	1,863,740	-	1,714,414	3,938,339	-	2,997,216	13,278,475
Total Liabilities	4,112,227	2,542,183	-	1,756,695	3,938,339	-	5,009,145	17,358,589
Deferred Inflow of Resources								
Unavailable Revenue - Property Taxes	762,960	-	-	-	-	-	-	762,960
Total Deferred Inflows of Resources	762,960	-	-	-	-	-	-	762,960
Fund Balances								
Nonspendable	1,928,024	-	-	-	-	-	62,995	1,991,019
Restricted for:								
Debt Service	58,268	-	-	-	-	-	-	58,268
Capital Projects	-	-	-	-	-	2,672,244	-	2,672,244
Public Works	-	-	-	-	-	-	1,178,284	1,178,284
Judicial	-	-	-	-	-	-	1,810,875	1,810,875
Public Safety	-	-	-	-	-	-	102,322	102,322
Cultural and Recreation	-	-	-	-	-	-	2,211,851	2,211,851
Conservation and Development	-	-	-	-	-	-	3,913,779	3,913,779
General Government	-	-	-	-	-	-	568,771	568,771
Assigned	1,381,639	-	-	-	-	-	-	1,381,639
Unassigned	22,483,842	-	-	-	(769,589)	-	(1,020,434)	20,693,819
Total Fund Balances	25,851,773	-	-	-	(769,589)	2,672,244	8,828,443	36,582,871
Total Liabilities and Fund Balances	$ 30,726,960	$ 2,542,183	$ -	$ 1,756,695	$ 3,168,750	$ 2,672,244	$ 13,837,588	$ 54,704,420

The accompanying notes are an integral part of the financial statements

COUNTY OF ADAMS, PENNSYLVANIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2017

Total fund balances for governmental funds		$ 36,582,871
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	1,306,312	
Construction in Progress	1,983,114	
Agricultural Easements	9,942,377	
Infrastructure, net of $4,002,429 accumulated depreciation	3,483,789	
Buildings and improvements, net of $21,724,897 accumulated depreciation	42,454,387	
Equipment and vehicles, net of $16,163,298 accumulated depreciation	25,581,458	
Total Capital Assets		84,751,437
Some of the County's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources in the funds.		762,960
Net deficit of the Internal Service Fund is included in governmental activities since they primarily benefit the County's governmental activities		(1,552,154)
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. All liabilities -both current and long-term - are reported in the statement of net position. Balances at December 31, 2017 are:		
Accrued interest on bonds	(431,069)	
General obligation debt	(76,082,790)	
Compensated absences	(1,171,138)	
Deferred loss on refunding	5,316,175	
Deferred Outflow of Resources - Pensions	4,983,061	
Deferred Inflows of Resources - Pensions	(1,212,923)	
Upfront Payment	(717,685)	
Investment Derivative	589,036	
Liability for Other Postemployment Benefits	(520,267)	
Net Pension Liability	(6,214,489)	
Bond Discount	(3,040,230)	
Bond Premium	83,413	
		(78,418,906)
Total net position of governmental activities		$ 42,126,208

COUNTY OF ADAMS, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	General	Children & Youth	Managed Care	911 Fund	911 Capital Projects Fund	2017 Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues								
Taxes	$ 36,949,181	$ -	$ -	$ -	$ -	$ -	$ 2,790,732	$ 39,739,913
Intergovernmental Revenues	2,051,162	6,891,831	8,945,672	2,120,644	3,168,750	-	4,923,974	28,102,033
Charges for Services	5,982,157	-	-	27,044	-	-	843,935	6,853,136
Interest and Rents	414,967	91	-	576	-	1,187	340,284	757,105
License and Permits	142,686	-	-	-	-	-	-	142,686
Court Costs and Fines	69,250	-	-	-	-	-	-	69,250
Miscellaneous	862,314	100,297	-	-	-	-	1,144,353	2,106,964
Total Revenues	46,471,717	6,992,219	8,945,672	2,148,264	3,168,750	1,187	10,043,278	77,771,087
Expenditures								
Current:								
General Government - Administrative	11,654,559	-	-	-	-	5,491,000	69,489	17,215,048
General Government - Judicial	6,970,548	-	-	-	-	-	199,247	7,169,795
Public Safety	15,747,035	-	-	3,262,268	55,305	-	146,721	19,211,329
Public Works	-	-	-	-	-	-	674,438	674,438
Human Services	1,642,135	8,772,915	8,945,672	-	-	-	314,437	19,675,159
Culture and Recreation	641,087	-	-	-	-	-	1,925,980	2,567,067
Conservation and Development	632,341	-	-	-	-	-	2,229,453	2,861,794
Debt Service								
Principal	3,100,000	-	-	-	-	25,240,000	15,352	28,355,352
Interest	2,593,719	15,310	-	-	-	15,116	7,477	2,631,622
Bond Issuance Costs	-	-	-	-	-	267,161	-	267,161
Capital Outlay	-	-	-	-	-	-	7,984,441	7,984,441
Total Expenditures	42,981,424	8,788,225	8,945,672	3,262,268	55,305	31,013,277	13,567,035	108,613,206
Excess/(Deficiency) of Revenues Over (Under) Expenditures	3,490,293	(1,796,006)	-	(1,114,004)	3,113,445	(31,012,090)	(3,523,757)	(30,842,119)
Other Financing Sources (Uses)								
Operating Transfer In	3,575,232	1,796,006	-	1,114,004	534,763	-	3,363,822	10,383,827
Operating Transfer (Out)	(3,942,828)	-	-	-	-	(2,331,004)	(4,109,995)	(10,383,827)
Proceeds From Issuance of Refunding Bonds	-	-	-	-	-	24,015,000	-	24,015,000
Proceeds From Issuance of Long Term Debt	-	-	-	-	-	10,660,000	-	10,660,000
Bond Discount	-	-	-	-	-	(84,469)	-	(84,469)
Bond Premium	-	-	-	-	-	1,424,807	-	1,424,807
Total Other Financing Sources(Uses)	(367,596)	1,796,006	-	1,114,004	534,763	33,684,334	(746,173)	36,015,338
Net change in fund balances	3,122,697	-	-	-	3,648,208	2,672,244	(4,269,930)	5,173,219
Fund Balances - Beginning of Year (Deficit)	22,729,076	-	-	-	(4,417,797)	-	13,098,373	31,409,652
Fund Balances - End of Year (Deficit)	$ 25,851,773	$ -	$ -	$ -	$ (769,589)	$ 2,672,244	$ 8,828,443	$ 36,582,871

The accompanying notes are in integral part of the financial statements

COUNTY OF ADAMS, PENNSYLVANIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (DEFICIT) OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

Net change in fund balances (deficit) - total governmental funds		$ 5,173,219
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays ($7,984,441) exceeded depreciation expense($5,119,798) and a loss on sale of ($2,637).		2,862,006
Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.		
Issuance of debt and refunding bonds	(34,675,000)	
Principal repayments:	28,355,352	
Net Adjustment:		(6,319,648)
Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment combines the net changes of the balances.		
Compensated absences	4,168	
Liability for Other Postemployment Benefits	(142,122)	
Accrued interest on bonds	(149,110)	
Investment Gain from Derivative Instrument	220,005	
Termination of Swap	5,522,755	
Amortization of Upfront Payment	42,667	
Amortization of Deferred Loss	(211,147)	
Pension Expense	(928,013)	
Bond Discount (net)	83,413	
Bond Premium (net)	(1,321,840)	
Combined Adjustment:		3,120,776
Change in the net deficit of the Internal Service Fund is included in governmental activities since it primarily benefits the County's governmental activities		(201,952)
Under the modified accrual basis of accounting used in governmental funds, revenues are not reported until they become available. In the statement of activities, however, revenues are recorded regardless of when financial resources are available. This is the change in unearned real estate tax revenue from 12/31/16 to 12/31/17.		(259,468)
Change in net position of governmental activities		$ 4,374,933

The accompanying notes are an integral part of the financial statements

COUNTY OF ADAMS, PENNSYLVANIA
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2017

	Business-Type Activity	Governmental Activities
	Adams County IDA	Internal Service Fund
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 43,436	$ 5,161
Accounts Receivable	2,727	265,494
Due from Other Government	-	-
Notes Receivable	3,653	-
Due from Other Funds	-	35,310
Other Assets	876	457
Total current assets	50,692	306,422
Noncurrent Assets:		
Notes Receivable - Long Term	37,114	-
Land Held for Resale	1,653,985	-
Total noncurrent assets	1,691,099	-
Total assets	1,741,791	306,422
LIABILITIES		
Current liabilities:		
Accounts Payable	986	789,044
Due to Other Funds	-	164,237
Current Portion of Long Term Debt	113,586	-
Total current liabilities	114,572	953,281
Noncurrent liabilities:		
Due to Related Party - Long Term	949,336	-
Due to Other Funds	-	905,295
Noncurrent Portion of Long Term Debt	356,873	-
Total noncurrent liabilities	1,306,209	905,295
Total liabilities	1,420,781	1,858,576
Net Position		
Unrestricted	321,010	(1,552,154)
Total Net Position	$ 321,010	$ (1,552,154)

The accompanying notes are an integral part of the financial statements

COUNTY OF ADAMS, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION -
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2017

	Business-Type Activity	Governmental Activities
	Adams County IDA	Internal Service Fund
Operating Revenues		
Charges for Services	$ 19,401	$ 6,304,497
Total Operating Revenues	19,401	6,304,497
Operating Expenses		
Self Insurance Claims	-	6,004,125
Management Fees	50,000	-
Rent	18,000	-
Professional Services	6,430	797,425
Other Services and Charges	3,065	55,064
Insurance	1,446	-
Advertising	153	-
Office Expense	25	-
Total Operating Expenses	79,119	6,856,614
Operating Loss	(59,718)	(552,117)
Nonoperating Revenues (Expenses)		
Interest Income	2,341	397
Administrative Fees	-	356
Insurance Refunds	-	349,412
Support Income	60,850	-
Project Support Income	130,756	-
Interest Expense	(22,468)	-
Total Nonoperating Revenues	171,479	350,165
Change in Net Position	111,761	(201,952)
Net Position - Beginning of Year	209,249	(1,350,202)
Net Position - End of Year	$ 321,010	$ (1,552,154)

The accompanying notes are an integral part of the financial statements

COUNTY OF ADAMS, PENNSYLVANIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Business-Type Activity Adams County IDA	Governmental Activities Internal Service Fund
Cash Flows From Operating Activities		
Receipts from Programs	$ 24,401	$ -
Receipts from Users	-	7,011,635
Payments for Self-Insurance Claims and Professional Services	-	(7,475,453)
Payments for Operating Expenses	(78,320)	-
Net Cash Used In Operating Activities	(53,919)	(463,818)
Cash Flows from Noncapital Financing Activities		
Insurance Refunds and Admin Fees	-	84,294
Proceeds from Grant	36,505	-
Payments to pass through grant recipients	(11,505)	-
Payment on note payable	(25,000)	-
Proceeds from Related Party	60,849	-
Net Cash Provided by Noncapital Financing Activities	60,849	84,294
Cash Flows from Investing Activities		
Payments on notes receivable	3,162	-
Interest Income	2,341	397
Net Cash Provided By Investing Activities	5,503	397
Net (Decrease)/Increase in Cash and Cash Equivalents	12,433	(379,127)
Cash and Cash Equivalents, Beginning of Year	31,003	384,288
Cash and Cash Equivalents, End of Year	$ 43,436	$ 5,161
Reconciliation of operating loss to net cash used in operating activities	$ (59,718)	$ (552,117)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities		
Change in assets and liabilities		
Other Assets	-	41,129
Accounts Payable	(238)	(746,037)
Due to Related Party	986	-
Unearned Revenue	-	(9,507)
Prepaid Expenses	51	-
Due from Other Funds	-	675,516
Due to Other Funds	-	127,198
Net cash used in operating activities	$ (58,919)	$ (463,818)
Noncash Transactions:		
Debt Principal and Interest Paid by Related Party	$ 130,756	$ -

The accompanying notes are an integral part of the financial statements

COUNTY OF ADAMS, PENNSYLVANIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2017

Assets	Agency Funds
Cash and Cash Equivalents	$ 2,791,365
Delinquent Taxes Receivable on Behalf of Other Governments	4,340,170
Accounts Receivable	1,922,328
Total Assets	$ 9,053,863

Liabilities	
Liabilities	
Due to Other Governments	$ 5,225,742
Other Liabilities	3,828,121
Total Liabilities	$ 9,053,863

The accompanying notes are an integral part of the financial statements.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Adams (the "County") is a fifth Class County that was formed on March 26, 1804. The County operates under the direction of an elected Board of Commissioners and provides the following services: general administrative services, tax assessment and collections, judicial, public improvements, public safety, conservation, and human services. The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units, as prescribed by the Governmental Accounting Standards Board (GASB).

A summary of the County's significant accounting policies consistently applied in the preparation of the accompanying financial statements is as follows:

A) Reporting Entity

The County follows the criteria promulgated by the Governmental Accounting Standards Board (“GASB”) Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34,* for purposes of determining the scope of its reporting entity. As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County of Adams (the Primary Government) and its Component Units.

Blended Component Units

In conformity with accounting principles generally accepted in the United States of America, the financial statements of the Component Units discussed below have been included in the financial reporting entity as Blended Component Units.

Adams County Industrial Development Authority (“the Authority”):

The Authority was incorporated on September 8, 1998 under the provisions of the Economic Development Financing Law Act of 1967 as amended in 1993. The Authority exists under the constitution and laws of the County of Adams and the Commonwealth of Pennsylvania. The Authority is organized for the purpose of acquiring, holding, constructing, improving, maintaining, owning, financing, and leasing either in the capacity of Lessor or Lessee, projects.

The Authority is included in the financial reporting entity because (1) the County appoints a voting majority of the governing board, (2) the County can impose its will on the Authority by significantly influencing program, projects, activities, and level of service performed by the Authority, and (3) the Authority’s debt is currently being repaid with the County’s resources.

The Authority’s operates on a calendar year ending December 31. A separate financial statement of the Authority can be obtained by contacting the Adam’s County Commissioner’s Office.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A) Reporting Entity (Continued)

Blended Component Units (Continued)

Adams County Conservation District ("the District"):

The District was formed on November 14, 1947 under Pennsylvania Act 217. The mission of the District is to promote voluntary conservation and good stewardship of Adams County's natural resources. The District's vision is to be recognized, respected, and trusted as the conservation leader of Adams County, enabling the people to sustain, use, and conserve natural resources through the 21st century, thus maintaining a balance and harmony between a profitable agricultural economy and other land uses for a quality of life that everyone can enjoy.

The District is included in the financial reporting entity because (1) the County appoints a voting majority of the governing board, (2) the County can impose its will on the District by significantly influencing program, projects, activities, and level of service performed by the District, and (3) the District provides services almost entirely for the benefit of the County. In addition, the District's employees are considered employees of the County.

The District operates on a calendar year ending December 31. A separate financial statement of the District can be obtained by contacting the Adam's County Commissioner's Office.

B) Related Organizations

The Board of County Commissioners is also responsible for appointing the members of the governing boards of other organizations, but the County's accountability for these organizations does not extend beyond making appointments. The County does not designate management nor does it have the ability to significantly influence the operations of these entities. In addition, the County has no responsibility for fiscal matters for these entities (i.e., not responsible for deficits or entitled to surpluses, no guarantees of debt, etc.). These organizations include:

Adams County Office of Aging
Destination Gettysburg
Adams County Economic Development Corp.
Adams County Historical Society
Adams County Library System
Adams County Extension Association
Adams County Housing Authority

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C) Joint Ventures

The County is a participant with York County in joint ventures that provide services to the constituents of all the participants. The County has no interest in the equity of these organizations and therefore these entities are not included in its financial reporting entity (condensed financial information relative to these entities is included in the notes herein):

Name of Organization	York/Adams Mental Health/ Intellectual and Developmental Disabilities	York/Adams Drug and Alcohol Program	York/Adams HealthChoices Program
Services Provided	Mental Health/ Intellectual and Developmental Disabilities	Drug and Alcohol Program	Managed Care Program
Adams County Board Representation	3 of 6	3 of 6	3 of 6
Fiscal Year	12/31/17	12/31/17	12/31/17
Total Assets	$ 8,083,434	$ 1,518,319	$12,606,583
Equity	-	-	-
Operating Revenue	$32,212,359	$ 4,209,980	$54,578,580
Net Income (Loss)	-	-	-
Adams County Contribution to Operations	$ 209,566	$ -	$ -

The above joint ventures are included in York County's Comprehensive Annual Financial Report and are available for inspection in the York County Controller's Office, Administrative Center, 28 East Market Street, York, Pennsylvania 17401.

D) Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., statement of net position, and the statement of activities) report information on all the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements except for certain interfund services provided and used between functions. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment is affected by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D) Government-Wide and Fund Financial Statements (Continued)

segment. Taxes and other items, not included among program revenues, are reported instead as general revenues. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

E) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and agency fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues, to be available if they are collected within 365 days of the end of the current fiscal period with the exception of property taxes which must be received within 60 days of year end to be deemed available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Licenses, operating grants, capital grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when the cash is received by the County.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”. Governmental funds operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during the period.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Because of their spending measurement focus, expenditure recognition for governmental fund types exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The County reports the following major governmental funds:

- The General Fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues of this fund are primarily derived from real estate taxes, state and federal grants, and fees for services. Many of the basic activities of the County are accounted for in this fund, including operation of general County government, boards, commissions, the court system and health and welfare services.

- The Children and Youth Fund is used to account for specific revenue sources related to the provisions of Children and Youth services that are restricted to expenditures for those specified purposes.

- The Managed Care Fund is used to account for specific revenue sources related to the provisions of the managed care program that are restricted to expenditures for those specified purposes.

- The 911 Fund is used to account for specific revenue sources related to the provisions of the 911 program that are restricted to emergency response communications expenditures of the County.

- The 911 Capital Projects Fund is used to account for financial resources used for acquisition of equipment and capital construction of major capital facilities for the 911 Fund.

- The 2017 Capital Projects Fund is used to account for the capital additions to the Human Service Building and future capital projects of the County.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The County's enterprise funds are proprietary funds. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Amounts paid to acquire capital assets are capitalized as assets in the proprietary fund financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the proprietary fund financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities, rather than an expense.

The County reports the following major proprietary fund:

- The Adams County Industrial Development Authority is organized for the purpose of acquiring, holding, constructing, improving, maintaining, owning, financing and leasing either in the capacity of lessor or lessee, projects.

Additionally, the County reports the following fund types:

- Internal Service Fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governments, on a cost reimbursement basis. The Internal Service Fund accounts for the cost of health benefits provided to employees of the County.

- The Agency Funds consist of restricted revenues of the various row offices of the County. The row office funds are in essence escrow funds maintained by the row offices for bails posted, funds held for sheriff's sales, realty transfer taxes held and owed to other governmental entities, and other funds reserved for disposition of legal action.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed for their intended purposes.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F) Assets, Liabilities, and Net Position or Fund Balances

1. Cash and Cash Equivalents

For purposes of the accompanying statement of cash flows, the County considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

2. Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

3. Investments

Investments for the County are reported at fair value. Investments that do not have an established market value are reported at estimated values.

4. Restricted Assets

Restricted Assets represent revenues set-aside for the liquidation of specific obligations, as detailed in Note 3.

5. Deferred Inflows/Outflows

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Under the accrual basis of accounting, the government wide statement of net position reports a deferred loss on refunding, a net difference between projected and actual earnings on plan investments for pensions, changes in assumptions for pensions, and contributions subsequent to the measurement date related to pensions as a deferred outflow of resources.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Under the modified accrual basis of accounting, the governmental funds report unavailable revenue from property taxes as a deferred inflow of resources. Under the accrual basis of accounting, the government wide statement of net position reports a difference between expected and actual experience related to pensions as a deferred inflow of resources.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F) Assets, Liabilities, and Net Position or Fund Balances (Continued)

6. Capital Assets

Capital assets, which include property, plant and equipment and infrastructure assets (e.g. bridges), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements and in the proprietary fund financial statements. Capital assets with initial, individual costs that equal or exceed $5,000 and have estimated useful lives of over one year are recorded as capital assets.

Capital assets are recorded at historical costs or estimated historical costs if purchased or constructed. Donated capital assets are recorded at acquisition cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlay of capital assets and improvements are capitalized as projects are completed. Interest incurred during the construction phase of the capital asset of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets of the County are depreciated using the straight line method over the following intended useful lives:

Asset	Years
Infrastructure	40
Buildings and Improvements	20-40
Equipment and Vehicles	5-10

7. Allowance for Doubtful Accounts

Accounts receivable have been reported net of allowance for doubtful accounts. The County recorded an allowance for uncollectible taxes of $1,081,294 as of December 31, 2017.

8. Compensated Absences

The County permits employees to accumulate a limited amount of earned, but unused vacation leave. These benefits are payable upon separation of services. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. The computed liability is in compliance with GASB 16, *Accounting for Compensated Absences*.

9. Prepaid Costs

Prepaid items are recorded as an expenditure/expense in the fund level and government-wide financial statements when consumed.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F) Assets, Liabilities, and Net Position or Fund Balances (Continued)

10. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of applicable bond premiums or discounts. Deferred loss on refundings are reported as deferred outflows of resources and amortized over the shorter term of the new or old debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. Unearned Revenues

Revenues that are received but not earned are recorded as unearned revenues in the County's financial statements. In the County's governmental funds, unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for unearned revenue is removed from the governmental funds' balance sheet and revenue is recognized.

12. Interfund Transactions

Quasi and external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions except quasi-external transactions and reimbursements are reported as transfers.

13. Fund Balances

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F) Assets, Liabilities, and Net Position or Fund Balances (Continued)

13. Fund Balances (Continued)

- Nonspendable fund balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

- Restricted fund balance – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

- Committed fund balance – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners. These amounts cannot be used for any other purpose unless the Members of the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed.

- Assigned fund balance – This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. The Board of Commissioners delegated this responsibility to the County Manager.

- Unassigned fund balance – This classification represents amounts that are available for any purpose.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance and lastly unassigned fund balance.

14. Net Position

The government-wide and business-type activities fund financial statements utilize a net position presentation. Net Position is categorized as net investment in capital assets, restricted and unrestricted.

- *Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F) Assets, Liabilities, and Net Position or Fund Balances (Continued)

14. Net Position (Continued)

- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

- *Unrestricted Net Position* – This category represents net position of the County, not restricted for any project or other purpose.

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

15. Pensions

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Pennsylvania Municipal Retirement System (PMRS) and additions to/deductions from PMRS's fiduciary net position have been determined on the same basis as they are reported by PMRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

16. Accounting Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

G) Adoption of Governmental Accounting Standards Board Statements

The County adopted the provisions of GASB Statement No. 74, "*Financial Reporting for Postemployment Plans Other Than Pensions*." The adoption of this statement had no effect on previously reported amounts.

The County adopted the provisions of GASB Statement No. 80, "*Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*." The adoption of this statement had no effect on previously reported amounts.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G) Adoption of Governmental Accounting Standards Board Statements (Continued)

The County adopted the provisions of GASB Statement No. 81, "*Irrevocable Split-Interest Agreements*." The adoption of this statement had no effect on previously reported amounts.

The County adopted the provisions of GASB Statement No. 82, "*Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*." The adoption of this statement had no effect on previously reported amounts.

H) Pending Changes in Accounting Principles

In June 2015, the GASB issued Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.*" The County is required to adopt statement No. 75 for its calendar year 2018 financial statements.

In November 2016, the GASB issued Statement No. 83, "*Certain Asset Retirement Obligations".* The County is required to adopt statement No. 83 for its calendar year 2019 financial statements.

In January 2017, the GASB issued Statement No. 84, "*Fiduciary Activities".* The County is required to adopt statement No. 84 for its calendar year 2019 financial statements.

In March 2017, the GASB issued Statement No. 85, "*Omnibus 2017".* The County is required to adopt statement No. 85 for its calendar year 2018 financial statements.

In May 2017, the GASB issued Statement No. 86, "*Certain Debt Extinguishment Issues."* The County is required to adopt statement No. 86 for its calendar year 2018 financial statements.

In June 2017, the GASB issued Statement No. 87, "*Leases*". The County is required to adopt statement No. 87 for its calendar year 2020 financial statements.

In April 2018, the GASB issued Statement No. 88, "*Certain Disclosures related to Debt, including Direct Borrowing and Direct Placements*." The County is required to adopt statement No. 88 for its calendar year 2019 financial statements.

In June 2018, the GASB issued Statement No. 89, "*Accounting for Interest Cost Incurred before the End of a Construction Period*." The County is required to adopt statement No. 89 for its calendar year 2020 financial statements.

The County has not yet completed the various analysis required to estimate the financial statement impact of these new pronouncements.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 2: DEPOSIT AND INVESTMENT RISK

The County's investments at December 31, 2017 were as follows:

Governmental Funds	
General Fund	
CD's	$ 4,065,000
Conservation District	
CD's	668,792
Fixed Income Mutual Funds	251,063
Equity Mutual Funds	262,603
Total Governmental Funds	5,247,458
Government-Wide Funds	
Investment Derivative	589,036
Total Primary Government Investments	$5,836,494

As of December 31, 2017, the County had the following debt investments and maturities within its excess operating fund accounts:

		Investment Maturities (in Years)			
Investment Type	**Fair Value**	**Less Than 1**	**1-5**	**6-10**	**More Than 10**
Certificates of Deposit	$ 4,733,792	$ 2,014,792	$ 1,871,000	$ 698,000	$ 150,000
Fixed Income Mutual Funds	251,063	-	151,012	100,051	-
Mutal Funds	262,603	N/A	N/A	N/A	N/A
Investment Derivative	589,036	-	-	-	589,036
Total	$ 5,836,494	$ 2,014,792	$ 2,022,012	$ 798,051	$ 739,036

Interest Rate Risk: The County's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

See Note 12 for information on interest risk, credit risk, and fair value for the County's derivative instruments.

Credit Risk: The County's investment policy limits investments to direct obligations of the United States Government or its agencies; local agency demand deposits, certificates of deposit; Ginnie Mae, Fannie Mae, Freddie Mac, and obligations secured by these agencies; mutual funds; corporate bonds rated A or higher by Standard & Poors or Moody's; commercial paper which is eligible for purchase by the discount window of the Federal Reserve Bank and has a rating of A-1 by Moody's or P-1 by Standard & Poors; bankers acceptances which are eligible for purchase by the discount window of the Federal Reserve Bank; repurchase agreements having a maturity of less than 30 days; and passbook savings account demand deposits and money market accounts. The County investments in fixed income mutual funds as of December 31, 2017 were rated AA, B, and not rated.

NOTE 2: DEPOSIT AND INVESTMENT RISK (CONTINUED)

Custodial Credit Risk: For deposits and investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the County, will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2017, $24,510,060 of the County's bank deposits of $30,201,786 were exposed to custodial credit risk, as they are collateralized with securities held by the pledging financial institution and uninsured. Included in the totals above are certificates of deposit in the amount of $4,733,792. The certificates of deposits had an original maturity greater than 90 days and are classified as investments in the financial statements. The County does not have a written policy to limit its exposure to custodial credit risk.

Concentration of Credit Risk: The County has no formal policy for investments pertaining to concentration of credit risk. At December 31, 2017, the County was not exposed to concentration of credit risk.

Fair Value

Generally accepted accounting principles define fair value, describe a framework for measuring fair value, and require disclosure about fair value measurements. Recurring fair value measurements are those that GASB Statements require or permit at the end of each reporting period. The established framework includes a three-level hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the assets or liabilities fall within different levels of the hierarchy, the classification is based on the lowest level input that is significant to the fair value measurement of the asset or liability. Classification of assets and liabilities within the hierarchy considers the markets in which the assets and liabilities are traded and reliability and transparency of the assumptions used to determine fair value. The hierarchy requires the use of observable market data when available. The levels of the hierarchy and those investments included in each are as follows:

Level 1 – Represented by quoted prices available in an active market.

Level 2 – Represented by assets and liabilities similar to Level 1 where quoted prices are not available, but are observable, either directly or indirectly through corroboration with observable market data, such as quoted prices for similar securities and quoted prices in inactive markets and estimated using pricing models or discounted cash flows.

Level 3 – Represented by financial instruments where there is limited activity or nonobservable market prices and pricing models significant to determining the fair value measurement include the reporting entity's own assumptions about the market risk.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 2: DEPOSIT AND INVESTMENT RISK (CONTINUED)

The following is a description of the valuation methodologies used for instruments measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Mutual Funds

Mutual funds listed on a national market or exchange are valued at the last sales price, or if there is no sale and the market is still considered active, at the mean of the last bid and ask prices on such exchange. The County's interests in mutual funds are categorized by type as fixed income or equity. Such securities are classified within Level 1 of the valuation hierarchy.

The County has mutual funds that have recurring fair value measurements as of December 31, 2017. All mutual funds of $ 513,666 are valued using quoted market prices (Level 1 inputs).

NOTE 3: RESTRICTED ASSETS

Assets whose use is limited to a specific purpose has been classified as restricted in the governmental funds balance sheet and the statement of net position. Restricted assets are composed of the following:

General Fund	
Cash Restricted for Program Purposes	$ 15,845
Cash Restricted for Debt Service	58,268
Cash Held in Escrow	451,809
2017 Capital Projects Fund	
Cash for Construction	1,761,111
Total Restricted Assets	$2,287,033

NOTE 4: REAL ESTATE TAXES

Real estate taxes attach as an enforceable lien on property on January 1. Taxes are billed on or about March 1, payable under the following terms: 2% discount, March 1 through April 30; face amount, May 1 through June 30, and 10% penalty after June 30. The County bills these taxes which are collected by elected local tax collectors. The County collects delinquent real estate taxes on behalf of itself and other taxing authorities. Real estate taxes levied for 2017 are recorded as receivables, net of estimated uncollectibles. Net receivables estimated to be collectible subsequent to March 1 are recorded as a deferred inflow of resources – unavailable revenue property taxes in the Governmental Funds Balance Sheet. Prior years' levies are recorded using these same principles, and remaining receivables are annually reevaluated as to collectibility. The rate of taxation in 2017 was 3.4371 mills for general purposes, .1147 mills for library purposes, and .3675 mills for public safety purposes.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 5: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2017 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES:				
Capital Assets, Not Being Depreciated:				
Land	$ 1,071,712	$ 234,600	$ -	$ 1,306,312
Agricultural Easements	10,685,755	15,425	(758,803)	9,942,377
Construction in Progress	2,957,011	1,983,114	(2,957,011)	1,983,114
Total Capital Assets, Not Being Depreciated	14,714,478	2,233,139	(3,715,814)	13,231,803
Capital Assets, Being Depreciated:				
Infrastructure	7,486,218	-	-	7,486,218
Buildings and Improvements	56,811,540	7,367,744	-	64,179,284
Equipment and Vehicles	39,648,021	2,096,735	-	41,744,756
Total Capital Assets Being Depreciated	103,945,779	9,464,479	-	113,410,258
Less Accumulated Depreciation For:				
Infrastructure	(3,872,768)	(129,661)	-	(4,002,429)
Buildings and Improvements	(20,140,711)	(1,584,186)	-	(21,724,897)
Equipment and Vehicles	(12,757,347)	(3,405,951)	-	(16,163,298)
Total Accumulated Depreciation	(36,770,826)	(5,119,798)	-	(41,890,624)
Total Capital Assets, Being Depreciated, Net	67,174,953	4,344,681	-	71,519,634
Governmental Activities Capital Assets, Net	$ 81,889,431	$6,577,820	$ (3,715,814)	$ 84,751,437

Depreciation expense was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES:	
General Government-Admin.	$ 377,741
General Government-Judicial	32,782
Public Safety	4,213,624
Public Works	129,661
Human Services	341,529
Conservation and Development	24,461
Total Depreciation Expense – Governmental Activities	$5,119,798

NOTE 6: LAND HELD FOR RESALE

On April 29, 2013, the Adams County Industrial Development Authority purchased a property in downtown Gettysburg, Pennsylvania for $1,346,715. The buildings on the property have been demolished. The site is now prepared for future building needs. Engineering fees, legal fees, maintenance fees and other expenses related to this property amounted to $307,270 at December 31, 2017, and have been capitalized.

NOTE 7: DEFINED BENEFIT PENSION PLAN

A. General Information about the Pension Plan

Plan Description. The County, through a June 2010 agreement, provides employee pension benefits through participation in the Pennsylvania Municipal Retirement System (PMRS). The PMRS was created by the Pennsylvania General Assembly in 1974 with the passage of the Pennsylvania Municipal Retirement Law 1974, P.L. 34, No. 15. PMRS administers pension plans on a contracted basis for any municipality or institution supported and maintained by a Pennsylvania municipality. This agent multiple-employer public employee retirement system maintains each municipality's account separately with that municipality's contributions and related employee contributions, and earnings segregated into separate accounts. PMRS issues a separate Comprehensive Annual Financial Report, which can be obtained by contacting the PMRS accounting office at P.O. Box 1165, Harrisburg, PA 17108-1165.

Benefits Provided. Benefit terms were established under the June 2010 agreement between PMRS and the County, changes to benefit terms can only occur by modification of this agreement. Major provisions of the 2010 agreement include the following:

All full-time County employees are required to participate in the System. Benefits vest after five years of service. Employees can retire with an annual retirement benefit after 20 years of service provided age 55 has been attained, or at age 60.

The normal form of payment of retirement benefits is a monthly annuity available for the life of the retired employee. For members hired on or after July 1, 2010 an annuity comprised of the following applicable annuities:

- A municipal annuity equal to one percent of the member's final salary multiplied by all years of credited service.

- A member's annuity equal to a single life annuity starting on the effective date of retirement with a present value equal to the accumulated member contributions, regular interest on the member contributions, and any excess interest that may be credited to the member's account.

For members hired prior to July 1, 2010, an annuity comprised of the following applicable annuities:

- A current service municipal annuity equal to one and twenty five hundredths percent (1.25%) of the member's final salary multiplied by all years of credited service rendered by the member subsequent to January 1, 2005

- A prior service municipal annuity equal to one percent (1.0%) of the member's final salary multiplied by all years of credited service rendered by the member between January 1, 2005 and January 1, 1975.

- An additional prior service municipal annuity equal to four tenths percent (0.4%) of the annual average compensation earned during the five years immediately preceding January 1, 1975 or, if not so long employed, then the average annual compensation earned and paid during the whole period of such employment times all years of credited service rendered by the member between January 1, 1975 and January 1, 1963.

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)

A. *General Information about the Pension Plan (Continued)*

- An additional prior service municipal annuity equal to four tenths percent (0.4%) of the annual average compensation earned during the year prior to January 1, 1963 or, if not so long employed, then the average annual compensation earned and paid during the whole period of such employment times all years of credited service rendered by the member between January 1, 1953 and January 1, 1963.

- A member's annuity equal to a single life annuity starting on the effective date of retirement with a present value equal to the accumulated member contributions, regular interest on the member contributions, and any excess interest that may be credited to the member's account.

Supplemental benefits are derived from employee contributions and interest earnings of the fund. A retiree may elect to receive a reduced amount of benefit and provide a death benefit in the form of annuity or lump sum to the designated beneficiary. The plan also provides death and disability benefits for an active employee.

Administrative costs, including the investment manager, custodial trustee, and actuarial services are charged to the plan and funded through investment earnings.

*Employees Covered by Benefit Terms***.** At December 31, 2016, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	238
Inactive plan members entitled to but not yet receiving benefits	77
Active plan members	437
	752

Contributions. Required contributions to the plan are governed by the 2010 agreement. The PMRS Board will actuarially determine the normal cost of the benefits provided under the contract (2010 agreement) and any liability associated with the actuarial experience of such benefits which shall be contributed annually by the County. Members shall contribute six percent of their compensation to fund the annuity. Members shall also have the option to contribute an additional percentage to fund the optional contribution annuity. The total of the mandatory and optional contributions shall not exceed sixteen percent (16%) of the member's compensation. Optional contributions shall be based on whole percentages and may only be changed or stopped one time per calendar year with written notification to the System.

Payment shall be made by payroll deductions and transmitted to the System by the County in accordance with established System procedures. For the year ended December 31, 2017, the average active employee contribution rate was 6.0% of annual pay, and the County's average contribution rate was 7.74% of covered annual payroll.

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Net Pension Liability

The County's net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016 with update procedures performed to roll forward the liabilities to December 31, 2016.

Actuarial assumptions. The total pension liability was measured as of December 31, 2016 and was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	5.25%,
Projected salary increases	Age related scale with merit and inflation component ranging from 2.8% to 7.0%
Inflation	3.0%

Mortality rates Pre-Retirement were based on the RP-2000 Male Annuitant Table projected 15 years with Scale AA for males and the RP-2000 Female Annuitant Table projected 15 years with scale AA and the setback 5 years for females. Mortality rates Post-Retirement were based on the RP-2000 Combined table set-forward 10 years.

The discount rate was changed from 5.50% to 5.25% for the 2016 measurement period.

The actuarial assumptions used in the December 31, 2016 valuation were based on the PMRS Experience Study for the period covering January 1, 2009 through December 31, 2013 issued by the actuary in July 2015 as well as subsequent Board approved assumption changes.

The PMRS system's long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future arithmetic real rates of return are developed for each major asset class, for the portfolio as a whole and at different levels of probability or confidence. There are four steps to the method:

1.) Expected future real rates of return are based primarily on the 20 year historic nominal rates of return as reflected by applicable return indexes and may be adjusted for specific asset classes if, in the Board's opinion, any such asset classes are expected in the future to significantly vary from its 20 year historical returns. These nominal rates of return further assume that investment expenses will be offset by the additional return performance derived from active investment management.
2.) The nominal rates of return by asset class are adjusted by a constant rate of expected future annual inflation rate of 3% to produce real rates of return.
3.) The real rates of return are further adjusted by weighting each asset class using the PMRS portfolio target asset allocations. The results from steps 1 through 3 are shown in the chart below.
4.) These weighted real rates of return are then subjected to a probability simulation to understand the likelihood of success in achieving various portfolio return levels. Based on the most recent asset allocation study conducted by Dahab Associates, the minimum acceptable confidence level for the PMRS Board has been determined to be 70%.

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Net Pension Liability (Continued)

System Nominal and Real Rates of Return by Asset Class

Asset Class	Target Asset Allocation	Nominal Rate of Return	Long-Term Expected Real Rate of Return
Domestic Equities (large capitalized firms)	25%	9.4%	6.4%
Domestic Equities (small capitalized firms)	15%	10.0%	7.0%
International Equities (international developed markets)	15%	6.7%	3.7%
International Equities (emerging markets)	10%	10.9%	7.9%
Real Estate	20%	10.0%	7.0%

Based on the four part analysis, the PMRS Board established the System's Long-Term Expected Rate of Return at 7.5%.

In addition to determining the System's Long-Term Expected Rate of Return, PMRS also develops a Long-Term Expected Rate of Return for individual participating municipalities. The Long-Term Expected Rate of Return for individual participating municipalities is also referred to as the Regular Interest Rate. Under the laws of the Commonwealth of Pennsylvania (Act 15 of 1974), the Board is obligated to apply the Regular Interest Rate to each of the individual participating municipalities' actuarial asset accounts held by PMRS. Therefore, under the law, the Long-Term Expected Rate of Return for individual participating municipalities is equal to the Regular Interest Rate. The rationale for the difference between the System's Long-Term Expected Rate of Return and the individual participating municipalities' Regular Interest Rate is described in the following section "*Discount rate"*. As of December 31, 2016, the Regular Interest Rate was 5.25%.

The System's policy in regards to the investment income allocation on invested assets is established and may be amended by the PMRS Board. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of PMRS.

Discount rate. While it is often common practice to establish an actuarial Discount Rate that is equal to the Long-Term Expected Rate of Return, PMRS is required by law (Act 15 of 1974) to establish a Discount Rate equal to the Regular Interest Rate. The PMRS Board establishes the Regular Interest Rate on the basis of expected stable and consistent earnings on investments to be applied to the accounts of the individual participating municipalities and includes the accounts of plan participants, municipalities, and plan retirees each year. The PMRS Board considers the following five quantitative factors in establishing the Regular Interest Rate:

1.) Retiree Plan liability as a percentage of total Plan liability,
2.) Active Plan participant liability as a percentage of total Plan liability,
3.) Smoothed Pension Benefit Guarantee Corporation (PBGC) annuity rates as a proxy for annuity purchase rates,
4.) PMRS System Long-Term Expected Rate of Return and,
5.) PMRS administrative expenses.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Net Pension Liability (Continued)

Discount Rate (Continued)

The PMRS Board may then adjust the Regular Interest Rate due to a variety of qualitative factors such as the desire to minimize Regular Interest Rate volatility, trending of PBGC annuity rates, total PMRS actuarial and market value funding ratios, feedback from existing PMRS municipalities, and recommendations from the System's investment and actuarial consultants. The Discount Rates adopted by the Board and used to measure the individual participating municipalities' total pension liability was 5.25% for the December 31, 2016.

The Regular Interest Rate / Discount Rate will likely be less than the System Long-Term Expected Rate of Return. Should the System experience a prolonged period of investment returns in excess of the Regular Interest Rate, the PMRS Board is authorized to allocate any applicable portion of such excess in accordance with PMRS Board policies in the form of Excess Interest as provided for in the law.

C. *Changes in the Net Pension Liability*

Changes in the County's net pension liability for the plan for the December 31, 2016 measurement period were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/2015	$ 74,871,551	$ 68,769,037	$ 6,102,514
Changes for the year:			
Service cost	2,815,700	-	2,815,700
Interest	4,176,704	-	4,176,704
Changes of benefits	-	-	-
Changes of assumptions	1,708,124	-	1,708,124
Differences between expected and actual experience	-	-	-
Contributions - employer	-	1,661,282	(1,661,282)
Contributions - member	-	1,310,529	(1,310,529)
Net investment income	-	5,829,770	(5,829,770)
Benefit payments, including refunds of employee contributions	(3,443,180)	(3,443,180)	-
Administrative expense	-	(213,028)	213,028
Net changes	5,257,348	5,145,373	111,975
Balances at 12/31/16	$ 80,128,899	$ 73,914,410	$ 6,214,489

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)

C. *Changes in the Net Pension Liability (Continued)*

Sensitivity of the pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 5.25%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.25%) or 1-percentage-point higher (6.25%) than the current rate:

	1% Decrease (4.25%)	Current Discount Rate (5.25%)	1% Increase (6.25%)
County's net pension liability	$13,908,796	$6,214,489	$(168,923)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issues PMRS financial report.

D. Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended December 31, 2017, the County recognized pension expense of $2,563,567. At December 31, 2017 the County reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 1,212,923
Changes in assumption	2,295,271	-
Net difference between projected and actual earnings on pension plan investments	1,052,846	-
Contributions subsequent to the measurment date	1,634,944	-
	$ 4,983,061	$ 1,212,923

The $1,634,944 reported as deferred outflows of resources related to pensions resulting from the County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018 financial statements. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2018	$700,573
2019	700,573
2020	660,676
2021	(143,102)
2022	216,474
Thereafter	-

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 8: LEASES

The County leases office space and land for 911 towers under several operating lease agreements which have expiration dates ranging from 2017 to 2033. Some of the agreements contain renewal provisions at the County's option. The County also has a lease with a related party as described in Note 20. The following is a schedule of the future minimum rental payments to be made under the various leases as of December 31, 2017:

Years	Courts	Agencies	Total
2018	$ 34,000	$ 287,424	$ 321,424
2019	34,000	296,046	330,046
2020	-	275,229	275,229
2021	-	283,485	283,485
2022	-	381,628	381,628
2023-2027	-	1,475,765	1,475,765
2028-2032	-	921,108	921,108
2033-2037	-	145,916	145,916
	$ 68,000	$4,066,601	$ 4,314,601

Rent expense for 2017 was $390,888.

NOTE 9: RISK MANAGEMENT

Effective January 1, 1999, the County participates in the Pennsylvania Counties Workers Compensation Trust (the "Trust") insurance pool for workers' compensation insurance. Insurance premiums are developed based on employee job descriptions, rate factors, and payroll costs for the year. For the year ended December 31, 2017, the County was required to pay an insurance premium of $761,517 to the Trust. The Trust has an audit performed each year and the County may be required to pay an additional premium or entitled to a refund as a result of the audit. For the 2017 Trust audit, the County owed a refund of $14,228.

Effective January 1, 2017, the County has elected not to purchase commercial health insurance for the risks of losses to which it is exposed. Instead, the County's management believes it is more economical to manage its risk internally. The County pays all claims for risk of loss which the County is exposed including health claims, which are administered by third parties. The County has purchased stop loss insurance from commercial insurers that will reimburse the County 100% of all medical claims over $150,000 per year per participant with exceptions.

The County will also receive a stop loss reimbursement of 100% for all medical claims up to $1,000,000 which exceed $4,986,535 in 2017. The County would have to fund any claims incurred in excess of the $1,000,000 threshold. During the year ended December 31, 2017, the County received stop loss reimbursements for twenty one claimants in the amount of $349,412.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 9: RISK MANAGEMENT (CONTINUED)

The County accounts for its self-insurance activity in its Internal Service Fund. Liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because of delays between the time a claim is incurred and it is reported to the County for payment, the estimated liability does not necessarily result in an exact amount. The County's claims liabilities amounts for the years ended December 31, 2017 and 2016 were:

	2017	2016
Liability at beginning of year	$ 1,535,081	$ 925,427
Add: incurrred claims relating to:		
Prior years	(163,700)	30,311
Current year	6,167,825	5,957,811
Less: Payment of claims relating to:		
Prior years	1,371,381	955,738
Current year	5,378,781	4,422,730
Liability - end of year	$ 789,044	$ 1,535,081

The County continues to carry commercial insurance for all other risks of loss including dental, liability and property, and casualty insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years except for the stop loss reimbursements mentioned above. The self-insurance liability is recorded as Accounts Payable in the Proprietary Fund Statement of Net Position and the Government - Wide Statement of Net Position.

NOTE 10: DEFICIT FUND EQUITY/NET POSITION

The 911 Capital Projects Fund had a deficit unassigned fund balance of $769,589.

The Capital Reserve Fund had a deficit unassigned fund balance of $585,598.

The Human Services Building Fund had a deficit unassigned fund balance of $434,836.

The Internal Service Fund has a deficit unrestricted net position balance of $1,552,154.

The County plans to fund these deficits with the proceeds of futures bond issues, a RACP grant, and future rate increases for the Internal Service Fund.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 11: LONG-TERM LIABILITIES

A summary of changes in long-term liabilities follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds and Note Payable:					
General obligation debt	$69,763,142	$34,675,000	$28,355,352	$76,082,790	$3,336,056
Less: Bond Discount	-	(84,469)	(1,056)	(83,413)	(4,223)
Plus: Bond Premium	1,718,390	1,424,807	102,967	3,040,230	179,296
Total Bonds and Note Payable:	71,481,532	36,015,338	28,457,263	79,039,607	3,511,129
Other Long Term Liabilities:					
Compensated absences	1,175,306	236,786	240,954	1,171,138	-
Net Pension Liability	6,102,514	1,773,257	1,661,282	6,214,489	-
Liability for Post Employment Benefits	378,145	168,017	25,895	520,267	-
Upfront Borrowing	760,352	-	42,667	717,685	-
Total Other Long Term Liabilities	8,416,317	2,178,060	1,970,798	8,623,579	
Governmental Activities: Long-Term Liabilities	$79,897,849	$38,193,398	$30,428,061	$87,663,186	$3,511,129
Business-Type Activities:					
Note Payable	$ 603,748	$ -	$ 133,289	$ 470,459	$ 113,586
Total Note Payable	603,748	-	133,289	470,459	113,586
Business-Type Activities Long-Term Liabilities	$ 603,748	$ -	$ 133,289	$ 470,459	$ 113,586

Compensated absences, other postemployment benefits, and the net pension liability are liquidated by the General Fund, Children & Youth Fund, 911 Fund, and certain other Nonmajor Funds.

In 2017, the County issued the General Obligation Bonds Series A, B, and C of 2017. Proceeds of the Series A Bonds were used to fund a termination payment associated with the cancellation of the 2008 fixed pay swap. The proceeds of the Series B Bonds were used to currently refund the outstanding General Obligation Bonds, Series of 2014. The proceeds of the Series C are to be used to fund various capital projects of the County. The Series A Bonds bear interest rates ranging from 1.3% to 2.0%, the Series B Bonds bear interest rates ranging from 2.0% to 5.0%, and the Series C Bonds bear interest rates ranging from 2.0% to 3.1%. The County paid costs of $267,161 for the issuance of these bonds. The proceeds of the bonds were recorded in the 2017 Capital Projects Fund in the Statement of Revenues, Expenditures, and Changes in Fund Balances as an other financing source in the amount of $24,015,000 for the issuance of

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 11: LONG-TERM LIABILITIES (Continued)

refunding bonds and $10,660,000 for issuance of long-term debt. The Series B Bonds were issued at a premium in the amount of $1,424,807 and the Series C Bonds were issued at a discount of $84,469. The Series B refunding bonds resulted in an estimated cash flow increase of $1,440,027 and an estimated economic loss of $1,055,832.

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt debt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. At December 31, 2017, the County has not recorded an arbitrage liability in its financial statements.

General Obligation Notes and Bonds Governmental Activities:

Date of Issue	Amount of Issue	Purpose	Balance Outstanding at December 31, 2017
2012	$37,135,000	General Obligation Bonds, Series of 2012 issued for the purpose of refunding the 2003 Bonds, 2007 Notes, 2009 Notes, and to fund an emergency management project. The bonds bear an interest rate between .30% and 4.0% (final maturity occurs in 2037). Principal due in annual installments on May 15th increasing from $1,585,000 in 2017 to $1,240,000 in 2037.	$29,330,000
2016	$13,435,000	General Obligation Bonds, Series of 2016 issued to currently refund the General Obligation Note, Series B of 2013 and finance various capital projects. The bonds bear an interest rate ranging from 2% to 4% (final maturity in 2041). Principal due in annual installments on September 15th increasing from $125,000 in 2017 to $4,020,000 in 2041.	13,310,000
2016	$183,000	Note Payable issued to update Ag Center HVAC system. The Note bears a fixed rate of 4.50% for the first 60 months and a variable rate thereafter with a floor of 4.50% based on the remaining proceeds of the note. Principal due in annual installments increasing from $9,858 in 2016 to $18,373 in 2026.	157,790
2017	$34,675,000	General Obligation Bonds, Series A,B, and C of 2017. Proceeds of the Series A Bonds were used to fund a termination payment associated with the cancellation of the 2008 fixed pay swap. The proceeds of the Series B Bonds were used to currently refund the outstanding General Obligation Bonds, Series of 2014. The proceeds of the Series C Bonds are to be used to fund various capital projects of the County. The Series A Bonds bear interest rates ranging from 1.3% to 2.0%, the Series B Bonds bear interest rates ranging from 2.0% to 5.0%, and the Series C Bonds bear interest rates ranging from 2.0% to 3.1%. Principal due in annual installments on November 15th ranging from $1,390,000 in 2017 to $2,590,000 in 2037.	33,285,000
			$76,082,790

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 11: LONG-TERM LIABILITIES (Continued)

An analysis of debt service requirements to maturity on these governmental activities obligations follows with the exception of accrued compensated absences, *assuming current interest rate remain the same*:

Governmental Activities:

Years Ended December 31:	Principal Requirements	Interest Requirements	Total Debt Service Requirements
2018	$ 3,336,056	$ 2,620,228	$ 5,956,284
2019	3,411,794	2,539,752	5,951,546
2020	3,522,566	2,440,383	5,962,949
2021	3,618,373	2,327,016	5,945,389
2022	3,754,217	2,173,397	5,927,614
2023-2027	19,294,784	8,464,283	27,759,067
2028-2032	21,100,000	5,167,620	26,267,620
2033-2037	15,915,000	1,857,317	17,772,317
2038+	2,130,000	162,000	2,292,000
	$76,082,790	$27,751,996	$103,384,786

Note Payable Business-Type Activities:

Date of Issue	Amount of Issue	Purpose	Balance Outstanding at December 31, 2017
2014	$1,750,000	Note Payable issued for the purpose of purchasing a downtown property, to complete demolition of the existing building, and to prepare for future building needs. The notes bear an interest rate of 4.1% from December 1, 2014 through May 31, 2018 and adjusts to a variable rate equal to the prime rate as published in the Wall Street Journal thereafter. Principal due in annual installments increasing from $68,862 in 2014 to $115,266 in 2021.	$470,459
			$470,459

An analysis of debt service requirements to maturity on these business-type activities obligations follows with the exception of accrued compensated absences, *assuming current interest rate remain the same*:

Business-Type Activities:

Years Ended December 31:	Principal Requirements	Interest Requirements	Total Debt Service Requirements
2018	$ 113,586	$ 17,170	$ 130,756
2019	118,332	12,424	130,756
2020	123,275	7,481	130,756
2021	115,266	2,309	117,575
	$470,459	$39,384	$509,843

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 12: INTEREST RATE SWAPS

Derivative Instruments

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2017, classified by type, and the changes in fair values of such derivative instruments for the year then ended as reported in the 2017 financial statements are as follows:

		Fair Value at December 31, 2017		Changes in Fair Value	
	Current Notional Amount	Classification	Amount	Classification	Amount
Governmental Activities					
Investment Derivative:					
2005 Basis Swap	$24,030,000	Investment	$ 589,036	Unrestricted Investment Income/(Loss)	$220,005

Fair Values

The fair values of the swaps are estimated using the zero-coupon method and market standard option pricing methods. This method calculates the future net settlement payments required by the swap assuming that current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rate implied by the current yield curve for the hypothetical zero-coupon bonds due on the date of each future net settlement on the swap. The fair values are determined using Level 2 inputs (observable inputs).

Objective and terms of derivative instruments

2005 Basis Swap- In March 2005, the County entered into a Basis Swap agreement with Wachovia Bank as the Counterparty in relation to the County's General Obligation Bonds, Series of 2002 in the then outstanding notional amount of $34,825,000. The 2005 Basis Swap consists of an interest rate swap agreement whereby the County receives from the Counterparty an interest rate equal to 65% of 1 month LIBOR plus 30 basis points (.30%) and is obligated to pay the Counterparty an interest rate equal to the short term tax exempt rate Bond Market Association index (BMA). In consideration for this monthly exchange formula, the County received an up-front payment in the amount of $1,190,000. This amount is considered a borrowing and it is reported at the historical cost of $1,190,000. As payments are made on the swap, principal and interest payments on the borrowing are imputed. Interest income is accrued at the at the market rate used to arrive at the initial balance of the borrowing (2.47783%). The swap is now associated with the General Obligation Bonds, Series of 2017. At December 31, 2017, the swap consisted of an investment derivative with a value of $589,036 and a borrowing of ($717,685) for a net fair value of ($128,649).

NOTE 12: INTEREST RATE SWAPS (CONTINUED)

2008 Fixed Pay Swap- In June 2008, the County entered into a Forward Starting Interest Rate Swap with Wachovia Bank as the Counterparty with respect to the County's then outstanding Series of 2002 Bonds or any bond or notes issued to refund the bonds in the principle amount of $31,615,000. The objective was to hedge the changes in cash flows on the 2002 General Obligation Bonds or any bonds or notes issued to refund the bonds. By entering into this contract the County received an upfront payment of $1,014,000 net of transaction fees. In exchange, the Counterparty will have the option to direct the County to enter into a variable to fixed rate swap whereby the County will pay 4.6525% to the Counterparty and will receive from the Counterparty 78% of one-month LIBOR plus 28 basis points. This option was exercised by Wells Fargo in August of 2011, and the swaption was associated with General Obligation Notes, Series of 2011. The upfront cash of $1,014,000 represents the value of the option and was amortized over the life of the swaption.

In October 30, 2014, the County issued General Obligation Bonds, Series of 2014 which refunded the General Obligation Notes, Series of 2011. The 2008 Fixed Pay Swap is now associated with the General Obligation Bonds, Series of 2014. In September 2017, the County issued General Obligation Bonds, Series A of 2017 in the amount of $5,535,000. The proceeds of the bonds were used to fund a payment to terminate the 2008 fixed pay swap and pay the costs of issuing the bonds. A termination payment of $5,491,000 is recorded in the 2017 Capital Projects Fund in the Statement of Revenues, Expenditures, and changes in Fund Balance.

Derivative Instrument Risks

Credit Risk. As of December 31, 2017, the County was not exposed to credit risk because the swap (net) had a negative fair value. However, should interest rates change and the fair value of the swap (net) becomes positive, the County would be exposed to credit risk in the amount of the derivatives fair value. As of December 31, 2017, the Counterparty was rated Aa2 by Moody's, AA- by Standard and Poors and AA by Fitch.

The County's Master Swap Agreement contains netting provisions applicable to circumstances where the county enters into more than one derivative transaction with a single counterparty. Under these netting provisions, should one party become insolvent or otherwise default on its obligations, the close-out netting provisions permit the nondefaulting party to terminate all affected transactions and net any settlement amounts payable so that a single sum will be owed by, or owed to, the nondefaulting party.

Interest Rate Risk. This is the risk that there is a mismatch between the percentage of LIBOR receipt to the County and the BMA obligation of the Counterparty. In the 2005 Basis Swap, the County receives from the Counterparty an interest rate equal to 65% of 1 month LIBOR plus 30 Base Points (0.30%) spread and is obligated to pay the Counterparty an interest rate equal to SIFMA. The swap matures in November, 2031.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 13: INTERFUND OPERATING TRANSFERS

Interfund "transfers in" and "transfers out" are as follows:

	Transfers In	Transfers Out
General Fund	$ 3,575,232	$ 3,942,828
Children and Youth	1,796,006	-
911 Fund	1,114,004	-
911 Capital Projects Fund	534,763	-
2017 Capital Projects Fund	-	2,331,004
Nonmajor Governmental Funds	3,363,822	4,109,995
Total Governmental Fund Types	$10,383,827	$10,383,827

Transfers from the General Fund are used to move unrestricted revenues to finance various programs that the government must account for in other funds in accordance with budgetary and legal authorizations, including amounts as subsidies or matching funds for various grant programs.

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables balances of each individual fund as of December 31, 2017, are as follows:

Governmental Fund Types	Due From Other Funds	Due to Other Funds
General Fund	$10,659,709	$ 2,764,766
Children and Youth Fund	1,556,547	1,863,740
911 Fund	1,117,484	1,714,414
911 Capital Projects Fund	-	3,938,339
2017 Capital Projects Fund	911,133	-
Nonmajor Governmental Funds	67,824	2,997,216
Total Government Fund Types	14,312,697	13,278,475
Proprietary Fund Type		
Internal Service Fund	35,310	1,069,532
Total Proprietary Fund Type	35,310	1,069,532
Total	$14,348,007	$14,348,007

The General Fund has paid expenses on behalf of other funds, therefore, a corresponding interfund receivable and payable has been recorded. The General Fund loaned or paid funds to/on behalf of the Internal Service Fund. The Internal Service Fund will repay the interfund loan by increasing future rates to its users. The interfund loan receivable and interfund loan payable balance outstanding as of December 31, 2017 was $905,295 for the General Fund and Internal Service Fund, respectively.

NOTE 15: COMMITMENTS AND CONTINGENCIES

A) The County participates in a variety of federal and state assisted grant programs, which are subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

B) The County is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the County's financial position.

NOTE 16: COMPENSATED ABSENCES

Employees of the County are entitled to certain compensated absences, consisting of paid time off ("PTO") and sick leave. All full-time employees are eligible to accrue PTO, beginning the first day of employment. PTO hours are accrued based on the number of nonovertime hours paid. At year-end, employees may carry over a maximum of 200 hours of unused PTO. At year-end, any unused PTO in excess of 200 hours is placed in the sick leave reserves for employees. Sick leave reserves of up to 60 hours are eligible for reimbursement upon termination or retirement from employment.

Applicable GASB pronouncements require accrual of compensated absences that meets certain specific conditions. The County has determined that such conditions apply to PTO pay of Governmental Funds and the Proprietary Funds. To the extent PTO liabilities for governmental funds are liquidated with available resources they are accounted for as fund liabilities in the fund financial statements; the remainder of the obligation is accounted for in the government-wide financial statements. Proprietary funds account for the entire amount of these liabilities in both the government-wide and fund financial statements.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 17: FUND BALANCES/NET POSITION

The constraints of fund balances included in the fund financial statements represent portions of fund balances that are nonspendable, restricted, or assigned for various purposes and are not available for the payment of other subsequent expenditures. The following nonspendable, restricted, and assigned fund balances are included in the fund financial statements.

General Fund

Nonspendable	$ 1,928,024

This line item represents amounts for prepaid expenses, loans receivable, and interfund loans

Restricted	$ 58,268

This line item represents amount for debt service.

Assigned	$ 1,381,639

This line item represents amounts used to pass the 2018 budget.

2017 Capital Projects Fund - Restricted	$ 2,672,244

This line item represents amounts that are restricted for various capital projects of the County .

Nonmajor Funds

Affordable Housing

Nonspendable	$ 55,113

This line item represents amounts for notes receivable.

Conservation District

Nonspendable	$ 7,882

This line item represents amounts for prepaid expenditures.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 17: FUND BALANCES/NET POSITION (CONTINUED)

Nonmajor Governmental Funds (Continued)

Restricted

Act 13 Fund (Public Works)	$ 589,408

This line item represents amounts that are restricted for the expenditures in accordance with Act 13.

Liquid Fuels Tax (Public Works)	$ 588,876

This line item represents amounts that are restricted by grantors for the future payments of expenditures for the building and improvement of roads and bridges.

Records Improvement (General Government)	$ 568,771

This line item represents amounts that are restricted for improvements in the Recorder of Deeds' Office.

Home Fund (Conservation and Development)	$ 288

This line item represents amounts that are restricted by grantors for future expenditures for community rehab projects.

Affordable Housing (Conservation and Development)	$ 800,959

This line item represents amounts collected from the recording of fees for mortgages and deeds to enhance local affordable housing efforts.

Hotel Tax (Culture and Recreation)	$ 2,082,436

This line item represents amounts that are restricted for the levying and setting of Hotel room rental tax required for the specific purpose of the County government.

Court Reserved Fund (Judicial)	$ 573,340

This line item represents amounts that are restricted to track court related revenues such as Offender Supervision fees, treatment fees, and Youth offender education fees.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 17: FUND BALANCES/NET POSITION (CONTINUED)

Nonmajor Governmental Funds (Continued)

Restricted (Continued)

Conservation District (Conservation and Development)	$ 2,215,355

This line item represents amounts that are restricted for the preservation of Adams County's natural resources, land preservation, and debt service.

Coroner's VISA (Judicial)	$ 15,316

This line item represents amounts that are restricted by grantors for purchases of equipment, training, and office and laboratory facility improvement.

Law Enforcement (Public Safety)	$ 27,050

This line item represents amounts that are restricted by grantors for purchase of law enforcement equipment.

Juvenile Restitution (Public Safety)	$ 59,572

This line item represents amounts that are restricted for restitution expenditures.

Ag Land Preservation (Conservation and Development)	$ 897,177

This line item represents amounts that are restricted for land preservation.

Domestic Relations (Judicial)	$ 1,222,219

This line item represents IV-D incentives funding restricted for program use.

Prison Commissary (Pubic Safety)	$ 15,700

This line item represents amounts restricted for the Prison Commissary fund.

Parks and Recreation's Green Space Program (Culture and Recreation)	$ 129,415

This line item represents amounts restricted for the Green Space Program.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 18: NOTES RECEIVABLE

Notes receivable represent amounts loaned to qualified County residents for Affordable Housing that are to be repaid to the County. The notes receivable balances consist of the following at December 31, 2017:

Program	Balance Outstanding December 31, 2017
Original note amount of $25,000 issued August 15, 2000 for home repairs with an interest rate of 1% per annum due in monthly installments of principle and interest of $94 commencing on October 1, 2000 through and including September 1, 2025.	$ 22,231
Original note amount of $90,000 issued in 2005 for home repairs with an interest rate of 1% per annum due in monthly installments of principal and interest of $414 commencing in February, 2005 through and including January, 2025.	32,881
Original note amounts ranging from $4,625 to $25,000 issued from November 2003 through August 2020 for home repairs and improvements. The loans are forgiven at the rate of 10% each year for ten years. If the property is sold, transferred or vacated before the end 10 years, the unforgiven portion of the loan must be repaid.	40,121
Original mortgage note amount of $260,000 issued in 2006 at an interest rate of 3% per annum due in monthly installments of principal and interest of $1,233 commencing in July, 2006 through and including June, 2031.	91,085
Total Notes Receivable	$186,318

NOTE 19: LOANS RECEIVABLE

The County loaned or paid funds to/on behalf of the Adams County Industrial Development Authority in which the Authority was able to purchase four properties. Upon sale of these lots, proceeds will be transferred to the County until the loan is satisfied. The balance outstanding as of December 31, 2017 was $947,434.

NOTE 20: RELATED PARTY TRANSACTIONS

Effective July 1, 2014 the County entered into a lease agreement in which the County leases 19,459 square feet of the Agricultural Center Building from the Adams County Conservation District. The lease ran through June 30, 2017 and was renewed during 2017, with rent being due on or about the first day of each month. The lease automatically renews for subsequent three year periods; provided that either party may cancel the at the end of the rental period by providing written notice to the other party at least 90 days prior to the end of any period. After the first year and each successive year, the rent may be increased or decreased based on the changes in costs associated with the operation and maintenance of the Center or changes in debt service requirements. Rent expense for 2017 was $155,672.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 21: POST-EMPLOYMENT BENEFIT PLAN

Plan Description. The County sponsors a single-employer post-employment benefit plan that covers health insurance benefits for eligible retirees. Effective January 1, 1998, the Adams County Commissioners established a Retiree Health Care Benefit policy providing the authority under which benefit provisions for the Plan were established and may be amended. The Plan does not issue a publicly available financial report.

Upon meeting the eligibility requirements, retired members will continue coverage under the active employees' medical program in which they were enrolled during their last year of employment, at their own expense. A County employee who retires at age 55 or older from the County's pension program and has completed 20 or more years of service is eligible for continued health insurance until age 65. Elected officials who do not participate in the County's pension program are eligible for this postretirement medical benefit if they are still employed at age 55 or later and have completed 20 or more years of service.

Funding Policy. Retired members must pay the premiums for coverage elected under the plan. Failure to pay the required premium will result in cancellation of the insurance. The County may charge an administrative fee in addition to the retired member's monthly premium. The County funds the Plan on a pay-as-you-go basis. For 2016, the County's contribution to the plan for current estimated premiums was $25,895 using the implicit rate subsidy.

Annual OPEB Cost and Net OPEB Obligation. The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years on a closed basis. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation to the Plan:

	Governmental Activities
Annual required contribution	$ 177,692
Interest on Net OPEB obligation	15,126
ARC Adjustment	(24,801)
OPEB Cost	168,017
Estimated contributions made	(25,895)
Increase in net OPEB obligation	142,122
Net OPEB obligation – beginning of year	378,145
Net OPEB obligation – end of year	$ 520,267

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 21: POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

The County's annual OPEB cost, the percentage of annual OPEB cost contribution to the plan, and the net OPEB obligation for 2015, 2016, and 2017 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2015	$ 120,158	33.51%	$ 312,988
12/31/2016	$ 118,355	44.95%	$378,145
12/31/2017	$ 168,017	15.41%	$520,267

Funded Status and Funding Progress. As of January 1, 2017 the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was $1,608,057 and there were no assets, resulting in an unfunded actuarial accrued liability (UAAL) of $1,608,057. The covered payroll (annual payroll of active employees covered by the plan) was $20,060,215, and the ratio of the UAAL to the covered payroll was 8.0%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2017 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return, which is the expected long-term investment yield on the investments that are expected to be used to finance the payments of benefits, a health care cost trend rate of 6% initially, reduced by decrements to an ultimate rate of 4.0% after 50 years, and an inflation rate of 2.5%. The UAAL is being amortized using the level dollar method on a closed basis. The remaining amortization period at December 31, 2017 was 24 years.

*Employees Covered by Benefit Terms***.** At December 31, 2017, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	1
Active plan members	464
	465

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

NOTE 22: EXCESS EXPENDITURES OVER APPROPRIATION

The following major funds had an excess of actual expenditures over budget for the year ended December 31, 2017:

	Appropriations	Expenditures	Percent of Excess over Appropriations
Children and Youth	8,189,585	8,788,225	7.3%

The excess of expenditures over appropriations for the Children and Youth Fund were funded by county contributions.

REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF ADAMS, PENNSYLVANIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2014	$ -	$ 840,105	$ 840,105	0%	$ 18,477,922	4.5%
1/1/2015	$ -	$ 1,226,641	$ 1,226,641	0%	$ 20,372,882	6.0%
1/1/2017	$ -	$ 1,608,057	$ 1,608,057	0%	$ 20,060,215	8.0%

COUNTY OF ADAMS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY
AND RELATED RATIOS
LAST 10 YEARS

	* 2014	* 2015	* 2016
Total Pension Liability			
Service Costs	$ 3,017,176	$ 2,973,800	$ 2,815,700
Interest	3,801,632	4,007,991	4,176,704
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	-	(1,698,093)	-
Changes of Assumptions	-	1,220,568	1,708,124
Benefit Payments, Including Refunds of Member Contributions	(2,937,209)	(3,108,608)	(3,443,180)
Net Change in Total Pension Liability	3,881,599	3,395,658	5,257,348
Total Pension Liability - beginning	67,594,294	71,475,893	74,871,551
Total Pension Liability - ending (a)	$ 71,475,893	$ 74,871,551	$ 80,128,899
Plan Fiduciary Net Position			
Contributions - Employer	$ 1,363,234	$ 1,312,841	$ 1,661,282
Contributions - Member	1,218,090	1,317,545	1,310,529
Net Investment Income	3,466,490	(122,224)	5,829,770
Benefit Payments, Including Refunds of Member Contributions	(2,937,209)	(3,108,608)	(3,443,180)
Administrative Expense	(156,491)	(178,964)	(213,028)
Net Change in Plan Fiduciary Net Position	2,954,114	(779,410)	5,145,373
Plan Fiduciary Net Position - beginning	66,594,333	69,548,447	68,769,037
Plan Fiduciary Net Position - ending (b)	$ 69,548,447	$ 68,769,037	$ 73,914,410
County's Net Pension Liability - ending (a) - (b)	$ 1,927,446	$ 6,102,514	$ 6,214,489
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	97.30%	91.85%	92.24%
Covered -Payroll	$ 20,844,661	$ 20,512,956	$ 20,221,404
County's Net Pension Liability as a Percentage of Covered-Payroll	9.25%	29.75%	30.73%

* - Information only available for three years. Future years will be added as information becomes available.

COUNTY OF ADAMS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COUNTY CONTRIBUTIONS
LAST 10 YEARS

	* 2014	* 2015	* 2016	* 2017
Actuarially Determined Contribution	$ 1,345,330	$ 1,311,774	$ 1,660,673	$ 1,634,944
Contribution in Relation to the Actuarially Determined Contribution	1,363,234	1,312,841	1,661,282	1,634,944
Contribution Deficiency/(Excess)	$ (17,904)	$ (1,067)	$ (609)	$ -
Covered-Payroll	$ 20,844,661	$ 20,512,956	$ 20,221,404	$ 21,116,240
Contribution as a percentage of Covered-Payroll	6.54%	6.40%	8.22%	7.74%

Notes to Schedule:

Valuation Date:
Actuarially determined contribution rates are calculated as of January 1 for the even valuation year at least two years prior to the end of the fiscal year in which the contributions were reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level Dollar
Remaining Amortization Period	Based upon the amortization periods in Act 293
Asset Valuation Method	Based Upon Municipal Reserves in PMRS (Fair Value)
Inflation	3.00%
Salary Increases	Age related scale with merit and inflation component
Investment Rate of Return	5.25%
Pre-Retirement Mortality	Males - RP 2000 projected 15 years with scale AA
	Females - RP 2000 projected 15 years with scale AA and a 5 year setback
Post-Retirement Mortality:	Sex distinct RP-2000 Combined Healthy Mortality

* - Information only available for four years. Future years will be added as information becomes available

- Assumption changes reflect the liability impact of the Board of Trustees approved changes as of December 31, 2015

- Investment Return assumption for municipal assets decreased from 5.50% to 5.25% as of December 31, 2016.

COUNTY OF ADAMS, PENNSYLVANIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 37,789,270	$ 37,789,270	$ 36,949,181	$ (840,089)
Intergovernmental Revenues	2,364,462	2,364,462	2,051,162	(313,300)
Charges for Services	4,665,806	4,665,806	5,982,157	1,316,351
Interest and Rents	191,695	191,695	414,967	223,272
License and Permits	107,130	107,130	142,686	35,556
Court Costs and Fines	5,500	5,500	69,250	63,750
Other	121,987	121,987	862,314	740,327
Total Revenues	45,245,850	45,245,850	46,471,717	1,225,867
Expenditures				
Current:				
General Government - Administrative	14,931,701	14,931,701	11,654,559	3,277,142
General Government - Judicial	4,386,463	4,386,463	6,970,548	(2,584,085)
Public Safety	17,522,900	17,522,900	15,747,035	1,775,865
Human Services	1,725,974	1,725,974	1,642,135	83,839
Culture and Recreation	655,907	655,907	641,087	14,820
Conservation and Development	1,358,910	1,358,910	632,341	726,569
Debt Service				-
Principal	1,857,930	1,857,930	3,100,000	(1,242,070)
Interest	2,946,006	2,946,006	2,593,719	352,287
Total Expenditures	45,385,791	45,385,791	42,981,424	2,404,367
Excess of Revenues Over (Under) Expenditures	(139,941)	(139,941)	3,490,293	3,630,234
Other Financing Sources (Uses)				
Operating Transfer In	4,198,539	4,198,539	3,575,232	(623,307)
Operating Transfer (Out)	(4,058,598)	(4,058,598)	(3,942,828)	115,770
Total Other Financing Sources(Uses)	139,941	139,941	(367,596)	(507,537)
Net change in fund balances	-	-	3,122,697	3,122,697
Fund Balances - Beginning of Year	-	-	22,729,076	22,729,076
Fund Balances - End of Year	$ -	$ -	$ 25,851,773	$ 25,851,773

COUNTY OF ADAMS, PENNSYLVANIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CHILDREN AND YOUTH FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental Revenues	$ 7,144,238	$ 7,144,238	$ 6,891,831	$ (252,407)
Interest and Rents	150	150	91	(59)
Miscellaneous	73,000	73,000	100,297	27,297
Total Revenues	7,217,388	7,217,388	6,992,219	(225,169)
Expenditures				
Current:				
Human Services	8,189,585	8,189,585	8,772,915	(583,330)
Debt Service:				
Interest	-	-	15,310	(15,310)
Total Expenditures	8,189,585	8,189,585	8,788,225	(598,640)
Deficiency of Revenues Under Expenditures	(972,197)	(972,197)	(1,796,006)	(823,809)
Other Financing Sources				
Operating Transfer In	972,197	972,197	1,796,006	823,809
Total Other Financing Sources	972,197	972,197	1,796,006	823,809
Net change in fund balances	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	$ -	$ -	$ -	$ -

COUNTY OF ADAMS, PENNSYLVANIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MANAGED CARE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental Revenues	$ 15,002,714	$ 15,002,714	$ 8,945,672	$ (6,057,042)
Total Revenues	15,002,714	15,002,714	8,945,672	(6,057,042)
Expenditures				
Current:				
Human Services	15,002,714	15,002,714	8,945,672	6,057,042
Total Expenditures	15,002,714	15,002,714	8,945,672	6,057,042
Excess of Revenues Over Expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	$ -	$ -	$ -	$ -

COUNTY OF ADAMS, PENNSYLVANIA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
911 FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental Revenues	$ 1,973,200	$ 1,973,200	$ 2,120,644	$ 147,444
Charges for Services	26,274	26,274	27,044	770
Interest and Rents	-	-	576	576
Total Revenues	1,999,474	1,999,474	2,148,264	148,790
Expenditures				
Current:				
Public Safety	4,203,033	4,203,033	3,262,268	940,765
Total Expenditures	4,203,033	4,203,033	3,262,268	940,765
Deficiency of Revenues Under Expenditures	(2,203,559)	(2,203,559)	(1,114,004)	1,089,555
Other Financing Sources				
Operating Transfer In	2,203,559	2,203,559	1,114,004	(1,089,555)
Total Other Financing Sources	2,203,559	2,203,559	1,114,004	(1,089,555)
Net change in fund balances	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	$ -	$ -	$ -	$ -

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2017

Budgets and Budgetary Accounting

Legal Requirements

Commonwealth of Pennsylvania statutes require that County Governments establish budgetary systems and adopt annual operating budgets. The County's annual budget includes the General Fund and certain Special Revenue Funds and is based on estimates of revenues and expenditures approved by the Commissioners. The County adopts the budget on the same basis of accounting as reported in the fund financial statements. The County of Adams follows these procedures in establishing the budgetary data reflected in the financial statements:

County Budget Process

1. During the 3rd quarter each year the Finance Department prepares and distributes to all department directors budgetary worksheets. The worksheets are used as a tool for department directors to provide their projections for the current year and the next year. Also, worksheets allow for multi-year planning. The County utilizes Target Based budgeting for their new budget process.

2. The County Manager and Finance Director in conjunction with the Commissioners interview all department directors to discuss their budgets as submitted and allow them to substantiate projected revenues and expenditures.

3. The Finance Department assembles the preliminary projections of revenues and expenditures into a formal budget incorporating any revisions or adjustments resulting from the Commissioner's review.

4. Public meetings are conducted on the proposed budget. The proposed budget is available for public inspection for 20 days prior to final adoption.

5. After the 20-day inspection period, but prior to December 31, the County Commissioners adopt the final budget by enacting an appropriate resolution.

6. Formal budgetary process is employed as a planning device. The adopted budget is on a basis consistent with GAAP. Budget amounts are as originally adopted, or as amended by the County Commissioners.

Level of Control

The County maintains budgeting control at the individual fund level.

Lapsing of Appropriations

Unexpended appropriations lapse at year-end.

COUNTY OF ADAMS, PENNSYLVANIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
DECEMBER 31, 2017

Budgets and Budgetary Accounting (Continued)

Management Authority

During the course of the year, departmental needs may change, emergencies may occur, or additional revenue may arise. As a result, funds are transferred between line items of a department's budget or additional revenue may need to be budgeted for a specific project or grant. Adjustments to the budget are made on a line item basis during the year and approved by the County Commissioners.

OTHER SUPPLEMENTARY INFORMATION

COUNTY OF ADAMS, PENNSYLVANIA
COMBINING AND INDVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES
DECEMBER 31, 2017

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes. The following nonmajor governmental funds are utilized to account for those financial activities:

The Juvenile Restitution Fund is a special revenue fund used to account for juvenile offender restitution revenues and expenditures.

The Liquid Fuels Fund is a special revenue fund used to account for state aid revenues and expenditures for the County's Liquid Fuels Program which funds a range of projects to support construction, reconstruction, maintenance and repair of county bridges.

The Domestic Relations Fund is a special revenue fund used to account for Title IV-D revenues received.

The Hazardous Materials Fund is a special revenue fund used to account for the revenues and expenditures for the County's Hazardous Materials program as defined in Act 165 of Title 35.

The Community Development Block Grant Fund is a special revenue fund used to account for revenues and expenditures as set forth in Act 179. Uses include housing rehabilitation, public services, community facilities, infrastructure improvement, development and planning.

The Ag Land Administration Fund is a special revenue fund for the Agricultural Land Preservation Program administered by the County with matching funds from the State.

The Law Enforcement Fund is a special revenue fund used to account for the purchase and distribution of law enforcement equipment.

The Commissary Fund is a special revenue fund used to account for revenues received from commissary commissions and expenditures for inmate welfare.

The Records Improvement Fund is a special revenue fund accounted for by division which includes: County Records Improvement, Register of Wills Automation, Recorder of Deeds Automation, Orphans Automation, Criminal Automation, Prothonotary Automation. These funds have a restricted fund balance.

The Home Fund is a special revenue fund used to account for the revenue received from the PA DCED for the administration of the Home Grant.

The Affordable Housing (Act 137) Fund is a Special revenue fund used to account for revenue collected from the recording of fees for mortgages and deeds to enhance local affordable housing efforts.

The Hotel Tax Fund is a special revenue fund for the administration of the County's Hotel Tax program.

The Court Reserved Fund is a special revenue fund used to account for the revenues of the Offender's Supervision program, treatment fees, and youth education fees.

The Coroner's VSIA Fund is a special revenue fund used to account for revenues received from death certifications from the Vital Statistics Improvement Account. Funds to be used per Act 122.

The Act 13 Bridge Improvements Fund is a special revenue fund for the administration of the Act 13 Marcellus Shale monies that are specifically to be used for at risk bridges.

The Parks and Recreation Green Space Fund is a special revenue fund for the administration of the County's Parks, Recs & Green Space Grant Program. Funded by Act 13 Marcellus Shale monies and County contributions.

COUNTY OF ADAMS, PENNSYLVANIA
COMBINING AND INDVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES (CONTINUED)
DECEMBER 31, 2017

The Conservation District Fund is a special revenue fund used to account for the County's natural resources, land prevention, and debt service.

Capital Project Funds are used to account for financial resources used for acquisition of equipment and capital construction. The following nonmajor governmental funds are utilized to account for those financial activities:

The Capital Projects 2009 Fund is used to account for capital purchases related to the 2009 Bonds.

The Capital Projects 2013 Fund is used to account for capital purchased related to the 2013 Bonds.

The Capital Reserve Fund is used for capital budget transactions. Funded by appropriations from the General Fund and debt issued for capital item purchases.

The Human Services Building Fund is used to track capital expenditures related to the Human Services Building project.

COUNTY OF ADAMS, PENNSYLVANIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2017

	SPECIAL REVENUE FUNDS										
Assets	Juvenile Restitution	Liquid Fuels	Domestic Relations	Hazardous Materials	Community Development Block Grant	Ag Land Administration	Law Enforcement	Commissary Fund	Records Improvement	Home	Affordable Housing (Act 137)
Cash and Cash Equivalents	$ 59,572	$ 712,313	$ 1,182,291	$ -	$ -	$ 897,057	$ 27,569	$ 29,511	$ 564,565	$ 288	$ 793,896
Investments	-	-	-	-	-	-	-	-	-	-	-
Receivables											
Accounts, net	-	-	2,640	-	-	120	1,764	8,603	8,260	-	16,214
Notes Receivable	-	-	-	-	-	-	-	-	-	40,121	146,197
Due From Other Funds	-	-	-	55,424	-	-	-	-	-	-	-
Due From Other Governments	-	190,996	247,633	13,052	-	-	-	-	-	6,308	-
Other Assets	-	-	-	-	-	-	-	-	-	-	-
Total Assets	$ 59,572	$ 903,309	$ 1,432,564	$ 68,476	$ -	$ 897,177	$ 29,333	$ 38,114	$ 572,825	$ 46,717	$ 956,307
Liabilities											
Accounts Payable	$ -	$ 312,433	$ -	$ 930	$ -	$ -	$ 2,283	$ 22,414	$ 4,054	$ -	$ -
Accrued Liabilities	-	-	-	1,020	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-	40,121	91,084
Due To Other Funds	-	2,000	210,345	66,526	-	-	-	-	-	6,308	9,151
Total Liabilities	-	314,433	210,345	68,476	-	-	2,283	22,414	4,054	46,429	100,235
Fund Balances											
Nonspendable	-	-	-	-	-	-	-	-	-	-	55,113
Restricted:											
Public Works	-	588,876	-	-	-	-	-	-	-	-	-
Judicial	-	-	1,222,219	-	-	-	-	-	-	-	-
Public Safety	59,572	-	-	-	-	-	27,050	15,700	-	-	-
Cultural and Recreation	-	-	-	-	-	-	-	-	-	-	-
Conservation and Development	-	-	-	-	-	897,177	-	-	-	288	800,959
General Government	-	-	-	-	-	-	-	-	568,771	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	59,572	588,876	1,222,219	-	-	897,177	27,050	15,700	568,771	288	856,072
Total Liabilities and Fund Balance	$ 59,572	$ 903,309	$ 1,432,564	$ 68,476	$ -	$ 897,177	$ 29,333	$ 38,114	$ 572,825	$ 46,717	$ 956,307

COUNTY OF ADAMS, PENNSYLVANIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2017

	SPECIAL REVENUE FUNDS										
Assets	Hotel Tax	Court Reserved Fund	Coroner's VSIA	Act 13 Bridge Improvements	Parks and Recreation Green Space	Conservation District	Capital Projects 2009	Capital Projects 2013	Capital Reserve	Human Service Building	Total Nonmajor Governmental Funds
Cash and Cash Equivalents	$ 3,656,188	$ 573,340	$ 40,839	$ 613,504	$ 129,415	$ 1,170,758	$ -	$ -	$ 41,240	$ -	$ 10,492,346
Investments	-	-	-	-	-	1,182,458	-	-	-	-	1,182,458
Receivables											
Accounts, net	238,367	-	-	-	-	-	-	-	7,498	911,133	1,194,599
Notes Receivable	-	-	-	-	-	-	-	-	-	-	186,318
Due From Other Funds	-	-	-	-	-	-	-	-	-	12,400	67,824
Due From Other Governments	-	-	-	-	-	248,172	-	-	-	-	706,161
Other Assets	-	-	-	-	-	7,882	-	-	-	-	7,882
Total Assets	$ 3,894,555	$ 573,340	$ 40,839	$ 613,504	$ 129,415	$ 2,609,270	$ -	$ -	$ 48,738	$ 923,533	$ 13,837,588
Liabilities											
Accounts Payable	$ 191,901	$ -	$ 25,523	$ 24,096	$ -	$ 28,145	$ -	$ -	$ 621,936	$ 288,101	$ 1,521,816
Accrued Liabilities	-	-	-	-	-	66,526	-	-	-	-	67,546
Unearned Revenue	-	-	-	-	-	291,362	-	-	-	-	422,567
Due To Other Funds	1,620,218	-	-	-	-	-	-	-	12,400	1,070,268	2,997,216
Total Liabilities	1,812,119	-	25,523	24,096	-	386,033	-	-	634,336	1,358,369	5,009,145
Fund Balances											
Nonspendable	-	-	-	-	-	7,882	-	-	-	-	62,995
Restricted:											
Public Works	-	-	-	589,408	-	-	-	-	-	-	1,178,284
Judicial	-	573,340	15,316	-	-	-	-	-	-	-	1,810,875
Public Safety	-	-	-	-	-	-	-	-	-	-	102,322
Cultural and Recreation	2,082,436	-	-	-	129,415	-	-	-	-	-	2,211,851
Conservation and Development	-	-	-	-	-	2,215,355	-	-	-	-	3,913,779
General Government	-	-	-	-	-	-	-	-	-	-	568,771
Unassigned	-	-	-	-	-	-	-	-	(585,598)	(434,836)	(1,020,434)
Total Fund Balance	2,082,436	573,340	15,316	589,408	129,415	2,223,237	-	-	(585,598)	(434,836)	8,828,443
Total Liabilities and Fund Balance	$ 3,894,555	$ 573,340	$ 40,839	$ 613,504	$ 129,415	$ 2,609,270	$ -	$ -	$ 48,738	$ 923,533	$ 13,837,588

COUNTY OF ADAMS, PENNSYLVANIA
COMBINING STATEMENT OF REVENENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT)
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2017

	SPECIAL REVENUE FUNDS										
Revenues	Juvenile Restitution	Liquid Fuels	Domestic Relations	Hazardous Materials	Community Development Block Grant	Ag Land Administration	Law Enforcement	Commissary Fund	Records Improvement	Home	Affordable Housing (Act 137)
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental Revenues	-	2,055,207	1,053,389	27,565	447,328	-	-	-	-	282,462	-
Charges for Services	1,401	350	64,576	29,994	-	-	18,747	14,303	106,708	-	176,379
Interest and Rents	30	933	9,201	-	-	30,109	131	341	3,356	29	4,628
Miscellaneous	-	-	-	-	-	-	-	-	-	-	21,853
Total Revenues	1,431	2,056,490	1,127,166	57,559	447,328	30,109	18,878	14,644	110,064	282,491	202,860
Expenditures											
Current:											
General Government - Administrative	-	-	-	-	-	-	-	-	60,655	-	-
General Government - Judicial	-	-	119,675	-	-	-	-	-	-	-	-
Public Safety	3,059	-	-	112,803	-	-	7,768	23,091	-	-	-
Public Works	-	650,342	-	-	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-	-	-
Conservation and Development	-	-	-	-	447,328	15,425	-	-	-	282,644	117,960
Debt Service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	1,746,827	-	-	-	-	-	-	-	-	-
Total Expenditures	3,059	2,397,169	119,675	112,803	447,328	15,425	7,768	23,091	60,655	282,644	117,960
Excess of Revenues Over (Under) Expenditures	(1,628)	(340,679)	1,007,491	(55,244)	-	14,684	11,110	(8,447)	49,409	(153)	84,900
Other Financing Sources (Uses)											
Operating Transfer In	-	-	119,839	55,244	-	300,000	-	-	-	-	-
Operating Transfer (Out)	-	(8,000)	(832,557)	-	-	-	-	-	-	-	(26,457)
Total Other Financing Sources(Uses)	-	(8,000)	(712,718)	55,244	-	300,000	-	-	-	-	(26,457)
Net change in fund balances	(1,628)	(348,679)	294,773	-	-	314,684	11,110	(8,447)	49,409	(153)	58,443
Fund Balances - Beginning of Year (Deficit)	61,200	937,555	927,446	-	-	582,493	15,940	24,147	519,362	441	797,629
Fund Balances - End of Year (Deficit)	$ 59,572	$ 588,876	$ 1,222,219	$ -	$ -	$ 897,177	$ 27,050	$ 15,700	$ 568,771	$ 288	$ 856,072

COUNTY OF ADAMS, PENNSYLVANIA
COMBINING STATEMENT OF REVENENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT)
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2017

	SPECIAL REVENUE FUNDS										
Revenues	Hotel Tax	Court Reserved Fund	Coroner's VSIA	Act 13 Bridge Improvements	Parks and Recreation Green Space	Conservation District	Capital Projects 2009	Capital Projects 2013	Capital Reserve	Human Service Building	Total Nonmajor Governmental Funds
Taxes	$ 2,790,732	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,790,732
Intergovernmental Revenues	-	-	7,603	122,548	73,440	854,432	-	-	-	-	4,923,974
Charges for Services	-	162,662	-	-	-	268,815	-	-	-		843,935
Interest and Rents	19,628	533	232	3,289	686	265,837	-	-	748	573	340,284
Miscellaneous	-	-	-	-	-	9,155	-	-	-	1,113,345	1,144,353
Total Revenues	2,810,360	163,195	7,835	125,837	74,126	1,398,239	-	-	748	1,113,918	10,043,278
Expenditures											
Current:											
General Government - Administrative	-	-	-	-	-	-	-	8,834	-	-	69,489
General Government - Judicial	-	52,668	26,904	-	-	-	-	-	-	-	199,247
Public Safety	-	-	-	-	-	-	-	-	-	-	146,721
Public Works	-	-	-	24,096	-	-	-	-	-	-	674,438
Human Services	-	-	-	-	-	-	-	-	-	314,437	314,437
Culture and Recreation	1,900,980	-	-	-	25,000	-	-	-	-	-	1,925,980
Conservation and Development	-	-	-	-	-	1,366,096	-	-	-	-	2,229,453
Debt Service											
Principal	-	-	-	-	-	15,352	-	-	-	-	15,352
Interest	-	-	-	-	-	7,477	-	-	-	-	7,477
Capital Outlay	-	-	-	-	-	-	-	-	1,704,558	4,533,056	7,984,441
Total Expenditures	1,900,980	52,668	26,904	24,096	25,000	1,388,925	-	8,834	1,704,558	4,847,493	13,567,035
Excess of Revenues Over (Under) Expenditures	909,380	110,527	(19,069)	101,741	49,126	9,314	-	(8,834)	(1,703,810)	(3,733,575)	(3,523,757)
Other Financing Sources (Uses)											
Operating Transfer In	-	-	-	-	-	276,250	147,948	-	816,611	1,647,930	3,363,822
Operating Transfer (Out)	(1,620,218)	-	-	-	-	-	-	(1,622,763)	-	-	(4,109,995)
Total Other Financing Sources(Uses)	(1,620,218)	-	-	-	-	276,250	147,948	(1,622,763)	816,611	1,647,930	(746,173)
Net change in fund balances	(710,838)	110,527	(19,069)	101,741	49,126	285,564	147,948	(1,631,597)	(887,199)	(2,085,645)	(4,269,930)
Fund Balances - Beginning of Year (Deficit)	2,793,274	462,813	34,385	487,667	80,289	1,937,673	(147,948)	1,631,597	301,601	1,650,809	13,098,373
Fund Balances - End of Year (Deficit)	$ 2,082,436	$ 573,340	$ 15,316	$ 589,408	$ 129,415	$ 2,223,237	$ -	$ -	$ (585,598)	$ (434,836)	$ 8,828,443

COUNTY OF ADAMS, PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
LIQUID FUELS FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental Revenues	$ 567,500	$ 567,500	$ 2,055,207	$ 1,487,707
Charges for Services	-	-	350	350
Interest and Rents	550	550	933	383
Total Revenues	568,050	568,050	2,056,490	1,488,440
Expenditures				
Current:				
Public Works	568,050	568,050	650,342	(82,292)
Capital Outlay	-	-	1,746,827	(1,746,827)
Total Expenditures	568,050	568,050	2,397,169	(1,829,119)
Deficiency of Revenues Under Expenditures	-	-	(340,679)	(340,679)
Other Financing Uses				
Operating Transfer Out	(8,000)	(8,000)	(8,000)	-
Net change in fund balances	(8,000)	(8,000)	(348,679)	(340,679)
Fund Balances - Beginning of Year	-	-	937,555	937,555
Fund Balances - End of Year	$ (8,000)	$ (8,000)	$ 588,876	$ 596,876

COUNTY OF ADAMS, PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
DOMESTIC RELATIONS FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental Revenues	$ 852,000	$ 852,000	$ 1,053,389	$ 201,389
Charges for Services	40,000	40,000	64,576	24,576
Interest and Rents	2,000	2,000	9,201	7,201
Miscellaneous	2,000	2,000	-	(2,000)
Total Revenues	896,000	896,000	1,127,166	231,166
Expenditures				
Current:				
General Governmental - Judicial	-	-	119,675	(119,675)
Total Expenditures	-	-	119,675	(119,675)
Excess of Revenues Over Expenditures	896,000	896,000	1,007,491	111,491
Other Financing Sources/(Uses)				
Operating Transfer In	-	-	119,839	119,839
Operating Transfer Out	(896,000)	(896,000)	(832,557)	63,443
Total Other Financing Sources/(Uses)	(896,000)	(896,000)	(712,718)	183,282
Net change in fund balances	-	-	294,773	294,773
Fund Balances - Beginning of Year	-	-	927,446	927,446
Fund Balances - End of Year	$ -	$ -	$ 1,222,219	$ 1,222,219

COUNTY OF ADAMS, PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
HAZARDOUS MATERIALS FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental Revenues	$ 34,911	$ 34,911	$ 27,565	$ (7,346)
Charges for Services	30,000	30,000	29,994	(6)
Interest	1	1	-	(1)
Total Revenues	64,912	64,912	57,559	(7,353)
Expenditures				
Current:				
Public Safety	114,217	114,217	112,803	1,414
Total Expenditures	114,217	114,217	112,803	1,414
Excess of Revenues Under Expenditures	(49,305)	(49,305)	(55,244)	(5,939)
Other Financing Sources				
Operating Transfer In	49,305	49,305	55,244	5,939
Total Other Financing Sources	49,305	49,305	55,244	5,939
Net change in fund balances	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	$ -	$ -	$ -	$ -

COUNTY OF ADAMS, PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
ACT 13 BRIDGE IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental Revenues	$ 149,050	$ 149,050	$ 122,548	$ (26,502)
Interest	950	950	3,289	2,339
Total Revenues	150,000	150,000	125,837	(24,163)
Expenditures				
Current:				
Public Works	150,000	150,000	24,096	125,904
Total Expenditures	150,000	150,000	24,096	125,904
Excess of Revenues Over Expenditures	-	-	101,741	101,741
Net change in fund balances	-	-	101,741	101,741
Fund Balances - Beginning of Year	-	-	487,667	487,667
Fund Balances - End of Year	$ -	$ -	$ 589,408	$ 589,408

County of Adams, Pennsylvania

Combining Statement of Changes in Assets and Liabilities - Agency Funds

Year ended December 31, 2017

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
Tax Claim Bureau				
Assets:				
Cash and cash equivalents	$ 449,083	$ 5,940,361	$ 5,590,657	$ 798,787
Delinquent taxes receivable on behalf of other governments	4,979,682	3,279,273	3,918,785	4,340,170
Accounts receivable	1,616,867	1,688,719	1,383,258	1,922,328
Total assets	$ 7,045,632	$ 10,908,353	$ 10,892,700	$ 7,061,285
Liabilities:				
Due to other governments	$ 4,979,682	$ 3,279,273	$ 3,918,785	$ 4,340,170
Other Liabilities	2,065,950	7,629,080	6,973,915	2,721,115
Total liabilities	$ 7,045,632	$ 10,908,353	$ 10,892,700	$ 7,061,285
Unclaimed Money				
Assets:				
Cash and cash equivalents	$ 56,273	$ 3,858	$ 1,160	$ 58,971
Total Assets	$ 56,273	$ 3,858	$ 1,160	$ 58,971
Liabilities:				
Other Liabilities	$ 56,273	$ 3,858	$ 1,160	$ 58,971
Total Liabilities	$ 56,273	$ 3,858	$ 1,160	$ 58,971
Prison Inmate Cash Account				
Assets:				
Cash and cash equivalents	$ 202,615	$ 1,916,492	$ 1,902,665	$ 216,442
Total assets	$ 202,615	$ 1,916,492	$ 1,902,665	$ 216,442
Liabilities:				
Other liabilities	$ 202,615	$ 1,916,492	$ 1,902,665	$ 216,442
Total liabilities	$ 202,615	$ 1,916,492	$ 1,902,665	$ 216,442
Row Offices				
Assets:				
Cash and cash equivalents	$ 1,315,810	$ 21,505,299	$ 21,103,944	$ 1,717,165
Total assets	$ 1,315,810	$ 21,505,299	$ 21,103,944	$ 1,717,165
Liabilities:				
Due to other governments	$ 794,426	$ 15,533,138	$ 15,441,992	$ 885,572
Other liabilities	521,384	5,972,161	5,661,952	831,593
Total liabilities	$ 1,315,810	$ 21,505,299	$ 21,103,944	$ 1,717,165
Total All Agency Funds				
Assets:				
Cash and cash equivalents	$ 2,023,781	$ 29,366,010	$ 28,598,426	$ 2,791,365
Delinquent taxes receivable on behalf of other governments	4,979,682	3,279,273	3,918,785	4,340,170
Accounts receivable	1,616,867	1,688,719	1,383,258	1,922,328
Total assets	$ 8,620,330	$ 34,334,002	$ 33,900,469	$ 9,053,863
Liabilities				
Due to other governments	$ 5,774,108	$ 18,812,411	$ 19,360,777	$ 5,225,742
Other liabilities	2,846,222	15,521,591	14,539,692	3,828,121
Total liabilities	$ 8,620,330	$ 34,334,002	$ 33,900,469	$ 9,053,863

County of Adams, Pennsylvania

Combining Statement of Changes in Assets and Liabilities - Row Offices

Year ended December 31, 2017

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
Assets:				
Cash and cash equivalents	$ 1,315,810	$ 21,505,299	$ 21,103,944	$ 1,717,165
Total assets	$ 1,315,810	$ 21,505,299	$ 21,103,944	$ 1,717,165
Liabilities:				
Due to other governments				
Clerk of courts	$ 207,003	$ 2,569,790	$ 2,542,002	$ 234,791
Prothonotary	43,902	393,042	402,761	34,183
Register and Recorder	418,438	9,416,719	9,343,668	491,489
Sheriff	29,640	253,392	251,624	31,408
Treasurer	4,074	162,922	162,730	4,266
MDJ's	91,369	2,737,273	2,739,207	89,435
	794,426	15,533,138	15,441,992	885,572
Other liabilities				
Clerk of courts	145,076	1,013,858	942,719	216,215
Prothonotary	52,825	163,103	134,414	81,514
Sheriff	254,346	4,403,408	4,193,292	464,462
MDJ's	29,334	302,808	310,459	21,683
District attorney	39,803	88,984	81,068	47,719
	521,384	5,972,161	5,661,952	831,593
Total Liabilities	$ 1,315,810	$ 21,505,299	$ 21,103,944	$ 1,717,165

County of Adams, Pennsylvania

Combining Balance Sheet - Agency Funds

December 31, 2017

	Tax Claim Bureau	Unclaimed Money	Prison Inmate Cash Account	Row Offices	Total Agency Funds
Assets					
Cash and cash equivalents	$ 798,787	$ 58,971	$ 216,442	$ 1,717,165	$ 2,791,365
Delinquent taxes on behalf of other governments	4,340,170	-	-	-	4,340,170
Accounts receivable	1,922,328	-	-	-	1,922,328
Total assets	$ 7,061,285	$ 58,971	$ 216,442	$ 1,717,165	$ 9,053,863
Liabilities					
Liabilities:					
Due to other governments	$ 4,340,170	$ -	$ -	$ 885,572	$ 5,225,742
Other liabilities	2,721,115	58,971	216,442	831,593	3,828,121
Total liabilities	$ 7,061,285	$ 58,971	$ 216,442	$ 1,717,165	$ 9,053,863

County of Adams, Pennsylvania

Statistical Section

This part of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

CONTENTS

Financial Trends…….....103

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity……..…….114

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity……...121

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information……..128

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information……130

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the audited financial statements for the relevant year.

COUNTY OF ADAMS, PENNSYLVANIA

Net Position by Component
Last Six Fiscal Years
(accrual basis of accounting)

	Fiscal Year					
	2012	**2013**	**2014**	**2015**	**2016**	**2017**
Governmental activities						
Net investment in capital assets	$ 11,493,427	$ 11,708,826	$ 13,158,030	$ 25,031,724	$ 20,099,187	$ 18,324,116
Restricted	3,609,238	6,141,694	6,078,901	9,260,575	9,670,625	10,755,283
Unrestricted	11,737,429	11,195,902	16,078,565	6,587,452	7,981,463	13,046,809
Total Net Position	$ 26,840,094	$ 29,046,422	$ 35,315,496	$ 40,879,751	$ 37,751,275	$ 42,126,208
Business-type activities						
Net investment in capital assets	$ 2,499,654	$ 2,549,387	$ 2,911,291	$ -	$ -	$ -
Restricted	-	1,503,331	-	-	-	-
Unrestricted	982,614	(709,894)	(1,245,332)	133,616	209,249	321,010
Total Net Position	$ 3,482,268	$ 3,342,824	$ 1,665,959	$ 133,616	$ 209,249	$ 321,010
Primary government						
Net investment in capital assets	$ 13,993,081	$ 14,258,213	$ 16,069,321	$ 25,031,724	$ 20,099,187	$ 18,324,116
Restricted	3,609,238	7,645,025	6,078,901	9,260,575	9,670,625	10,755,283
Unrestricted	12,720,043	10,486,008	14,833,233	6,721,068	8,190,712	13,367,819
Total Net Position	$ 30,322,362	$ 32,389,246	$ 36,981,455	$ 41,013,367	$ 37,960,524	$ 42,447,218

Note 1: This schedule is prepared in accordance with GASB 63 which the County adopted in 2012. This caused a change in the presentation of Net Assets by Component to Net Position by Component. The next schedule has been included to provide prior years' information as it was originally presented.

Note 2: The County implemented GASB Statement 65 in 2013 and GASB Statement 68 in 2015; and, therefore, prior years have not been adjusted to reflect the implementation of these standards.

Source: Statement of Net Position, Financial Statements

COUNTY OF ADAMS, PENNSYLVANIA

Net Assets by Component
Previous Four Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2008	**2009**	**2010**	**2011**
Governmental activities				
Invested in capital assets, net of related debt	$ 9,934,770	$ 10,130,356	$ 9,575,601	$ 11,291,237
Restricted	4,511,375	4,539,583	6,057,788	3,089,893
Unrestricted	7,187,437	8,153,086	4,627,218	10,231,820
Total Net Assets	$ 21,633,582	$ 22,823,025	$ 20,260,607	$ 24,612,950
Business-type activities				
Invested in capital assets, net of related debt	$ 5,719,458	$ 5,565,595	$ 5,419,687	$ 1,857,719
Restricted	-	-	-	-
Unrestricted	(7,850,682)	(5,133,840)	(4,811,750)	(568,578)
Total Net Assets	$ (2,131,224)	$ 431,755	$ 607,937	$ 1,289,141
Primary government				
Invested in capital assets, net of related debt	$ 15,654,228	$ 15,695,951	$ 14,995,288	$ 13,148,956
Restricted	4,511,375	4,539,583	6,057,788	3,089,893
Unrestricted	(663,245)	3,019,246	(184,532)	9,663,242
Total Net Assets	$ 19,502,358	$ 23,254,780	$ 20,868,544	$ 25,902,091

Note: In 2010 the County implemented GASB Statements 51 and 53, Prior years have not been adjusted to reflect the implementation of these standards.

Source: Statement of Net Assets, Financial Statements

COUNTY OF ADAMS, PENNSYLVANIA

Changes in Net Position (Continued)
Last Six Fiscal Years
(accrual basis of accounting)

	Fiscal Year					
	2012	**2013**	**2014**	**2015**	**2016**	**2017**
Program Expenses						
Governmental activities:						
General Government-Administrative	$ 8,368,102	$ 11,110,739	$ 12,364,019	$ 12,045,260	$ 9,369,291	$ 9,414,772
General Government-Judicial	8,565,763	6,075,694	6,401,993	6,761,323	8,396,108	8,491,327
Public Safety	17,184,343	16,283,462	16,450,998	20,357,838	24,426,340	25,273,513
Public Works	325,657	652,486	812,749	344,130	352,043	852,987
Human Services	21,907,121	22,646,605	20,925,907	22,885,556	28,193,445	20,625,794
Culture and Recreation	1,697,785	2,669,057	2,381,280	2,301,074	2,716,703	2,605,317
Conservation and Development	2,104,021	2,696,638	2,301,660	2,008,787	2,784,425	3,014,442
Bond Issuance Costs	-	-	-	-	-	267,161
Interest on Debt Service	1,893,270	2,036,769	2,023,900	2,608,915	2,743,128	2,854,045
Total governmental activities expenses	62,046,062	64,171,450	63,662,506	$ 69,312,883	$ 78,981,483	$ 73,399,358
Business-type activities:						
911 Operations	3,288,224	3,204,519	3,022,501	-	-	-
Economic Development	-	74,638	120,721	1,758,934	180,362	101,587
Total business-type activities expenses	3,288,224	3,279,157	3,143,222	$ 1,758,934	$ 180,362	$ 101,587
Total Expenses	$ 65,334,286	$ 67,450,607	$ 66,805,728	$ 71,071,817	$ 79,161,845	$ 73,500,945
Program Revenues						
Governmental activities:						
Charges for services:						
General Government-Administrative	$ 1,601,817	$ 1,695,024	$ 2,109,728	$ 1,936,761	$ 1,649,054	$ 3,437,204
General Government-Judicial	2,280,873	1,779,128	2,061,396	1,983,665	2,108,530	1,266,861
Public Safety	2,206,816	2,240,339	2,282,153	3,109,753	2,559,984	1,915,463
Public Works	-	-	-	-	-	350
Human Services	852,372	355,646	318,997	183,277	205,015	-
Culture and Recreation	-	-	-	-	-	268,815
Conservation and Development	658,109	749,191	634,828	223,738	227,817	176,379
Operating grants and contributions						
General Government-Administrative	874,936	406,898	844,676	176,970	205,917	306,235
General Government-Judicial	1,570,770	1,706,503	1,631,748	1,859,129	1,864,306	1,710,320
Public Safety	469,523	447,526	250,685	1,426,668	2,428,007	3,003,057
Public Works	325,091	730,007	1,134,655	969,726	757,158	467,614
Human Services	18,963,099	20,729,496	18,194,465	19,948,654	23,067,337	16,078,254
Culture and Recreation	1,086	1,915	3,172	5,196	-	927,872
Conservation and Development	540,699	762,649	851,888	994,108	1,087,484	729,790
Capital grants and contributions	1,088,202	-	-	-	-	4,878,891
Total governmental activities program revenues	31,433,393	31,604,322	30,318,391	32,817,645	36,160,609	35,167,105
Business-type activities:						
Charges for services:						
Public Safety	1,921,854	1,368,077	1,268,313	-	-	-
Economic Development	-	54,433	22,944	1,525,750	56,603	19,401
Operating grants and contributions						
Economic Development	-	-	124,769	177,613	195,446	191,606
Total business-type activities program revenues	1,921,854	1,422,510	1,416,026	1,703,363	252,049	211,007
Total primary government program revenues	$ 33,355,247	$ 33,026,832	$ 31,734,417	$ 34,521,008	$ 36,412,658	$ 35,378,112
Net (expense)/revenue						
Governmental activities	$ (30,612,669)	$ (32,567,128)	$ (33,344,115)	$ (36,495,238)	$ (42,820,874)	$ (38,232,253)
Business-type activities	(1,366,370)	(1,856,647)	(1,727,196)	(55,571)	71,687	109,420
Total primary government net expense	$ (31,979,039)	$ (34,423,775)	$ (35,071,311)	$ (36,550,809)	$ (42,749,187)	$ (38,122,833)

COUNTY OF ADAMS, PENNSYLVANIA

Changes in Net Position (Continued)
Last Six Fiscal Years
(accrual basis of accounting)

	Fiscal Year					
	2012	**2013**	**2014**	**2015**	**2016**	**2017**
General Revenues and Other Changes in Net Position						
Governmental activities:						
Property Taxes	$ 31,558,506	$ 31,837,110	$ 35,115,554	$ 35,899,178	$ 36,188,653	$ 36,344,820
Per Capita	338,921	350,655	326,466	327,138	304,515	344,893
Hotel Tax	1,474,084	2,479,651	2,343,980	2,339,744	2,509,580	2,790,732
Unrestricted investment earnings	691,297	(280,054)	755,469	449,728	118,413	1,019,777
Miscellaneous	635,745	763,434	1,104,057	493,430	571,237	2,106,964
Transfers	(1,858,740)	(36,580)	(32,337)	1,479,782	-	-
Total governmental activities	32,839,813	35,114,216	39,613,189	40,989,000	39,692,398	42,607,186
Business-type activities						
Property Taxes	1,676,617	1,744,739	-	-	-	-
Unrestricted investment earnings	12,590	52,645	17,994	3,010	3,946	2,341
Miscellaneous	11,550	18,735	-	-	-	-
Transfers	1,858,740	36,580	32,337	(1,479,782)	-	-
Total business-type activities	3,559,497	1,852,699	50,331	(1,476,772)	3,946	2,341
Total primary government	$ 36,399,310	$ 36,966,915	$ 39,663,520	$ 39,512,228	$ 39,696,344	$ 42,609,527
Change in Net Position						
Governmental activities	$ 2,227,144	$ 2,547,088	$ 6,269,074	$ 4,493,762	$ (3,128,476)	$ 4,374,933
Business-type activities	2,193,127	(3,948)	(1,676,865)	(1,532,343)	75,633	111,761
Total Primary government	$ 4,420,271	$ 2,543,140	$ 4,592,209	$ 2,961,419	$ (3,052,843)	$ 4,486,694

Note 1: This schedule is prepared in accordance with GASB 63 which the County adopted in 2012. This caused a change in the presentation of Net Assets by Component to Net Position by Component. The next schedule has been included to provide prior years' information as it was originally presented.

Note 2: The County implemented GASB Statement 65 in 2013 and GASB Statement 68 in 2015; and, therefore, prior years have not been adjusted to reflect the implementation of these standards.

Note 3: In 2015, the County reclassified the 911 fund as a Governmental Activity whereas in prior years the 911 Fund was classified as a Business-Type Activity

Source: Statement of Net Position, Financial Statements

COUNTY OF ADAMS, PENNSYLVANIA

Changes in Net Assets (Continued)
Previous Four Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2008	**2009**	**2010**	**2011**
Program Expenses				
Governmental activities:				
General Government-Administrative	$ 6,804,867	$ 7,966,103	$ 7,308,120	$ 7,063,395
General Government-Judicial	6,797,993	7,268,198	8,064,135	8,249,830
Public Safety	14,881,964	15,564,951	16,761,901	16,800,410
Public Works	922,136	947,927	525,464	587,089
Human Services	21,922,647	21,680,738	23,382,068	22,817,631
Culture and Recreation	1,341,165	1,292,955	1,338,712	1,635,834
Conservation and Development	2,714,049	2,800,148	6,307,659	3,275,883
Interest on Debt Service	1,761,670	1,749,988	1,791,350	1,670,677
Total governmental activities expenses	57,146,491	59,271,008	65,479,409	62,100,749
Business-type activities:				
Nursing Home	10,937,309	11,231,766	11,103,877	7,985,345
911 Operations	2,339,970	2,250,619	2,328,285	2,734,068
Economic Development	-	-	-	-
Total business-type activities expenses	13,277,279	13,482,385	13,432,162	10,719,413
Total Expenses	$ 70,423,770	$ 72,753,393	$ 78,911,571	$ 72,820,162
Program Revenues				
Governmental activities:				
Charges for services:				
General Government-Administrative	1,422,874	1,384,779	1,435,657	1,475,295
General Government-Judicial	2,426,969	2,308,796	2,514,793	2,395,703
Public Safety	2,255,934	2,200,877	2,138,066	2,575,753
Public Works	-	-	7	-
Human Services	897,682	816,978	729,786	865,667
Culture and Recreation	-	-	-	-
Conservation and Development	565,048	472,794	854,345	528,391
Operating grants and contributions				
General Government-Administrative	209,285	206,304	289,466	845,213
General Government-Judicial	1,313,499	1,566,713	1,855,668	1,760,560
Public Safety	649,015	897,028	841,639	669,961
Public Works	744,696	752,857	365,718	310,083
Human Services	19,046,012	19,761,865	20,261,069	20,169,436
Culture and Recreation	5,702	2,927	1,342	1,021
Conservation and Development	699,569	936,219	990,693	710,738
Capital grants and contributions	8,334	-	-	-
Total governmental activities program revenues	30,244,619	31,308,137	32,278,249	32,307,821
Business-type activities:				
Patient Care	10,037,924	9,700,454	10,001,154	5,711,770
Public Safety	1,268,585	1,484,449	1,529,016	1,522,546
Economic Development	-	-	-	-
Total business-type activities program revenues	11,306,509	11,184,903	11,530,170	7,234,316
Total primary government program revenues	$ 41,551,128	$ 42,493,040	$ 43,808,419	$ 39,542,137
Net (expense)/revenue				
Governmental activities	$ (26,901,872)	$ (27,962,871)	$ (33,201,160)	$ (29,792,928)
Business-type activities	(1,970,770)	(2,297,482)	(1,901,992)	(3,485,097)
Total primary government net expense	$ (28,872,642)	$ (30,260,353)	$ (35,103,152)	$ (33,278,025)

COUNTY OF ADAMS, PENNSYLVANIA

Changes in Net Assets (Continued)
Previous Four Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2008	**2009**	**2010**	**2011**
General Revenues and Other				
Changes in Net Assets				
Governmental activities:				
Property Taxes	$ 29,664,052	$ 32,565,721	$ 31,302,007	$ 31,982,897
Per Capita	20,200	25,636	31,322	338,035
Hotel Tax	1,224,365	1,203,992	1,236,768	1,299,446
Unrestricted investment earnings	457,750	139,717	(218,456)	938,080
Swap proceeds	1,365,459	35,172	69,584	-
Miscellaneous	45,384	36,675	98,937	941,113
Transfers	(3,274,541)	(4,854,599)	(2,075,593)	(1,354,300)
Total governmental activities	29,502,669	29,152,314	30,444,569	34,145,271
Business-type activities				
Property Taxes	-	-	-	-
Unrestricted investment earnings	11,604	4,312	1,549	2,009
Miscellaneous	3,528	1,550	1,032	2,809,992
Transfers	3,274,541	4,854,599	2,075,593	1,354,300
Total business-type activities	3,289,673	4,860,461	2,078,174	4,166,301
Total primary government	$ 32,792,342	$ 34,012,775	$ 32,522,743	$ 38,311,572
Change in Net Assets				
Governmental activities	$ 2,600,797	$ 1,189,443	$ (2,756,591)	$ 4,352,343
Business-type activities	1,318,903	2,562,979	176,182	681,204
Total Primary government	$ 3,919,700	$ 3,752,422	$ (2,580,409)	$ 5,033,547

Note: In 2010 the County implemented GASB Statements 51 and 53, Prior years have not been adjusted to reflect the implementation of the standards.

Source: Statement of Net Assets, Financial Statements

COUNTY OF ADAMS, PENNSYLVANIA

Governmental Activities Tax Revenues by Source
Last Ten Years
(accrual basis of accounting)

Year	Real Estate Tax	Per Capita Tax	Hotel Room Tax	Total
2008	$ 29,664,052	$ 20,200	$ 1,224,365	$ 30,908,617
2009	32,565,721	25,636	1,203,992	33,795,349
2010	31,302,007	31,322	1,236,768	32,570,097
2011	31,982,897	338,035	1,299,446	33,620,378
2012	33,235,123	338,921	1,474,084	35,048,128
2013	33,581,849	350,655	2,479,651	36,412,155
2014	35,115,554	326,466	2,343,980	37,786,000
2015	35,899,178	327,138	2,339,744	38,566,060
2016	36,188,653	304,515	2,509,580	39,002,748
2017	36,344,820	344,893	2,790,732	39,480,445

Source: Statement of Activities, Financial Statements

COUNTY OF ADAMS, PENNSYLVANIA

Fund Balances of Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	Fiscal Year									
	2008	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
General Fund										
Reserved	$ 9,489,694	$ 7,612,050	$ 6,391,928	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	(2,115,425)	1,298,327	2,846,116	-	-	-	-	-	-	-
Nonspendable	-	-	-	822,441	901,806	598,255	680,101	178,640	967,115	1,928,024
Restricted	-	-	-	-	-	-	1,155,443	1,141,339	1,094,701	58,268
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	2,206,747	-	1,381,639
Unassigned	-	-	-	14,103,984	14,910,603	17,016,515	20,494,257	18,795,161	20,667,260	22,483,842
Total General Fund	$ 7,374,269	$ 8,910,377	$ 9,238,044	$ 14,926,425	$ 15,812,409	$ 17,614,770	$ 22,329,801	$ 22,321,887	$ 22,729,076	$ 25,851,773
All other-governmental funds										
Reserved	$ 4,511,375	$ 4,539,692	$ 4,966,901	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	2,086,300	1,241,639	2,641,186	-	-	-	-	-	-	-
Nonspendable	-	-	-	118,147	96,348	75,080	1,158,012	1,153,045	1,007,514	62,995
Restricted	-	-	-	3,154,737	5,807,678	6,141,694	5,704,812	8,119,236	11,937,206	12,458,126
Committed	-	-	-	-	-	-	-	300,656	301,601	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	(183,350)	-	-	(392,040)	(8,538,274)	(4,565,745)	(1,790,023)
Total all other governmental funds	$ 6,597,675	$ 5,781,331	$ 7,608,087	$ 3,089,534	$ 5,904,026	$ 6,216,774	$ 6,470,784	$ 1,034,663	$ 8,680,576	$ 10,731,098
Total fund balances of all governmental funds	$ 13,971,944	$ 14,691,708	$ 16,846,131	$ 18,015,959	$ 21,716,435	$ 23,831,544	$ 28,800,585	$ 23,356,550	$ 31,409,652	$ 36,582,871

Note:The County implemented GASB Statement 54 beginning in 2011; and, therefore prior years have not been adjusted to reflect implementation of this standard.

Source: Balance Sheet Governmental Funds, Financial Statements

COUNTY OF ADAMS, PENNSYLVANIA

Changes in Fund Balances of Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	Fiscal Year									
	2008	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Revenues										
Taxes	$ 30,191,575	$ 33,220,517	$ 33,252,228	$ 33,239,071	$ 33,456,897	$ 34,599,124	$ 38,247,076	$ 38,390,557	$ 38,895,234	$ 39,739,913
Intergovernmental Revenues	22,549,314	24,065,310	24,537,650	24,431,545	23,679,316	24,593,865	22,658,002	25,041,308	29,410,209	28,102,033
Charges for Services	6,654,823	6,367,991	6,935,412	7,375,365	7,175,384	5,910,420	6,670,833	6,658,974	5,917,931	6,853,136
Interest and Rents	1,941,672	233,492	212,307	628,491	237,551	233,862	212,754	478,031	479,090	757,105
License and Permits	102,749	102,110	94,400	91,466	110,679	119,813	111,694	108,591	138,165	142,686
Court Costs and Fines	600,390	546,907	505,229	262,252	270,756	605,499	615,180	642,858	694,304	69,250
Miscellaneous	255,930	203,891	235,781	1,297,551	768,570	1,061,016	1,326,208	609,189	571,237	2,106,964
Total Revenues	62,296,453	64,740,218	65,773,007	67,325,741	65,699,153	67,123,599	69,841,747	71,929,508	76,106,170	77,771,087
Expenditures										
Current:										
General Government-Administrative	8,390,972	9,705,594	9,121,564	9,275,919	10,412,006	11,033,055	11,806,113	11,203,842	11,370,680	17,215,048
General Government-Judicial	5,896,149	6,338,749	7,036,284	7,172,172	7,335,482	5,998,984	6,364,277	6,496,580	6,764,247	7,169,795
Public Safety	12,883,858	13,707,012	14,888,854	14,786,245	15,283,500	15,266,413	15,423,323	17,945,758	18,263,509	19,211,329
Public Works	770,173	788,259	362,113	539,938	163,466	503,958	678,813	210,194	190,348	674,438
Human Services	21,826,274	21,579,766	23,275,378	22,688,967	21,721,651	22,645,027	20,921,464	22,708,043	26,935,050	19,675,159
Culture and Recreation	1,341,165	1,283,307	1,338,712	1,635,834	1,602,776	2,573,007	2,381,280	2,301,074	2,525,690	2,567,067
Conservation and Development	3,013,352	3,261,047	8,125,042	3,033,490	1,950,625	2,696,638	2,294,758	2,106,438	2,580,644	2,861,794
Debt Service										
Principal	1,354,211	1,364,163	1,339,573	1,885,749	17,199,595	2,050,384	30,182,732	3,740,510	11,626,858	28,355,352
Interest	1,754,416	1,719,093	1,816,599	1,848,866	2,072,402	2,035,191	2,010,458	2,549,485	2,594,557	2,631,622
Bond Interest Costs	-	-	-	-	-	-	-	-	-	267,161
Capital Outlay	132,026	906,335	197,436	2,118,770	2,282,113	231,448	1,536,042	10,624,839	5,104,209	7,984,441
Total Expenditures	57,362,596	60,653,325	67,501,555	64,985,950	80,023,616	65,034,105	93,599,260	79,886,763	87,955,792	108,613,206
Other Financing Sources (uses)										
Sale of an Asset	-	-	1,209	-	-	-	-	-	-	-
Transfers In	7,819,557	6,154,166	9,323,037	13,549,224	7,901,017	5,258,317	4,599,495	10,018,335	8,375,169	10,383,827
Transfers Out	(11,100,364)	(11,015,393)	(11,404,364)	(14,719,187)	(9,766,138)	(5,294,897)	(4,631,832)	(10,971,862)	(9,064,438)	(10,383,827)
Proceeds from Tax Anticipation Note	7,000,000	-	-	-	-	-	-	-	-	-
Repayment of Tax Anticipation Note	(7,000,000)	-	-	-	-	-	-	-	-	-
Proceeds From Issuance of Refunding of Bonds	-	-	-	29,658,898	15,314,310	-	-	-	8,912,000	24,015,000
Payments to redeem bonds	-	-	-	(29,658,898)	-	-	-	-	-	-
Proceeds From Issuance of Long Term Debt	-	1,494,098	5,708,361	-	4,140,924	62,195	28,758,891	2,759,527	10,796,279	10,660,000
Bond Discount	-	-	-	-	-	-	-	-	-	(84,469)
Bond Premium	-	-	-	-	434,826	-	-	-	883,714	1,424,807
Total Other Financing Sources (uses)	(3,280,807)	(3,367,129)	3,628,243	(1,169,963)	18,024,939	25,615	28,726,554	1,806,000	19,902,724	36,015,338
Net Change in Fund Balances	$ 1,653,050	$ 719,764	$ 1,899,695	$ 1,169,828	$ 3,700,476	$ 2,115,109	$ 4,969,041	$ (6,151,255)	$ 8,053,102	$ 5,173,219
Debt service as a percentage of noncapital expenditures	5.4%	5.2%	4.7%	5.9%	24.8%	6.3%	35.0%	9.1%	17.2%	31.1%

Source: Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds, Financial Statements

COUNTY OF ADAMS, PENNSYLVANIA

General Government Expenditures by Function
Last Ten Years

Year	General Government-Administrative	General Government-Judicial	Public Safety	Public Works	Human Services	Culture and Recreation	Conservation and Development	Debt Service	Capital Outlay	Totals
2008	$ 8,390,972	$ 5,896,149	$ 12,883,858	$ 770,173	$ 21,826,274	$ 1,341,165	$ 3,013,352	$ 3,108,627	$ 132,026	$ 57,362,596
2009	9,705,594	6,338,749	13,707,012	788,259	21,579,766	1,283,307	3,261,047	3,083,256	906,335	60,653,325
2010	9,121,564	7,036,284	14,888,854	362,113	23,275,378	1,338,712	8,125,042	3,156,172	197,436	67,501,555
2011	9,275,919	7,172,172	14,786,245	539,938	22,688,967	1,635,834	3,033,490	3,734,615	2,118,770	64,985,950
2012	10,412,006	7,335,482	15,283,500	163,466	21,721,651	1,602,776	1,950,625	19,271,997	2,282,113	80,023,616
2013	11,033,055	5,998,984	15,266,413	503,958	22,645,027	2,573,007	2,696,638	4,085,575	231,448	65,034,105
2014	11,806,113	6,364,277	15,423,323	678,813	20,921,464	2,381,280	2,294,758	32,193,190	1,536,042	93,599,260
2015	11,203,842	6,496,580	17,945,758	210,194	22,708,043	2,301,074	2,106,438	6,289,995	10,624,839	79,886,763
2016	11,370,680	6,764,247	18,263,509	190,348	26,935,050	2,525,690	2,580,644	14,221,415	5,104,209	87,955,792
2017	17,215,048	7,169,795	19,211,329	674,438	19,675,159	2,567,067	2,861,794	31,254,135	7,984,441	108,613,206

Source: Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds, Financial Statements

COUNTY OF ADAMS, PENNSYLVANIA

General Governmental Revenues by Source
Last Ten Years

Year	Taxes	Intergovernmental	Charges for Services	Interest and Rents	License and Permits	Court Costs and Fines	Bond Proceeds and Other (1)	Totals
2008	$ 30,191,575	$ 22,549,314	$ 6,654,823	$ 576,213	$ 102,749	$ 600,390	$ 1,621,389	$ 62,296,453
2009	33,220,517	24,065,310	6,367,991	198,320	102,110	546,907	1,733,161	66,234,316
2010	33,252,228	24,537,650	6,935,412	142,723	94,400	505,229	6,013,726	71,481,368
2011	33,239,071	24,431,545	7,375,365	133,816	91,466	262,252	1,792,226	67,325,741
2012	33,456,897	23,679,316	7,175,384	146,969	110,679	270,756	20,749,212	85,589,213
2013	34,599,124	24,593,865	5,910,420	136,949	119,813	605,499	1,220,124	67,185,794
2014	38,247,076	22,658,002	6,670,833	113,612	111,694	615,180	30,085,099	98,501,496
2015	38,390,557	25,041,308	6,658,974	371,872	108,591	642,858	3,474,875	74,689,035
2016	38,895,234	29,410,209	5,917,931	414,933	138,165	694,304	21,227,387	96,698,163
2017	39,739,913	28,102,033	6,853,136	757,105	142,686	69,250	38,122,302	113,786,425

Note:
(1) Includes proceeds from bond issues, bond discounts, bond premiums which are included in the financial section as Other Financing Sources and Miscellaneous Revenue

Source: Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds, Financial Statements

COUNTY OF ADAMS, PENNSYLVANIA

Governmental Funds Tax Revenues by Source
Last Ten Years
(modified accrual basis of accounting)

Year	Real Estate Tax	Hotel Room Tax	Total
2008	$ 28,967,210	$ 1,224,365	$ 30,191,575
2009	32,016,525	1,203,992	33,220,517
2010	32,015,460	1,236,768	33,252,228
2011	31,939,625	1,299,446	33,239,071
2012	31,982,813	1,474,084	33,456,897
2013	32,119,473	2,479,651	34,599,124
2014	35,903,096	2,343,980	38,247,076
2015	36,050,813	2,339,744	38,390,557
2016	36,385,654	2,509,580	38,895,234
2017	36,949,181	2,790,732	39,739,913

Source: Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds, Financial Statements

COUNTY OF ADAMS, PENNSYLVANIA

Property Values
Last Ten Years
(Unaudited)

Year	Residential	Commercial	Agriculture	Industrial	Other	Utility/Exempt	Total
2008	1,368,490,534	321,971,235	226,047,697	74,194,208	33,612,735	-	2,024,316,409
2009	1,396,471,867	325,746,592	228,021,975	71,038,321	33,185,990	-	2,054,464,745
2010	1,410,248,031	318,991,943	230,151,624	65,222,188	32,681,966	-	2,057,295,752
2011 (1)	6,289,950,000	1,257,921,100	1,017,960,800	294,367,700	263,634,800	1,108,414,600	10,232,249,000
2012	6,325,736,300	1,211,272,200	1,015,507,700	293,992,200	231,508,100	1,121,317,200	10,199,333,700
2013	6,340,990,500	1,207,534,500	1,020,029,200	278,274,600	218,622,600	1,137,632,800	10,203,084,200
2014	6,323,299,400	1,223,446,200	1,032,428,800	268,941,500	276,153,800	N/A	9,124,269,700
2015	6,433,348,600	1,222,798,200	1,045,295,200	265,527,300	205,829,300	1,157,657,800	10,330,456,400
2016	6,494,476,500	1,239,078,900	1,064,646,700	257,475,900	201,253,500	1,178,649,700	10,435,581,200
2017	6,556,588,700	1,242,833,100	1,078,949,500	260,615,100	192,330,800	1,187,360,800	10,518,678,000

Notes:
(1) County-wide reassessment
N/A: Not Available

Source: Adams County Tax Services Department
PA State Tax Equilization Board

COUNTY OF ADAMS, PENNSYLVANIA

Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Year	Real Estate Total Assessed Value	RATIO OF TOTAL ASSESSED TO TOTAL ESTIMATED ACTUAL VALUE	COUNTY REAL ESTATE MILLAGE RATE
2008	2,047,789,431	34%	14.150
2009	2,094,086,739	34%	14.450
2010	2,095,684,104	31%	15.450
2011 (1)	9,123,834,400	134%	3.552
2012	9,078,016,500	135%	3.733
2013	9,065,451,400	135%	3.733
2014	9,082,272,700	135%	3.919
2015	9,172,798,600	136%	3.919
2016	9,256,931,500	136%	3.919
2017	9,331,317,200	136%	3.919

Note: (1) County-wide reassessment

Source: Adams County Tax Services Department

COUNTY OF ADAMS, PENNSYLVANIA

Real Estate Millage Rates-Direct and Overlapping Governments

Last Ten Years

	County Direct Rates			Overlapping Rates		Total
(1) Year	Basic Rate	Library Tax	Total Rate	(2) Municipalities	(2) School District	
2008	13.650	0.500	14.150	3.796	40.385	58.331
2009	14.950	0.500	15.450	4.067	41.942	61.459
2010	14.950	0.500	15.450	4.200	43.558	63.208
2011*	3.437	0.115	3.552	0.980	10.157	14.689
2012	3.618	0.115	3.733	1.041	10.365	15.139
2013	3.618	0.115	3.733	1.098	10.585	15.416
2014	3.804	0.115	3.919	1.233	10.849	16.001
2015	3.804	0.115	3.919	1.216	11.067	16.202
2016	3.804	0.115	3.919	1.292	11.434	16.645
2017	3.804	0.115	3.919	1.339	11.842	17.100

Notes:
(1) The Fiscal year shown represents the calendar year for the County and Municipalities and the fiscal year for School Districts which begins in July of the year shown and spans six months into the next calendar year.
(2) Each unit within these classes levies its own millage rate. The rates shown are an average.

*A county-wide reassessment was done in 2011

Source: Adams County Tax Services Department

COUNTY OF ADAMS, PENNSYLVANIA

Property Tax Rates
Direct and Overlapping Governments
Last Ten Years

	2008	2009	2010	(1) 2011	2012	2013	2014	2015	2016	2017
County Direct Rate	14.150	15.450	15.450	3.552	3.733	3.733	3.919	3.919	3.919	3.919
School District Rates										
Bermudian Springs	39.050	41.190	42.790	9.768	9.992	10.107	10.310	10.578	10.927	11.298
Conewago Valley	37.900	38.800	40.200	9.990	10.210	10.712	11.181	11.625	12.135	12.612
Fairfield	40.500	42.500	43.980	9.295	9.491	9.690	9.690	9.690	9.971	10.280
Gettysburg	39.100	40.700	42.460	10.185	10.307	10.307	10.485	10.485	10.553	10.817
Littlestown	38.860	39.610	41.115	9.821	10.037	10.258	10.535	10.798	11.351	11.578
Upper Adams	46.900	48.850	50.800	11.885	12.155	12.434	12.894	13.229	13.666	14.466
Borough Rates										
Abbottstown	5.500	5.500	5.500	1.416	1.416	1.416	1.416	1.416	1.666	1.916
Arendtsville	6.000	6.000	6.000	1.430	1.430	1.430	1.430	1.430	1.430	1.430
Bendersville	5.000	5.000	5.000	1.049	1.049	1.049	1.049	1.049	1.049	1.049
Biglerville	6.500	6.500	6.500	1.584	2.100	2.600	2.850	2.850	3.350	3.350
Bonneauville	3.889	3.889	3.889	0.920	0.920	1.920	2.170	2.170	2.170	2.170
Carroll Valley	8.000	8.000	8.000	1.746	2.450	2.450	2.700	2.011	2.700	2.700
East Berlin	4.000	4.000	5.000	1.300	1.300	1.300	1.300	1.300	1.300	1.800
Fairfield	4.500	4.500	4.500	1.158	1.158	1.158	1.408	1.408	1.408	1.525
Gettysburg	14.380	14.380	15.380	3.520	3.520	3.520	3.870	3.870	4.020	4.020
Littlestown	8.500	9.500	9.500	2.309	2.309	2.309	3.309	3.309	3.309	3.809
McSherrystown	6.734	13.234	13.234	3.126	3.126	3.126	3.626	3.626	3.626	3.626
New Oxford	4.400	4.400	4.400	1.018	1.018	1.320	1.450	1.450	2.000	2.350
York Springs	8.000	7.000	7.000	1.637	1.637	1.637	1.637	1.637	1.637	1.637
Townships										
Berwick	5.000	5.000	5.000	1.230	1.230	0.950	0.850	0.650	0.550	0.400
Butler	1.750	2.250	2.250	0.497	0.497	0.497	0.747	0.747	0.747	0.747
Conewago	4.500	4.500	4.500	1.125	1.425	2.011	2.011	2.011	2.011	2.011
Cumberland	3.500	3.500	5.500	1.500	1.500	1.500	1.750	1.750	1.750	1.750
Franklin	1.131	1.131	1.131	0.226	0.526	0.526	0.776	0.776	0.776	0.776
Freedom	0.718	0.718	0.718	0.156	0.456	0.456	0.456	0.456	0.606	0.606
Germany	0.280	0.280	0.280	0.063	0.122	0.122	0.122	0.122	0.122	0.122
Hamiltonban	6.500	6.500	6.500	1.236	1.236	1.236	1.486	1.486	1.486	1.486
Hamilton	3.250	3.250	3.250	0.735	0.735	0.735	0.735	0.735	0.735	0.735
Highland	0.942	0.942	0.942	0.209	0.209	0.209	0.209	0.209	0.209	0.209
Huntington	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Latimore	2.800	2.800	2.800	0.620	0.620	0.620	0.620	0.620	0.620	0.620
Liberty	3.000	3.000	3.000	0.576	0.576	0.576	0.576	0.826	0.828	0.828
Menallen	0.900	0.900	0.900	0.193	0.193	0.193	0.443	0.443	0.443	0.443
Mt. Joy	0.150	2.380	2.380	0.440	0.350	0.170	0.150	0.150	0.150	0.150
Mt. Pleasant	0.670	0.670	0.670	0.155	0.155	0.155	0.405	0.405	0.705	0.705
Oxford	3.500	3.500	4.000	0.983	0.983	0.983	0.983	0.983	0.983	0.983
Reading	1.200	1.200	1.200	0.258	0.258	0.258	0.258	0.258	0.258	0.258
Straban	0.460	0.460	0.460	0.101	0.101	0.101	0.351	0.351	0.351	0.351
Tyrone	2.855	2.855	2.855	0.673	0.673	0.673	0.673	0.673	0.673	0.673
	3.796	4.067	4.200	0.980	1.041	1.098	1.233	1.216	1.292	1.339

(1) County-wide reassessment

Source: Adams County Tax Services Department

COUNTY OF ADAMS, PENNSYLVANIA

Principal Property Taxpayers

December 31

	2017			2008		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
The Brethren Home Community	$ 34,074,700	1	0.37%	$ 16,608,147	1	0.81%
Gateway Gettysburg Hotel/Conference Center Partners LP	33,015,500	2	0.35%	6,702,291	7	0.33%
Knouse Foods Cooperative, Inc	29,431,300	3	0.32%	10,516,621	2	0.51%
Delancey Gettysburg Associates LP	28,948,800	4	0.31%	8,646,826	4	0.42%
Wellspan Properties Inc	27,855,600	5	0.30%			
Ski Roundtop/Ski America Inc/Snow Time Inc	27,385,000	6	0.29%			
C&J Clark America Inc	23,245,900	7	0.25%			
Broyhill and Associates, Inc/Vulcan Materials Co	22,079,600	8	0.24%	6,763,538	6	0.33%
Gettysburg College	22,021,300	9	0.24%	9,863,735	3	0.48%
Conewago Resources/Conewago Contractors	18,381,600	10	0.20%			
Reliant Energy Hunterstown, LLC				8,583,775	5	0.42%
Duffy-Mott Company				6,180,039	8	0.30%
Adams County National Bank				6,139,705	9	0.30%
Boyds Collection LTD, LP				5,735,810	10	0.28%
Total	$ 266,439,300		2.87%	$ 85,740,487		4.18%

Source: Adams County Tax Services Department

COUNTY OF ADAMS, PENNSYLVANIA

Real Estate Taxes Levied and Collected
Last Ten Years
(Unaudited)

Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	$ 28,976,220	$ 27,928,893	96.4%	$ 1,047,327	$ 28,976,220	100.0%
2009	32,353,640	30,428,866	94.1%	948,202	31,377,068	97.0%
2010	32,378,319	30,686,812	94.8%	1,124,533	31,811,345	98.2%
2011	32,406,035	31,434,482	97.0%	971,553	32,406,035	100.0%
2012	33,886,419	32,457,008	95.8%	778,115	33,235,123	98.1%
2013	33,839,517	32,512,844	96.1%	1,069,005	33,581,849	99.2%
2014	35,596,151	34,365,888	96.5%	749,666	35,115,554	98.6%
2015	35,950,749	34,520,699	96.0%	1,378,479	35,899,178	99.9%
2016	36,279,612	34,946,615	96.3%	1,242,038	36,188,653	99.7%
2017	36,572,231	35,343,730	96.6%	-	35,343,730	96.6%

Source: Adams County Tax Services

COUNTY OF ADAMS, PENNSYLVANIA

Ratio of Outstanding Debt by Type
Last Ten Years

	Governmental Activities		Business-Type Activities				
Year	General Obligation Debt	Capital Leases	General Obligation Debt	Capital Leases	Primary Government	Personal Income	Per Capita
2008	$ 39,327,934	$ -	$ 3,556,411	$ -	$ 42,884,345	1.15%	$ 420.67
2009	39,458,667	-	4,028,818	-	43,487,485	1.16%	425.00
2010	43,828,255	-	3,902,067	-	47,730,322	1.25%	470.68
2011	42,601,419	-	3,078,865	-	45,680,284	1.15%	449.39
2012	45,284,371	-	23,358,125	-	68,642,496	1.68%	676.05
2013	43,278,789	-	24,020,675	-	67,299,464	1.61%	663.66
2014	41,837,555	-	23,422,057	-	65,259,612	1.48%	642.24
2015	62,567,410	-	1,634,026	-	64,201,436	1.39%	629.04
2016	71,481,532	-	603,748	-	72,085,280	1.54%	705.47
2017	79,039,607	-	470,459	-	79,510,066	N/A	776.95

Source: Adams County Finance Department
N/A- Not Available

Note: In 2015, the County reclassified the 911 Fund as a Governmental Activity whereas in prior years the 911 Fund was classified as a Business-Type activity.

COUNTY OF ADAMS, PENNSYLVANIA

Ratio of General Obligation Debt to Assessed Value of Real Estate
and General Obligation Debt Per Capita
Last Ten Years

Year	(1) Population	(2) Assessed Value	General Obligation Debt	(3) Ratio of General Obligation Debt to Assessed Value	General Obligation Debt Per Capita
2008	101,943	$ 2,047,789,431	$ 42,884,345	2.09%	420.67
2009	102,323	2,094,086,739	43,487,485	2.08%	425.00
2010	101,407	2,095,684,104	47,730,322	2.28%	470.68
2011	101,650	9,123,834,400	45,680,284	0.50%	449.39
2012	101,535	9,078,016,500	68,642,496	0.76%	676.05
2013	101,407	9,065,451,400	67,299,464	0.74%	663.66
2014	101,612	9,082,272,700	65,259,612	0.72%	642.24
2015	102,063	9,172,798,600	64,201,436	0.70%	629.04
2016	102,180	9,256,931,500	72,085,280	0.78%	705.47
2017	102,336	9,331,317,200	79,510,066	0.85%	776.95

Sources:
(1) Bureau of Economic Analysis
(2) Adams County Tax Services
(3) Adams County Finance Department

COUNTY OF ADAMS, PENNSYLVANIA

Direct and Overlapping Governmental Activities Debt
As of December 31, 2017

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
School Districts			
Bermudian School District	$ 62,549,364	100%	$ 62,549,364
Conewago School District	123,981,995	100%	123,981,995
Fairfield School District	42,776,288	100%	42,776,288
Gettysburg Area School District	130,131,456	100%	130,131,456
Littlestown Area School District	79,752,778	100%	79,752,778
Upper Adams School District	55,940,039	100%	55,940,039
Other Schools			
Gettysburg Montessori Charter School	3,782,498	100%	3,782,498
Vida Charter School	3,618,000	100%	3,618,000

Source: Each individual governmental unit

Note: Method to calculate overlapping debt is the percentage applicable multiplied by the total debt reported by each government unit.

COUNTY OF ADAMS, PENNSYLVANIA

Direct and Overlapping Governmental Activities Debt
As of December 31, 2017

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Boroughs			
Abbottstown	$ 398,586	100%	$ 398,586
Arendtsville	N/A	100%	N/A
Bendersville	84,347	100%	84,347
Biglerville	456,928	100%	456,928
Bonneauville	-	100%	-
Carroll Valley	2,956,538	100%	2,956,538
East Berlin	-	100%	-
Fairfield	-	100%	-
Gettysburg	23,776,578	100%	23,776,578
Littlestown	2,103,235	100%	2,103,235
McSherrystown	2,378,106	100%	2,378,106
New Oxford	264,718	100%	264,718
York Springs	N/A	100%	N/A

Source: Each individual governmental unit

Note: Method to calculate overlapping debt is the percentage applicable multiplied by the total debt reported by each government unit.

COUNTY OF ADAMS, PENNSYLVANIA

Direct and Overlapping Governmental Activities Debt
As of December 31, 2017

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Townships			
Berwick	$ 372,391	100%	$ 372,391
Butler	19,762	100%	19,762
Conewago	520,144	100%	520,144
Cumberland	1,162,403	100%	1,162,403
Franklin	30,966	100%	30,966
Freedom	-	100%	-
Germany	405,286	100%	405,286
Hamilton	1,355,871	100%	1,355,871
Hamiltonban	988,525	100%	988,525
Highland	-	100%	-
Huntington	-	100%	-
Latimore	-	100%	-
Liberty	-	100%	-
Menallen	-	100%	-
Mount Joy	-	100%	-
Mount Pleasant	520,144	100%	520,144
Oxford	-	100%	-
Reading	-	100%	-
Straban	-	100%	-
Tyrone	N/A	100%	N/A
Union	520,144	100%	520,144
Subtotal, Overlapping Debt			540,847,088
County of Adams direct debt			79,039,607
Total direct and overlapping debt			$ 619,886,695

Source: Each individual governmental unit

Note: Method to calculate overlapping debt is the percentage applicable multiplied by the total debt reported by each government unit.

COUNTY OF ADAMS, PENNSYLVANIA

Computation of Legal Debt Margin
Last Ten Years

	Year				
	2008	**2009**	**2010**	**2011**	**2012**
Borrowing Base Revenues					
Two Years Prior	$ 52,671,078	$ 55,188,870	$ 60,930,994	$ 64,705,046	$ 65,703,423
Prior Year	55,188,870	60,930,994	64,705,046	65,703,423	66,831,066
Current Year	60,930,994	64,705,046	65,703,423	66,831,066	65,608,571
Total Revenues	$ 168,790,942	$ 180,824,910	$ 191,339,463	$ 197,239,535	$ 198,143,060
Debt Limit For General Obligation Bonds					
Average Borrowing Base Revenues	$ 56,263,647	$ 60,274,970	$ 63,779,821	$ 65,746,512	$ 66,047,687
Debt Limit Percentage	x 300%	x 300%	x 300%	x 300%	x 300%
Debt Limit	168,790,941	180,824,910	191,339,463	197,239,536	198,143,061
Total Outstanding Bonded Debt	42,884,345	43,487,485	47,730,322	45,680,284	68,642,496
Legal Debt Margin	$ 125,906,596	$ 137,337,425	$ 143,609,141	$ 151,559,252	$ 129,500,565
Total Outstanding Bonded Debt As A Percentage Of Debt Limit	25.41%	24.05%	24.95%	23.16%	34.64%
Debt Limit For General Obligation Bonds And Lease Rental Debt					
Average Borrowing Base Revenues	$ 56,263,647	$ 60,274,970	$ 63,779,821	$ 65,746,512	$ 66,047,687
Debt Limit Percentage	x 400%	x 400%	x 400%	x 400%	x 400%
Debt Limit	225,054,588	241,099,880	255,119,284	262,986,048	264,190,748
Total Amount Of Debt Applicable To Debt Limit	42,884,345	43,487,485	47,730,322	45,680,284	68,642,496
Legal Debt Margin	$ 182,170,243	$ 197,612,395	$ 207,388,962	$ 217,305,764	$ 195,548,252
Total Amount Of Debt Applicable To Debt Limit As A Percentage of Debt Limit	19.06%	18.04%	18.71%	17.37%	25.98%

COUNTY OF ADAMS, PENNSYLVANIA

Computation of Legal Debt Margin (Continued)

Last Ten Years

	Year				
	2013	2014	2015	2016	2017
Borrowing Base Revenues					
Two Years Prior	$ 66,831,066	$ 65,608,571	$ 67,026,686	$ 69,742,605	$ 71,823,349
Prior Year	65,608,571	67,026,686	69,742,605	71,823,349	76,042,013
Current Year	67,026,686	69,742,605	71,823,349	76,042,013	74,602,337
Total Revenues	$ 199,466,323	$ 202,377,862	$ 208,592,640	$ 217,607,967	$ 222,467,699
Debt Limit For General Obligation Bonds					
Average Borrowing Base Revenues	$ 66,488,774	$ 67,459,287	$ 69,530,880	$ 72,535,989	$ 74,155,900
Debt Limit Percentage	x 300%	x 300%	x 300%	x 300%	300%
Debt Limit	199,466,322	202,377,861	208,592,640	217,607,967	222,467,700
Total Outstanding Bonded Debt	67,299,464	65,259,612	64,201,436	72,085,280	76,082,790
Legal Debt Margin	$ 132,166,858	$ 137,118,249	$ 144,391,204	$ 145,522,687	$ 146,384,910
Total Outstanding Bonded Debt As A Percentage Of Debt Limit	33.74%	32.25%	30.78%	33.13%	34.20%
Debt Limit For General Obligation Bonds And Lease Rental Debt					
Average Borrowing Base Revenues	$ 66,488,774	$ 67,459,287	$ 69,530,880	$ 72,535,989	$ 74,155,900
Debt Limit Percentage	x 400%	x 400%	x 400%	x 400%	400%
Debt Limit	265,955,097	269,837,148	278,123,520	290,143,956	296,623,599
Total Amount of Debt Applicable to Debt Limit	67,299,464	65,259,612	64,201,436	72,085,280	76,082,790
Legal Debt Margin	$ 198,655,633	$ 204,577,536	$ 213,922,084	$ 218,058,676	$ 220,540,809
Total Amount Of Debt Applicable To Debt Limit As a Percentage Of Debt Limit	25.30%	24.18%	23.08%	24.84%	25.65%

COUNTY OF ADAMS, PENNSYLVANIA

Demographic and Economic Statistics
Last Ten Years

Year	Population (4)	Personal Income $000	Per Capita Personal Income (1)	Public School Enrollment (2)	Local Unemployment Rate (3)
2008	101,056	$ 3,727,673	$ 36,887	14,385	4.3%
2009	101,252	3,756,107	37,097	14,316	7.4%
2010	101,472	3,817,169	37,618	17,221	7.7%
2011	101,657	3,964,156	38,995	16,457	6.7%
2012	101,572	4,097,058	40,336	16,081	6.4%
2013	101,525	4,185,518	41,226	13,787	5.8%
2014	101,878	4,413,565	43,361	13,655	4.6%
2015	102,295	4,605,659	45,023	13,502	4.2%
2016	102,180	4,685,246	45,853	15,638	4.0%
2017	102,336	N/A	N/A	15,512	3.2%

(1) Bureau of Economic Analysis, 2017 information not available at time of reporting
(2) PA Department of Education
(3) US Bureau of Labor Statistics
(4) US Censuks Bureau

N/A: Not Available at time of reporting

COUNTY OF ADAMS, PENNSYLVANIA

Principal Employers
Current Year and Nine Years Ago

		2017			2008		
Employer (1)	**Location**	**Employees**	**Rank**	**Percentage of Total County Employment**	**Employees**	**Rank**	**Percentage of Total County Employment**
Liberty Mountain Resort	Fairfield	N/A	1				
Gettysburg College	Gettysburg	N/A	2		N/A	2	
Wellspan Getysburg Hospital	Gettysburg	N/A	3		N/A	3	
Cross Keys Vlg-The Brethern	New Oxford	N/A	4				
The Brethren Home Community	New Oxford	N/A	5		N/A	5	
C&J Clark America Inc	Hanover	N/A	6		N/A	10	
Knouse Foods Cooperative Inc	Peach Glen	N/A	7		N/A	1	
Adams County	Gettysburg	515	8	1.0%	1,016	9	1.9%
Conewago Enterprises Inc	Hanover	N/A	9				
Conewago Concrete Svc	Hanover	N/A	10				
Federal Government	Gettysburg				N/A	4	
Gettysburg Area School District	Gettysburg				N/A	6	
Masterbrand Cabinets	Littlestown				N/A	8	
New Oxford Foods LLC	New Oxford				N/A	7	
Total		515		1.0%	1,016		1.9%
Total Employees in County (2)		53,700			52,600		

Source: (1) PA Dept of Labor and Industry; Center for Workforce Information and Analysis
(2) www.workstats.dli.pa.gov
N/A - Information not available

COUNTY OF ADAMS, PENNSYLVANIA

Employees by Function/Program

Last Ten Years

	Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund Departments										
Commissioners	8	6	6	7	7	6	6	7	7	7
Solicitor	2	2	2	2	2	3	4	3	3	3
Finance/Purchasing	5	5	5	4	4	4	5	5	5	6
Human Resources	6	6	6	5	5	5	5	6	6	5
IT-Information Systems	4	4	4	4	3	4	5	6	10	11
Building and Maintenance	22	22	21	21	21	21	20	21	24	24
Tax Services	0	0	0	0	19	19	18	18	18	17
Tax Assessment	13	10	11	10	0	0	0	0	0	0
Tax Appraising	5	5	5	5	0	0	0	0	0	0
Tax Claim Bureau	2	2	2	2	0	0	0	0	0	0
GIS Mapping	4	4	4	3	0	0	0	0	0	0
Elections/Voter Registration	2	2	3	2	2	2	2	2	2	2
Planning	15	15	13	13	14	14	16	16	17	16
Public Defender	7	7	8	8	8	9	7	7	7	7
Victim Witness	4	4	4	4	4	4	5	5	5	6
Security	5	5	5	5	5	6	5	5	5	10
Prison	127	126	126	122	123	122	124	125	123	128
Emergency Services	22	22	20	21	21	20	23	27	26	36
Fire Marshal										
Protective Inspections										
Veteran's Affairs	1	1	1	1	1	1	1	1	2	2
Cooperative Extension	7	7	7	7	7	7	5	5	5	5
Conservation District	13	12	11	11	11	11	10	10	10	8
Controller	0	0	0	0	4	4	6	6	6	6
Treasurer	4	4	4	4	4	4	4	4	4	4
Register & Recorder	7	7	7	7	7	7	6	6	5	6
Clerk of Courts	14	14	14	14	13	12	12	11	11	11
Prothonotary	6	6	6	6	6	6	6	6	5	6
District Attorney	12	12	12	13	13	13	14	14	14	14
Sheriff	10	11	12	12	14	14	14	14	15	19
Coroner	1	1	1	1	1	1	1	1	1	5
Court Administration	13	16	17	16	16	16	14	14	14	14
Criminal Justice Advisory	1	1	1	1	1	1	0	0	0	0
Magisterial District Justice	13	13	13	13	12	12	12	12	13	13
Probation Services	45	45	41	46	46	46	46	47	47	45
Community Re-entry Center	7	7	7	0	0	0	0	0	0	0
Law Library	1	1	1	1	1	1	1	1	1	1
Operational Services	0	0	0	0	0	0	4	4	4	4
Total General Fund Departments	408	405	400	391	395	395	401	409	415	441
Non General Fund Departments										
Nursing Home	542	543	536	0	0	0	0	0	0	0
Children & Youth Services	42	42	43	43	45	42	44	48	50	52
Domestic Relations	24	22	22	22	19	20	21	21	22	22
Total Non General Fund Departments	608	607	601	65	64	62	65	69	72	74
Total	1,016	1,012	1,001	456	459	457	466	478	487	515

Source: Adams County Human Resource Department

COUNTY OF ADAMS, PENNSYLVANIA

Operating Indicators by Function

Last Ten Years

FUNCTION	Year 2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Administration										
Treasurer										
Dog Licenses	N/A	N/A	10,645	9,464	9,750	11,017	11,564	10,678	10,267	10,023
Fishing Licenses	N/A	N/A	111	67	103	72	92	70	85	71
Hunting Licenses	N/A	N/A	9,153	9,816	10,291	9,656	9,887	9,850	9,519	10,679
Sportsmen Firearms	N/A	N/A	47	21	23	32	21	39	25	11
Tax Services										
Number of Parcels	43,559	43,909	44,109	43,974	43,723	43,754	43,819	43,913	44,050	44,142
Appeals Processed	N/A	N/A	N/A	2,747	859	562	556	445	368	285
Elections										
Registered Voters	62,075	59,636	60,197	58,869	61,156	59,993	61,151	60,950	66,718	65,225
Votes Cast	44,533	17,316	31,382	15,296	42,798	15,401	28,116	17,468	48,253	14,840
Percent of votes cast	72%	29%	52%	26%	70%	26%	46%	29%	72%	23%
Recorder of Deeds										
Deeds recorded	2,458	2,158	2,444	2,278	2,496	2,698	2,680	2,827	2,952	3,078
Mortgages	5,939	5,610	4,508	4,273	4,783	4,685	3,364	3,767	4,111	3,887
Subdivisions	188	123	112	99	84	106	105	99	101	93
Military Discharges	16	76	38	24	15	17	9	14	11	19
Register of Wills										
Estates Probated	379	361	389	386	359	422	420	385	399	373
Misc. Estate Docs.	70	110	91	125	106	109	126	119	119	131
Judicial										
Courts										
Criminal Filings										
New Criminal Cases Filed	1,264	1,231	1,220	1,212	1,253	1,255	1,280	1,382	1,526	N/A
Jury Trials	13	4	13	13	7	5	8	8	18	N/A
Bench trials	10	10	16	10	9	14	19	16	20	N/A
Guilty pleas	939	883	821	815	951	953	996	972	1,018	N/A
ARD's /Diversionary Disposition	262	225	239	191	91	228	235	258	295	N/A
Withdrawn/dismissed	104	69	87	65	84	70	61	91	102	N/A
Inactive trials	52	42	29	32	28	37	34	34	34	N/A
Other	13	62	91	79	93	7	0	23	9	N/A
Civil filings										
New civil cases docketed	734	780	815	1,160	1,010	849	735	729	669	N/A
Jury trials	3	4	N/A	3	4	0	0	1	0	N/A
Bench trials	4	10	N/A	8	4	2	3	1	2	N/A
Settlements	28	52	N/A	487	251	278	548	252	264	N/A
Arbitration filings	28	20	N/A	20	22	13	12	14	10	N/A
Civil cases pending	46	20	N/A	1,474	1,370	964	276	316	473	N/A
Protection from abuse	141	111	104	96	83	70	54	69	66	N/A
New child support filings	2,001	2,005	2,127	1,969	1,819	1,813	1,706	1,657	1,436	1,418
Custody filings	550	569	629	669	656	601	590	665	559	N/A
Divorce filings	383	420	412	433	424	378	395	357	329	N/A
Dependency abuse/neglect	58	24	33	74	52	43	21	37	63	64
Dependency status filings	6	19	30	63	25	10	1	2	3	0
Delinquency filings	299	333	310	272	241	237	206	188	248	231
Estates filed	46	18	26	21	22	30	26	23	14	N/A
Estates probated	49	18	21	24	20	26	29	26	15	N/A
Adoptions	32	27	31	28	29	21	33	36	20	34
Termination filings	21	34	32	15	31	35	35	12	16	18
Guardian filings	8	17	17	10	15	24	21	23	20	22
Coroner										
Cremations	252	273	293	327	316	350	375	466	433	467
Drug Overdoses	3	10	5	5	5	8	7	9	29	19
Heroin Related	0	1	1	1	1	3	3	4	10	13
Motor Vehicle Accidents	16	14	12	14	12	3	4	8	7	3
Motor Vehicle Accidents with Alcohol	7	9	7	3	5	1	2	3	4	1
Homicides	2	1	3	0	4	0	0	0	2	1
Suicides	8	12	11	11	19	19	7	10	16	17
Fire Related Deaths	0	0	0	0	1	1	0	2	2	0
Undetermined	1	0	1	0	0	0	1	0	1	1
Autopsies	25	22	23	24	43	38	29	38	58	45
Total Incidents Referred and Investigated	328	380	386	422	423	476	531	906	864	924
Human Services										
Children and Youth										
Children Served	N/A	N/A	N/A	N/A	N/A	1,343	1,272	2,230	2,302	2,751
Abuse Reported	N/A	N/A	N/A	N/A	N/A	1,010	981	2,013	2,142	2,535
Adoptions	N/A	N/A	N/A	N/A	N/A	11	33	14	6	7
Placement Days of Care	N/A	N/A	N/A	N/A	N/A	21,426	17,096	11,619	10,755	12,820
Public Safety										
Emergency Services										
Police Calls for Service	202,262	197,457	202,457	194,926	192,020	177,900	180,266	192,161	200,936	226,706
Police Incidents	61,593	58,674	60,122	61,010	50,653	37,356	36,614	40,087	41,883	44,931
Fire/EMS Incidents	16,862	16,374	17,069	16,687	14,271	10,965	10,875	11,436	11,963	12,229
9-1-1 Calls	33,735	34,021	34,264	36,882	34,882	34,407	34,687	34,429	34,963	33,792
Administrative 9-1-1 Calls	99,583	95,734	93,948	118,515	113,961	103,620	96,431	90,856	88,252	85,963
Hazardous Materials										
Hazardous Materials Incidents	21	25	19	21	19	23	6	12	11	22
PEIRS Reported Incidents	19	23	21	25	16	22	33	74	71	73
County Prison										
Average Daily Population	344	326	332	304	294	315	316	287	325	319
Admissions	1,842	1,869	1,919	2,003	1,860	1,885	1,927	1,742	2,138	2,049
Releases	1,836	1,846	1,951	2,023	1,860	1,853	1,966	1,706	2,131	2,068

Source: By reporting department

N/A: Not available at the time of reporting

COUNTY OF ADAMS, PENNSYLVANIA

Capital Asset Statistics by Function

Last Ten Years

FUNCTION	Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GENERAL GOVERNMENT-ADMIN										
Automobiles										
IT-Information Systems	1	1	1	1	1	1	1	1	1	1
Building & Maintenance	4	4	4	4	4	4	4	6	7	7
Tax Services	2	2	3	3	3	4	4	4	5	5
Planning	1	1	1	1	2	2	2	3	3	3
Register & Recorder	1	1	1	1	1	1	1	1	1	1
Buildings										
Commissioners	7	7	7	8	8	8	8	8	8	8
IT-Information Systems	0	0	0	1	1	1	1	1	1	1
Building & Maintenance	13	13	13	14	14	14	14	14	14	14
GENERAL GOVERNMENT-JUDICIAL										
Automobiles										
Coroner	0	0	0	0	0	0	0	0	0	1
Buildings										
Court Administration	4	4	4	4	4	4	4	4	4	4
PUBLIC SAFETY										
Automobiles										
Prison	2	3	3	3	4	5	5	5	5	6
Emergency Services	3	3	3	4	4	4	4	4	4	5
Protective Inspections	1	1	1	1	1	1	1	1	2	2
Sheriff	12	13	13	15	15	18	19	21	22	23
Probation Services	8	9	9	10	11	12	12	12	12	12
Buildings										
Prison	11	11	11	11	11	11	11	11	11	11
PUBLIC WORKS										
Bridges										
Commissioners	42	42	42	42	43	43	43	43	43	43
HUMAN SERVICES										
Automobiles										
Children & Youth Services	7	7	7	7	7	8	9	9	10	11
Buildings										
Children & Youth Services	1	1	1	1	1	1	1	1	1	1
CONSERVATION/DEVELOPMENT										
Automobiles										
Conservation District	4	4	4	4	4	5	5	7	7	7

Source: Adams County Finance Department