

# County of Dauphin, Pennsylvania

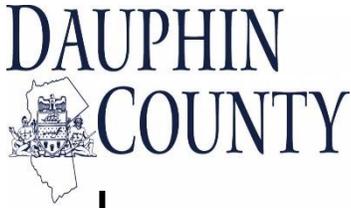
## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2018



Prepared By The Office Of The Controller  
TIMOTHY L. DEFOOR, CONTROLLER

[www.dauphincounty.org](http://www.dauphincounty.org)



# COUNTY OF DAUPHIN, PENNSYLVANIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2018

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Prepared By The Office Of The Controller

TIMOTHY L. DEFOOR, CONTROLLER



**Timothy L. DeFoor**  
**Controller**

# COUNTY OF DAUPHIN, PENNSYLVANIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2018

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# DAUPHIN COUNTY

OFFICE OF CONTROLLER

DAUPHIN COUNTY COURTHOUSE  
101 Market Street, Room 106  
Harrisburg, PA 17101-2091  
(717) 780-6570

**CONTROLLER**  
Timothy L. DeFoor

**CHIEF DEPUTY CONTROLLER**  
Laura Evans Cullison

**SOLICITOR**  
Kevin R. Helm, Esquire

June 27, 2019

TO THE CITIZENS AND COMMISSIONERS OF DAUPHIN COUNTY:

The Comprehensive Annual Financial Report (CAFR) representing the County of Dauphin, Pennsylvania, for the year ended December 31, 2018, is hereby submitted. The CAFR was prepared by the Office of the Dauphin County Controller.

The CAFR contains Dauphin County's management's representation of County finances. All the County funds and financial activities are included in this report, as well as a reflection of the countywide services provided for our citizens. Therefore, County management claims full responsibility for the accurateness of the data presented and the reliability of the information. Our goal is to fairly present the County's financial position, changes in financial position, and to allow the reader to clearly understand the County's financial affairs.

The County's CAFR is prepared in accordance with the U.S. Generally Accepted Accounting Principles (GAAP) and the requirements of the Government Finance Officers Association. Because the cost of internal control should not outweigh its benefits, the County's internal control has been designed to provide reasonable assurance that the financial statements will not contain material misstatements.

Commonwealth statutes require an audit be performed by independent certified public accountants. The County's management selected Maher Duessel, a group of licensed certified public accountants to perform this task. The goal of the audit is to ensure the accuracy of the basic financial statements as of and for the year ended December 31, 2018. The independent auditor's report is presented at the front of the financial section of this report.

The independent audit of the basic financial statements of the County complies with the federally mandated Single Audit Act Amendment of 1996. Standards for the Single Audit Act include the independent auditor to report on the government's internal controls and compliance with legal requirements. These reports are available in the separately issued Single Audit Report.

To comply with GAAP, management has provided an introduction, overview, and analysis of the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal complements the MD&A section and is to be read together. The County's MD&A can be found following the independent auditor's report.

## Dauphin County Profile

Dauphin County is a third-class county located in south central Pennsylvania, approximately 100 miles west of Philadelphia and 200 miles east of Pittsburgh. The County was founded in 1785 by John Harris, Jr. who named it "Dauphin" to honor the eldest son (Louis Joseph, Dauphin of France) of the King of France, King Louis XVI, after France came to the aid of the American colonies during the American Revolution. Today, Dauphin County covers 525 square miles and is home to over 277,000 residents in forty (40) municipalities, including the state capital, Harrisburg.

Registered voters in Dauphin County elect the following public officials to four year terms: three (3) County Commissioners, District Attorney, Treasurer, Prothonotary, Coroner, Clerk of Courts, Register of Wills and Clerk of the Orphans' Court, Sheriff, Controller and Recorder of Deeds. These public officials, except for the Commissioners, are frequently referred to as "row officers." The Commissioners act as the managers and administrators of county government. Each row officer is tasked with various responsibilities, which include maintaining official public records, collecting taxes, fees and court-imposed fines, aiding in the administration of justice, supervising fiscal affairs, and many other county-related public service functions pursuant to the Pennsylvania County Code. Each year the County Commissioners shall adopt a budget no later than December 31<sup>st</sup> for the following year. The adopted budget shall be made available for public inspection at least twenty (20) days prior to the date set for adoption. In December 2017, the Dauphin County Commissioners passed a \$241 million budget for 2018 that held the line on taxes for a 13<sup>th</sup> consecutive year.

As part of the County structure, the Dauphin County Department of Community & Economic Development (DCDCED) assists county-wide businesses and municipalities in the areas of both economic and community development. The Dauphin County Industrial Development Authority (DCIDA) was organized in 1967 as the finance arm of the DCDCED. The DCIDA's work includes providing tax-exempt and taxable bonds, as well as mortgage financing for manufacturing companies and non-profit organizations to establish corporate headquarters in Dauphin County. The Dauphin County Economic Development Corporation assists in channeling grant funding to municipalities and organizations in need of economic development assistance and support, promotes tourism within the County, and serves as a bridge between communities and local government. The Dauphin County Redevelopment Authority's mission is to revitalize blighted areas for residential, recreational, commercial, or industrial uses, and to provide affordable housing and improved quality of life for the citizens of Dauphin County. The Dauphin County Land Bank Authority's purpose is to facilitate the return of vacant, blighted, abandoned and tax-delinquent properties to productive use, thereby combating community deterioration, creating economic growth and stabilizing the housing and job market. The Dauphin County Infrastructure Bank, the first of its kind in the country, is a revolving loan program established in partnership with the Pennsylvania Department of Transportation to provide low-interest loans to local municipalities within the County for infrastructure improvement

projects. Completed infrastructure projects have included storm sewer improvements, bridge replacements, and intersection upgrades.

### Factors Affecting Financial Conditions

Dauphin County is home to over 277,000 people, and is located within a few hours commute of Baltimore, MD, Washington, D.C., New York City, NY, Pittsburgh, PA, and Philadelphia, PA. Harrisburg, PA (Dauphin County) was listed as 14th in CNBC's "The 25 best cities in the US for people under the age 35" for the most jobs available, shortest commute and the number of full-time entry level jobs. There are 18,873 businesses established in Dauphin County, with a labor force of 180,471 people. The unemployment rate as of December 31, 2018 was 4.0%, which was lower than the Pennsylvania average of 4.3% and slightly above the national average of 3.9%.

The top industries in Dauphin County are health care, social services, retail, accommodation, food services, and public administration. The top employers are the Pennsylvania State Government, Milton S. Hershey Medical Center, Hershey Entertainment & Resorts Co., The Hershey Company, UPMC Pinnacle Hospitals, and the Federal Government. These booming businesses are key factors in keeping the County's unemployment rate below the state average.

Dauphin County is also a popular tourist destination with attractions such as the Pennsylvania Farm Show Complex & Expo Center, National Civil War Museum, Hershey Park and Hershey's Chocolate World, City Island, Indian Echo Caverns, Hollywood Casino at Penn National Race Course, ZooAmerica, Lake Tobias Wildlife Park, the Appalachian Trail, and numerous breweries and vineyards. Dauphin County has led traveler spending in its region as reported by the Pennsylvania Tourism Office at \$2.46 billion for 2017, ranking it as the third (#3) largest tourist destination in Pennsylvania. The Pennsylvania Tourism Economic Impact Report for 2017 estimated that travel and tourism in Dauphin County supported 27,039 jobs, \$1.29 billion in wages, \$263.2 million in state and local taxes, and \$281.2 million in federal tax revenue.

Education is valued in Dauphin County, with forty-six colleges and thirty-nine universities located within fifty miles. Seven colleges and universities, including Dixon University Center, Harrisburg Area Community College, Harrisburg University of Science and Technology, Penn State Harrisburg, Temple University Harrisburg, Widener University School of Law, and Penn State College of Medicine, are located within the County. Pennsylvania State University is ranked in the top ten of employers in the County for number of employees. These schools create opportunities for high-paying jobs, which is evident based upon the median average income of \$57,071, which is higher than the state average and within 1% of the national average.

In April 2018, the Dauphin County Commissioners unveiled a first-of-its-kind bridge program for the County, which would replace and repair all structurally deficient County and municipality-owned bridges within the County by 2021. Approximately 20 bridges have been identified as eligible to participate. Municipal officials have the option to

participate. The County is funding 60% of the bridge program using a combination of state and federal funding, including Liquid Fuels funds and the \$5 fee on non-exempt vehicle registrations. The remainder of the funding is being offered to local municipalities as a low-interest loan through the County's Infrastructure Bank. The bridge program is one example of the County's commitment to public safety and infrastructure for an improved quality of life for its residents, and as an investment in the economic development of its community.

As part of its efforts to revitalize areas of the County affected by blight and spur economic development, the County Commissioners have introduced their Transformation Initiative, which utilizes the County's Redevelopment Authority and Land Bank to ready deteriorating vacant homes or commercial buildings for redevelopment. The Steel Works is one such project benefiting from this initiative. The Steel Works will redevelop six vacant blocks in Steelton into a grocery, brewpub, and mixed retail, office and apartment buildings, as well as include a large park and amphitheater. Through a federal Environmental Protection Agency grant, the County provided \$230,000 to conduct the necessary environmental assessments for the site. Construction is expected to begin late 2019 or early 2020, and will benefit from a ten-year, 100% tax abatement, where property taxes will be paid at the pre-improvement rate. Additional future development can also benefit from tax abatement in and around Steelton's downtown zone, which can have a significant economic impact to the area through job creation and generating new tax revenue in the long-term.

In addition to the independent audit of the basic financial statements, Dauphin County has the following reports and audits performed to assure fiscal responsibility and adequate internal controls:

- Cost Allocation Plan, which is used to establish cost allocations and billings for each County department.
- Dauphin County Pension Plan Report and Investment Performance Report, which are used to evaluate the County's pension plan and fund.
- Dauphin County Employees' Retirement System Financial Accounting Report on Governmental Accounting Standards Board No. 67 & 68.
- Dauphin County Employees' Retirement System Report on Actuarial Valuation Including Determination of County Actuarially Determined Contribution.
- Dauphin County Employees' Retirement System Actuarial Experience Study

#### Financial Reporting Awards

##### *Certificate of Achievement for Excellence in Financial Reporting*

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Dauphin County for its comprehensive annual financial report for the fiscal year ended December 31, 2017. This was the second year that the County achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily

readable and efficiently organized comprehensive annual financial report. This report must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

*Award for Outstanding Achievement in Popular Annual Financial Reporting*

The GFOA has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Dauphin County for its popular annual financial report for the year ended December 31, 2017. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a governmental unit must publish a popular annual financial report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Dauphin County received its first Popular Award last year. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

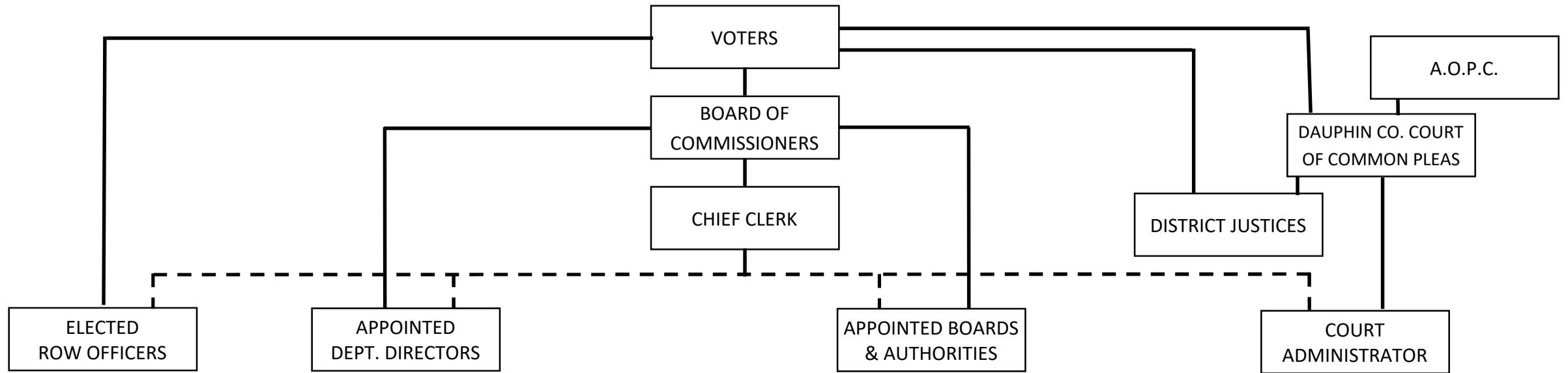
Acknowledgements

This CAFR was made possible due to the cooperation of the Dauphin County Controller's Office staff, the Dauphin County Commissioners, and all County offices and departments. I would also like to acknowledge the efforts of my staff and our independent auditors, Maher Duessel for the successful submission of Dauphin County's CAFR for the fiscal year ended December 31, 2018, and their continued efforts to improve upon the County's financial reporting.

Sincerely,



Timothy L. DeFoor  
Dauphin County Controller



Clerk of Courts  
 Controller  
 Coroner  
 District Attorney  
 Prothonotary  
 Recorder of Deeds  
 Register of Wills  
 Sheriff  
 Treasurer

Area Agency on Aging  
 Budget & Finance  
 Children & Youth  
 Community & Economic Dev.  
 Conservation  
 Criminal Investigations Div.  
 Dauphin Co. Cooperative Ext.  
 Facilities Maintenance  
 Human Resources  
 Human Services  
 Information Technology  
 MH/A/DP  
 Parks & Recreation  
 Prison  
 Public Defender  
 Public Safety  
 Purchasing  
 Registration & Elections  
 Solicitor  
 Solid Waste Mgmt. & Recycling  
 Tax Assessment/Tax Claim  
 Veterans Affairs

Affordable Housing  
 Ag Land Preservation Board  
 Assessment Appeals Board  
 Bd. of Trustees for Fort Hunter  
 Capital Area Behavior  
 Health Collaborative  
 Capital Area Transit  
 Children & Youth Adv. Board  
 Conservation District Board  
 Council on Aging  
 Dauphin Co. Economic  
 Development Corporation  
 Dauphin Co. General Authority  
 Dauphin Co. Hospital Authority  
 Dauphin Co. Housing Authority  
 Dauphin Co. Infrastructure Bank  
 Dauphin Co. Prison Board  
 Dauphin Co. Redevelopment  
 Authority  
 Dauphin Co. Industrial Dev.  
 Authority

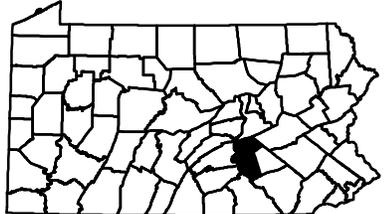
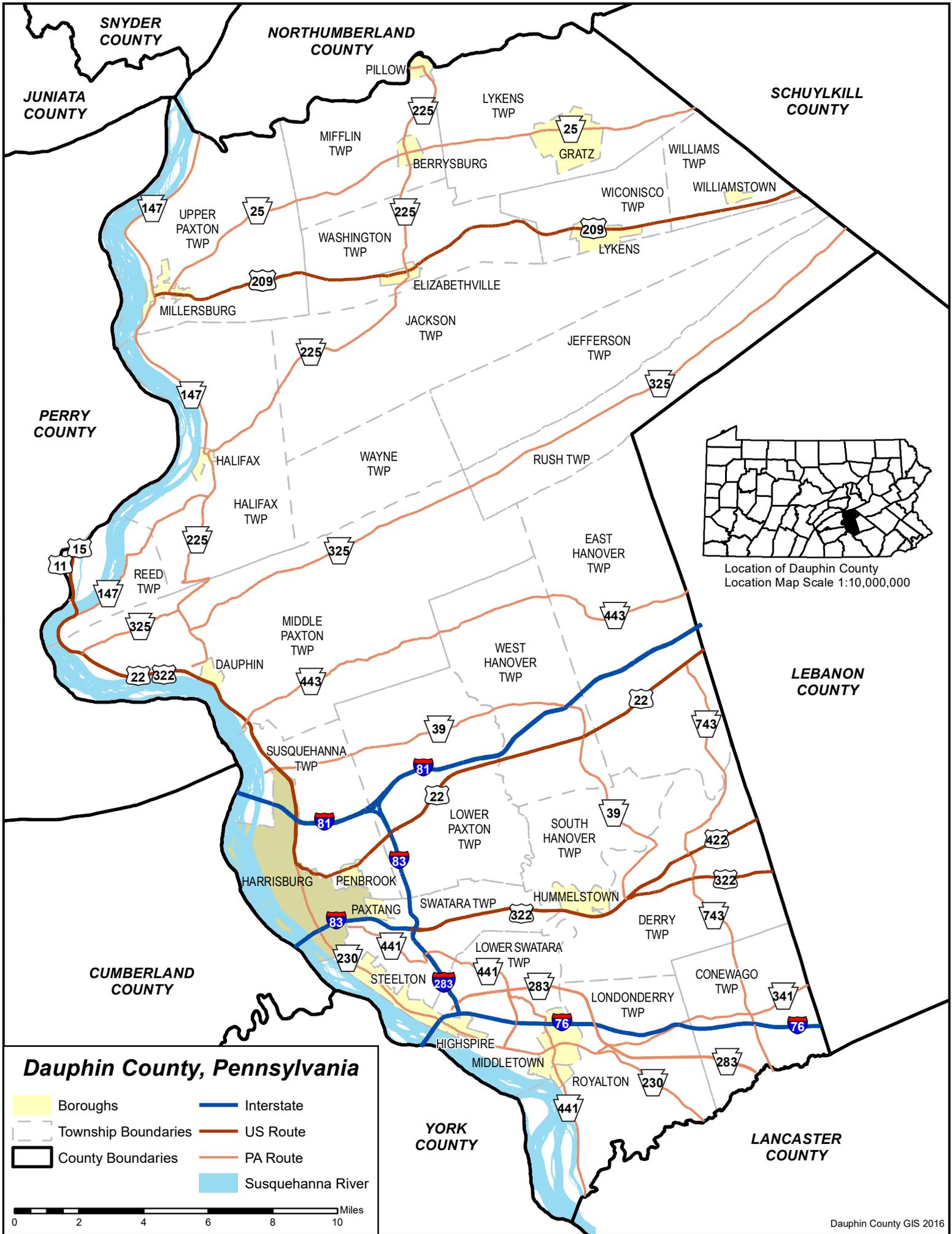
Dauphin Co. Land Bank  
 Dauphin Co. Library Board of  
 Trustees  
 Dauphin Co. Planning Comm.  
 Dauphin Co. Retirement Board  
 Dauphin Co. Solid Waste  
 Advisory Board  
 Drug & Alcohol Advisory Board  
 Gaming Advisory Board  
 Human Services Block Grant  
 Advisory Committee  
 LEPC  
 MH/A/DP Advisory Board  
 Susquehanna Area Regional  
 Airport Auth.  
 Tri-County Regional Planning  
 Committee  
 South Central Workforce  
 Investment Board

Court Reporters  
 Domestic Relations  
 Fines & Costs  
 Law Library  
 Probation Services



**ELECTED OFFICIALS**

Commissioners.....	Jeff Haste, Chairman Mike Pries, Vice Chairman George P. Hartwick, III, Secretary
Clerk of Court.....	Dale Klein
Controller.....	Timothy L. DeFoor
Coroner.....	Graham Hetrick
District Attorney.....	Francis Chardo
Judges, Court of Common Pleas.....	Honorable Richard A. Lewis, President Judge Honorable Jeannine Turgeon Honorable Scott Arthur Evans Honorable John F. Cherry Honorable Deborah E. Curcillo Honorable Andrew H. Dowling Honorable William T. Tully Honorable Edward M. Marsico, Jr. Honorable John Joseph McNally Honorable Royce L. Morris Honorable Lawrence F. Clark, Senior Judge
Prothonotary.....	Matthew Krupp
Recorder of Deeds.....	James Zugay
Register of Wills.....	Jean Marfizo King, MBA
Sheriff.....	Nicholas Chimienti Jr.
Treasurer.....	Janis Creason



Location of Dauphin County  
Location Map Scale 1:10,000,000



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**County of Dauphin  
Pennsylvania**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2017**

*Christopher P. Morrill*

Executive Director/CEO

## **Independent Auditor's Report**

**Board of Commissioners  
County Controller  
County of Dauphin,  
Pennsylvania**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Dauphin, Pennsylvania (County), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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 discretely presented component unit financial statements of the Dauphin County Conservation District, Case Management Unit, the Dauphin County Industrial Development Authority, and the Dauphin County Economic Development Corporation, which represent 52.94 percent, (1,670.43) percent, and 69.63 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Dauphin County Conservation District, Case Management Unit, the Dauphin County Industrial Development Authority, and the Dauphin County Economic Development Corporation, is based solely on the report 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Dauphin County General Authority and the Dauphin County Industrial Development Authority were not audited in accordance with *Government Auditing Standards*.

Board of Commissioners  
County Controller  
County of Dauphin, Pennsylvania  
Independent Auditor's Report

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 report of 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of December 31, 2018, 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.

### ***Change in Accounting Principle***

As described in Note 1 to the financial statements, the County adopted Governmental Accounting Standards Board (GASB) Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*," which requires the County to record the County's total OPEB liability and related items on the government-wide financial statements. Our opinion is not modified with respect to that matter.

### **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 changes in the net pension liability and

Board of Commissioners  
County Controller  
County of Dauphin, Pennsylvania  
Independent Auditor's Report

related ratios, schedule of employer contributions and investment returns, schedule of changes in the total OPEB liability and related ratios, and budgetary comparison information, on pages 14 through 29, page 162, page 163, page 164, and pages 165 through 168, respectively, 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 inquiries 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's basic financial statements. The introductory section, combining statements and schedules, nonmajor fund budgetary comparison schedules, schedule of departmental expenditures, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining statements and schedules, nonmajor calendar year fund budgetary comparison schedules, and schedule of departmental expenditures 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 other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining statements and schedules and component unit - individual fund statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Board of Commissioners  
County Controller  
County of Dauphin, Pennsylvania  
Independent Auditor's Report

The introductory, nonmajor fiscal year budgetary comparison information, and statistical section 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 under separate cover, our report dated June 27, 2019, on our consideration of the County'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 solely 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 the effectiveness of the County's 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's internal control over financial reporting and compliance.

*Maher Duessel*

Pittsburgh, Pennsylvania  
June 27, 2019

# Management's Discussion & Analysis

This section of the financial statements for the County of Dauphin (the County) presents a narrative overview and analysis of the County's financial performance for the fiscal year ended December 31, 2018. We recommend that it be read in conjunction with the accompanying basic financial statements and notes to financial statements in order to obtain a thorough understanding of the County's financial condition at December 31, 2018.

## Financial Highlights

- Dauphin County's property tax rate of 6.876 mills was not raised in 2018.
- On December 13, 2017, the Board of Commissioners approved the \$189,233,390 General Fund Budget for 2018 maintaining the 6.876 millage rate for the fourteenth straight year. A \$12,275,149 drawdown on fund balance was necessary in order to cover the initial expenditure budget. Six new positions were approved at a cost of approximately \$332,000. The 2018 budget was \$8.8 million less than the final 2017 budget, which was a decrease of 4.45%. This decrease was primarily due to the 6/30/18 termination of the \$28 million Childcare Network Grant that the County has been administering since 2000.
- The County guarantees on the Harrisburg Incinerator Debt were eliminated with the December 2013 incinerator sale and parking asset lease agreement settled by the city. Dauphin County has some limited guarantees on the parking deal that are explained in more detail in the footnotes to the audit. The County is obligated however, to pay 4% interest annually on a \$24 million bond issue that was part of the incinerator sale. These \$480,000 payments are due semi-annually on 6/15 and 12/15 of each year through 2033, at which time the entire principal amount is due. The County made the ninth and tenth of these payments in 2018.
- The 2013 incinerator sale agreement requires the County to pay for ash disposal costs starting 7/1/18. Remaining escrow monies from the sale covered the County's costs for the remaining six months of 2018. The annual ash disposal expense is estimated at \$1.6 million, which will be covered by General Fund monies starting January 2019.
- In July 2014, the County authorized the execution of a fixed receiver swaption on the \$24,000,000 Series of 2013 Incinerator Bonds. The execution of this swaption agreement is contingent upon favorable market conditions. To date, this has not been executed.
- In January 2018, Moody's updated their credit rating as part of their ongoing monitoring of the 2013 parking asset lease agreement. With this rating, Moody's removed the 'Negative' outlook on Dauphin County's underlying A1 Rating, and replaced it with a 'Stable' outlook.
- In December 2018, Fitch updated their credit rating as part of their ongoing monitoring of the 2013 parking asset lease agreement. The 'AA' rating with a Stable outlook was again affirmed for Dauphin County.
- There were no new money debt issues or refundings undertaken by Dauphin County in 2018.
- At December 31, 2018, the General Fund's Unassigned Fund Balance was \$11,359,603. This is down \$11,834,815 from the \$23,194,418 balance at the end of 2017.
- The County's total unrestricted net position decreased by \$32,346,131 in 2018. Unrestricted net position at year-end was \$(21,330,360).

## Overview of the Financial Statements

The financial section of this report consists of 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 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 pension plan and budget to actual figures for major funds. In addition to these required elements, an other supplementary section is included with combining and other statements that provide particulars about non-major funds.

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 County government. They provide more detail on operations than the government-wide statements. There are three types of fund financial statements:
  - o Governmental funds statements show how general government services such as public safety were financed in the short term, as well as what remains for future spending.
  - o Proprietary fund statements offer short-term and long-term financial information about the activities the County operates like a business, such as the County's parking garage.
  - o Fiduciary funds statements reflect activities involving resources that are held by the County as a trustee or agent for the benefit of others, including employees of the County like the pension plan. 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 shows how the various parts of this annual report are arranged and how they are related to one another.

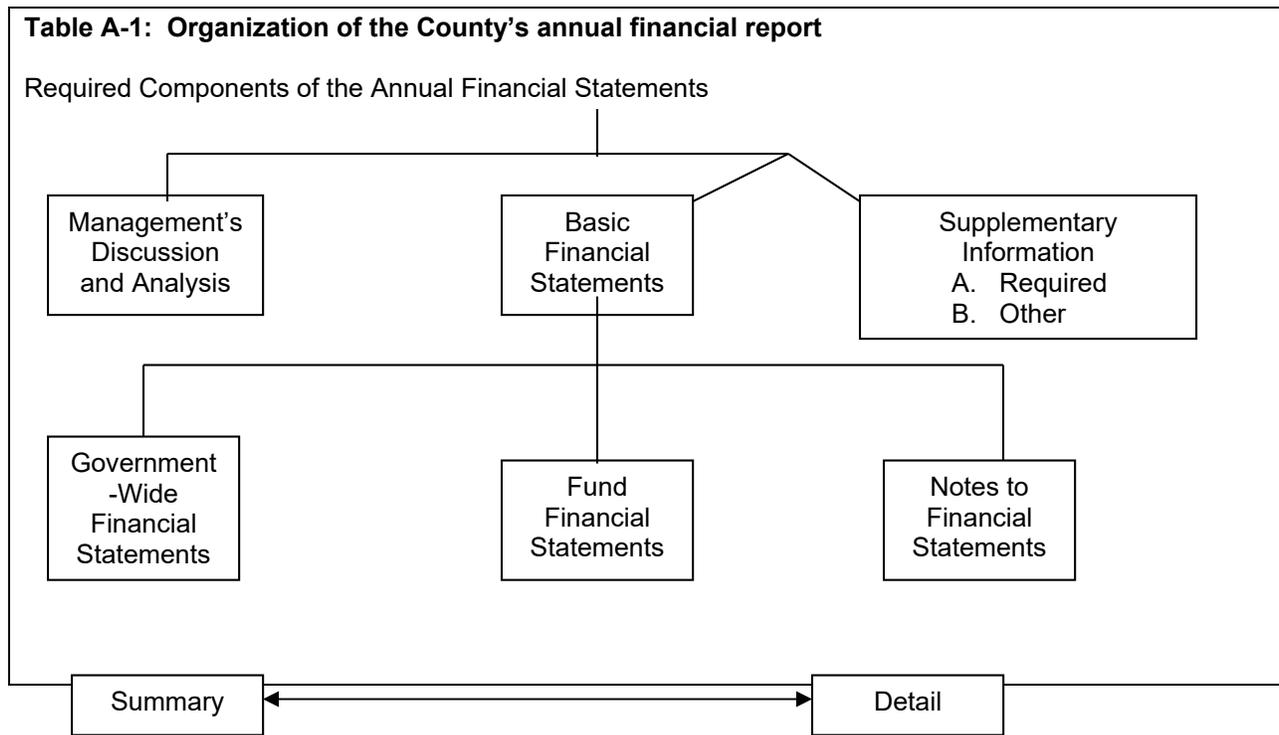


Table A-2 summarizes the major features of the County's financial statements, including the area of the County's activities they cover and the types of information they contain.

**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 Parking Garage	Instances in which the County administers resources on behalf of others, such as the employee pension plan
Required Financial Statements	<ul style="list-style-type: none"> <li>- Statement of net position</li> <li>- Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>- Balance Sheet</li> <li>- Statement of revenues, expenditures and changes in fund balance</li> </ul>	<ul style="list-style-type: none"> <li>- Statement of net position</li> <li>-Statement of revenues, expenses and changes in net position</li> <li>-Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>- Statement of fiduciary net position</li> <li>- Statement of changes in fiduciary net position</li> </ul>
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 and liability information	All assets and liabilities, 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 and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both financial and capital short-term and long-term; funds do not currently contain capital assets, although they can
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 this 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 of the County's assets and liabilities, except fiduciary funds, with the difference between the two 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 financial position is improving or deteriorating. However, other non-financial factors such as changes in the County's real 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 five discretely presented component units including the Conservation District; the General Authority; MH/ID Case Management Unit; Industrial Development Authority; and the Economic Development Corporation. Complete and detailed financial statements for the individual component units are available for public inspection in the County Controller's Office. (See Notes to Financial Statements, Summary of Significant Accounting Policies, Note 1, page 46.)

There are two categories of activities for the primary government.

- Governmental activities include the County's basic services such as general and judicial administration, corrections, public safety, public works, and human services. Property taxes and state and federal grants finance most of these activities.
- Business-type activities, such as the County's parking facility, charge a fee to customers to help cover the costs of services.

Net position of the governmental activities differs from the governmental fund balances because governmental fund level statements only report transactions using or providing current financial resources. Also, capital assets are reported as expenditures when financial resources (money) are expensed to purchase or build said 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 of 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:
  - o Net investment in capital assets
  - o Restricted net position balances 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
  - o Unrestricted net position balances are those 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 Governmental 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 that helps determine 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, certain special revenue, and capital project funds, as required by the state law. Budgetary comparisons of the County's major funds are presented as required supplementary information.

- Proprietary Funds report business-type programs and activities that charge fees designed to recover the cost of providing services. They report using full accrual accounting.

- *Fiduciary Funds* are funds for which the County is the trustee or fiduciary. These include the Employee Retirement Fund and 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 and a statement of changes in 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.

### Implementation of GASB Statement No. 34

The year ending December 31, 2002 marked the first year that the County reported its financial statements in accordance with GASB Statement No. 34.

### Government-Wide Financial Statements

#### Net Position

The County's total assets and deferred outflows of resources were \$267,393,517 at December 31, 2018. Of this amount, \$111,047,814 was capital assets and construction-in-progress.

GASB Statement 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 allows infrastructure to be added over several years. In 2006, the County fully adopted the provisions of GASB Statement No. 34.

	Governmental Activities		Business-Type Activities		Total		Total % Change
	2017	2018	2017	2018	2017	2018	
Current & Other Assets	\$ 116,392,828	\$ 118,941,627	\$ 4,831,881	\$ 5,958,611	\$ 121,224,709	\$ 124,900,238	3.0%
Capital Assets	110,634,878	106,092,142	4,037,080	4,955,672	114,671,958	111,047,814	-3.2%
Total Assets	<b>227,027,706</b>	<b>225,033,769</b>	<b>8,868,961</b>	<b>10,914,283</b>	<b>235,896,667</b>	<b>235,948,052</b>	0.0%
Deferred Outflows of Resources	2,635,367	31,445,465	-	-	2,635,367	31,445,465	1093.2%
Total Deferred Outflows of Resources	<b>2,635,367</b>	<b>31,445,465</b>	-	-	<b>2,635,367</b>	<b>31,445,465</b>	1093.2%
Long-Term Debt Outstanding	131,237,728	179,947,337	5,476,072	5,217,382	136,713,800	185,164,719	35.4%
Other Liabilities	25,779,406	29,209,540	1,375,794	2,745,198	27,155,200	31,954,738	17.7%
Total Liabilities	<b>157,017,134</b>	<b>209,156,877</b>	<b>6,851,866</b>	<b>7,962,580</b>	<b>163,869,000</b>	<b>217,119,457</b>	32.5%
Deferred Inflows of Resources	11,064,171	2,208,629	-	-	11,064,171	2,208,629	-80.0%
Total Deferred Inflows of Resources	<b>11,064,171</b>	<b>2,208,629</b>	-	-	<b>11,064,171</b>	<b>2,208,629</b>	-80.0%
Net Position:							
Net Investment in Capital Assets	26,951,861	45,789,044	893,369	1,299,058	27,845,230	47,088,102	69.1%
Restricted	24,737,862	22,307,689	-	-	24,737,862	22,307,689	-9.8%
Unrestricted	9,892,045	(22,983,005)	1,123,726	1,652,645	11,015,771	(21,330,360)	-293.6%
Total Net Position	<b>\$ 61,581,768</b>	<b>\$ 45,113,728</b>	<b>\$ 2,017,095</b>	<b>\$ 2,951,703</b>	<b>\$ 63,598,863</b>	<b>\$ 48,065,431</b>	-24.4%

The following statement of activities represents changes in net position for the year ended December 31, 2018. It shows revenues by source and expenses by function for governmental activities, business-type activities and the government as a whole.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>		<u>Total %</u>
	2017	2018	2017	2018	2017	2018	<u>Change</u>
<b>Revenues</b>							
Program Revenues							
Charges for Services	\$ 26,426,403	\$ 27,227,628	\$ 87,797,919	\$ 94,745,827	\$ 114,224,322	\$ 121,973,455	6.8%
Operating Grants & Contributions	136,687,773	121,817,770	90,310	41,254	136,778,083	121,859,024	-10.9%
Capital Grants & Contributions	3,687,299	6,348,212	-	-	3,687,299	6,348,212	72.2%
General Revenues							
Property Taxes	104,379,322	103,088,831	-	-	104,379,322	103,088,831	-1.2%
Hotel Taxes	11,717,786	12,077,750	-	-	11,717,786	12,077,750	3.1%
In Lieu of Taxes	2,157,821	2,225,269	-	-	2,157,821	2,225,269	3.1%
Unrestricted Investment Income	1,046,462	1,844,697	27,754	48,610	1,074,216	1,893,307	76.3%
Gain/(Loss) on Asset Disposal	-	-	-	-	-	-	n/a
Miscellaneous	2,565,544	3,734,897	4,892	-	2,570,436	3,734,897	45.3%
<b>Total Revenues</b>	<b>288,668,410</b>	<b>278,365,054</b>	<b>87,920,875</b>	<b>94,835,691</b>	<b>376,589,285</b>	<b>373,200,745</b>	<b>-0.9%</b>
<b>Program Expenses</b>							
General Government	15,881,489	16,935,084	-	-	15,881,489	16,935,084	6.6%
Judicial	66,831,997	66,653,315	-	-	66,831,997	66,653,315	-0.3%
Public Safety	50,114,628	50,692,732	-	-	50,114,628	50,692,732	1.2%
Public Works	1,751,824	1,755,369	1,329,146	1,314,452	3,080,970	3,069,821	-0.4%
Human Services	116,407,178	103,618,358	86,145,797	93,152,224	202,552,975	196,770,582	-2.9%
Culture & Recreation	14,334,994	16,789,417	-	-	14,334,994	16,789,417	17.1%
Conservation & Development	13,610,471	12,988,612	-	-	13,610,471	12,988,612	-4.6%
Interest on Long-Term Debt	3,834,082	3,185,232	-	-	3,834,082	3,185,232	-16.9%
Other Programs	-	-	921,092	913,588	921,092	913,588	-0.8%
<b>Total Program Expenses</b>	<b>282,766,663</b>	<b>272,618,119</b>	<b>88,396,035</b>	<b>95,380,264</b>	<b>371,162,698</b>	<b>367,998,383</b>	<b>-0.9%</b>
Change in Net Position before Transfers	5,901,747	5,746,935	(475,160)	(544,573)	5,426,587	5,202,362	-4.1%
<b>Transfers</b>							
Transfers In/(Out)	(527,094)	(1,479,181)	527,094	1,479,181	-	-	
Change in Net Position	5,374,653	4,267,754	51,934	934,608	5,426,587	5,202,362	-4.1%
Net Position at beginning of year, before	56,207,115	61,581,768	1,965,161	2,017,095	58,172,276	63,598,863	9.3%
Cumulative effect of change in accounting	-	(20,735,794)	-	-	-	(20,735,794)	n/a
Cumulative effect of correction of error	-	-	-	-	-	-	n/a
Net position at beginning of year, as restated	56,207,115	40,845,974	1,965,161	2,017,095	58,172,276	42,863,069	-26.3%
<b>Net Position - Ending</b>	<b>\$ 61,581,768</b>	<b>\$ 45,113,728</b>	<b>\$ 2,017,095</b>	<b>\$ 2,951,703</b>	<b>\$ 63,598,863</b>	<b>\$ 48,065,431</b>	<b>-24.4%</b>

## 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 2018, general property taxes brought in \$103,088,831. Table A-5 depicts the net program expenses for the year ended December 31, 2018.

Table A-5: 2018 Net Cost of Governmental and Business-Type Activities		
Program	Total Cost of Services	Net Cost of Services
<u>Governmental Activities</u>		
General Government	\$ 16,935,084	\$ 8,193,052
Judicial	66,653,315	44,893,587
Public Safety	50,692,732	39,673,399
Public Works	1,755,369	(1,060,067)
Human Services	103,618,358	12,825,535
Culture & Recreation	16,789,417	13,822,679
Conservation & Development	12,988,612	(4,308,908)
Interest on Long-Term Debt	3,185,232	3,185,232
<b>Total Governmental Activities</b>	<b>\$ 272,618,119</b>	<b>\$ 117,224,509</b>
<u>Business-Type Activities</u>		
Public Works	\$ 2,155,918	\$ (101,489)
Human Services	93,152,224	668,887
Culture and Recreation	72,122	25,785
<b>Total Business-Type Activities</b>	<b>\$ 95,380,264</b>	<b>\$ 593,183</b>
<b>Total Primary Government</b>	<b>\$ 367,998,383</b>	<b>\$ 117,817,692</b>

The County relied on property taxes and other general revenues to fund 32% of its governmental and business-type activities in 2018.

The property tax is based on the assessed value of real property. The County's 2018 millage rate of 6.876 is unchanged from 2017 and is well below the Commonwealth-set cap of 25 mills for operating costs.

Property taxes and other general revenues covered 48.4% of general government spending in 2018. The remainder of the cost was funded by grants and fees for specific services. 67.4% of judicial system spending came from the property tax and other general revenues with the remainder coming from grants, fines and court costs. Property taxes and other general revenue covered 78.3% of public safety costs with the remainder coming from grants and fees covering room and board at the County Prison.

Public Works required no tax or other general revenue dollars to cover its expenses in 2018. This area of the County's operations includes the management of a parking garage; the maintenance and replacement of county bridges; and the solid waste and recycling programs.

Program expenses for Culture & Recreation and Interest on Long-Term Debt were 82.3% and 100%, respectively, funded by property taxes and other general revenues, while Human Services expenses required only 12.4% from these sources, with most of the remainder being picked up by state and federal grants.

Conservation and Development program expenses required no tax dollars in 2018. This area of County Government includes Gaming monies from the Hollywood Casino located in Dauphin County.

### **Financial Analysis of the County's Funds**

As mentioned 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, outflow, and balances of resources available for spending. Such information is useful in assessing the County's financing requirements. In particular, unreserved/undesignated fund balance may serve as a useful measure of the County's net resources available for spending at the end of the year.

The General Fund is the primary operating fund of the County. The General Fund had a fund balance of \$46.8 million in 2018, a decrease in fund balance of \$5.3 million from 2017. The General Fund had excess revenues over expenditures of \$5.1 million in 2018 before other financing sources/(uses), compared to excess revenues over expenditures of \$392,940 in 2017. This increase is primarily due to the 6/30/18 termination of the \$28 million Childcare Network Grant, whereas the decrease in overall fund balance is the result of the budget deficit.

The Children and Youth Fund had expenditures of \$44.97 million in 2018 and 2017.

The Low Income Housing Fund had total assets and liabilities of \$6.5 million and \$5.2 million, respectively, in 2018, compared to \$6.27 million and \$5.1 million, respectively, in 2017. These increases are the result of the Fund issuing and deferring additional Home Grant Program and Affordable Housing Program loans during 2018.

The Gaming Fund had expenditures of \$6.6 million in 2018, compared to \$7.0 million in 2017. The decrease in expenditures can be attributed to lower payments to the Dauphin County Industrial Development Authority for Gaming projects.

## Governmental Fund Revenues

Governmental fund revenues by source at December 31, 2018 and December 31, 2017 were as follows. Table A-6 also presents changes from 2017 to 2018.

Source	2018	2017	Changes from 2017 to 2018
Property Taxes	\$ 105,236,657	\$ 104,674,431	\$ 562,226
Hotel Taxes	12,077,750	11,717,786	359,964
Intergovernmental	128,165,982	142,532,893	(14,366,911)
Charges for Services	21,689,219	21,904,835	(215,616)
License and Permits	160,732	165,291	(4,559)
Court Costs and Fines	5,377,677	4,355,647	1,022,030
Interest and Rents	1,844,697	1,046,462	798,235
Miscellaneous Revenue	3,601,147	2,565,544	1,035,603
Proceeds from Sale of Fixed Assets	133,750	-	133,750
Capital Lease Proceeds	506,156	8,685,348	(8,179,192)
Bonds/Notes Proceeds	-	23,234,367	(23,234,367)
Operating Transfers In	18,871,705	17,312,738	1,558,967
<b>Total Revenues</b>	<b>\$ 297,665,472</b>	<b>\$ 338,195,342</b>	<b>\$ (40,529,870)</b>

Governmental fund revenues totaled \$297,665,472 for the year ended December 31, 2018. This is a decrease of \$40,529,870 million from the revenue total in 2017.

The 'Intergovernmental' revenue is showing a large decrease for 2018 due primarily to the 6/30/18 termination of the \$28 million Childcare Network Grant.

The 'Bonds/Notes Proceeds' line shows a significant decrease as the County did not issue any debt or refundings in 2018.

The large decrease of \$8.2 million in 'Capital Lease Proceeds' for 2018 is primarily a result of the \$5.9 million capital lease entered into with the Dauphin County General Authority for the County MDJ buildings in 2017, the proceeds of which paid off the leases for the County's MDJ buildings.

## Governmental Fund Expenditures

Governmental fund expenditures by function at December 31, 2018 and December 31, 2017 were as follows. Table A-7 also presents changes from 2017 to 2018.

Function	2018	2017	Changes from 2017 to 2018
General Government	\$ 14,822,441	\$ 12,774,602	\$ 2,047,839
Judicial	64,651,665	63,825,449	826,216
Public Safety	47,702,335	45,991,418	1,710,917
Public Works	1,217,556	1,339,098	(121,542)
Human Services	102,816,585	115,871,738	(13,055,153)
Culture & Recreation	16,769,900	14,215,710	2,554,190
Conservation & Development	12,944,387	13,548,786	(604,399)
Debt Service Principal	12,035,082	15,917,222	(3,882,140)
Debt Service Interest	3,915,241	4,064,872	(149,631)
Bond Issuance Costs	-	424,625	(424,625)
Capital Projects	1,422,705	7,875,070	(6,452,365)
Operating Transfers Out	20,350,886	17,839,832	2,511,054
Payment to Refunding Bond Escrow Agent	-	18,645,431	(18,645,431)
<b>Total Expenditures</b>	<b>\$ 298,648,783</b>	<b>\$ 332,333,853</b>	<b>\$ (33,685,070)</b>

Governmental fund expenditures totaled \$298,648,783 for the year ended December 31, 2018. This represents a decrease of \$33,685,070 million from 2017.

The 'Human Services' category is showing a large decrease in expenditures of \$13 million in 2018 due to the 6/30/18 termination of the \$28 million Childcare Network Grant.

The 'Capital Projects' line shows a large decrease in 2018 due to the completion of the Duke Street Bridge Replacement Project.

The large decrease in 'Debt Service Principal' is due to debt payments made by the County in 2018, and the significant decrease in 'Payment to Refunding Bond Escrow Agent' is due to the County not undertaking any debt issuance or refundings in 2018.

### **Enterprise Funds**

The Health Choices Fund had revenues and expenditures of \$93.3 million and \$93.2 million, respectively, in 2018, compared to \$86.3 million and \$86.1 million, respectively, in 2017. These increases are the result of increased levels of requested Behavioral Health services by the public.

The Human Services Building Fund had total assets and liabilities of \$5.2 million and \$5.4 million, respectively, in 2018, compared to \$5.3 million and \$5.6 million, respectively, in 2017. These decreases can be attributed to the County making debt service payments on the General Obligation Bond.

## Governmental Fund Balances

Table A-8 reflects ending balances for governmental funds and net position for proprietary funds at December 31, 2018.

Fund	Governmental Funds	Proprietary Funds
General Fund	\$ 46,766,390	\$ -
Low Income Housing	1,291,714	-
Gaming Fund	19,047,113	-
Other Governmental Funds	17,523,452	-
Health Choices Fund	-	98,423
Human Services Building Fund	-	(182,917)
Other Enterprise Funds	-	3,036,197
<b>Total</b>	<b>\$ 84,628,669</b>	<b>\$ 2,951,703</b>

The County's governmental funds reported a combined fund balance of \$84,628,669 at December 31, 2018. Of that total, \$11,359,603 was unassigned in the General Fund and is available to meet the County's current and future needs. This unassigned portion is a decrease of \$11,834,815 from the total at the end of 2017. The Proprietary Funds are showing a balance of \$2,951,703 at year-end, which is up \$934,608 from the prior year's balance.

A detailed breakdown of ending fund balance for the \$17,523,452 in 'Other Governmental Funds' and the \$3,036,197 in 'Other Enterprise Funds' can be found in the 'Other Supplementary Information' section of the financial statements. (See Other Supplementary Information, page 172.)

## Capital Assets and Debt Administration

**Capital Assets.** The County's investment in capital assets at December 31, 2018, net of accumulated depreciation, was \$111,047,814, which is down \$3,624,144 from 2017. Capital assets consist primarily of land, buildings, and equipment. Table A-9 is a summary of capital assets at December 31, 2018.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>Total % Change</u>
	2017	2018	2017	2018	2017	2018	
Construction in Progress	\$ 5,198,964	\$ 3,794,364	\$ 604,215	\$ 1,942,103	\$ 5,803,179	\$ 5,736,467	-1.1%
Infrastructure - Construction-in-Progress	5,003,499	461,126	-	-	5,003,499	461,126	-90.8%
Intangibles	658,378	728,378	-	-	658,378	728,378	10.6%
Land	2,465,236	2,465,236	111,492	111,492	2,576,728	2,576,728	0.0%
Infrastructure	17,374,030	22,377,529	-	-	17,374,030	22,377,529	28.8%
Buildings & Improvements	103,233,407	104,958,376	19,499,344	19,518,815	122,732,751	124,477,191	1.4%
Machinery & Equipment	61,677,891	62,963,113	1,700,445	1,711,340	63,378,336	64,674,453	2.0%
Furniture & Fixtures	-	-	30,069	30,069	30,069	30,069	0.0%
Leasehold Assets	28,431,014	28,937,170	-	-	28,431,014	28,937,170	1.8%
Accumulated Depreciation	(113,407,541)	(120,593,150)	(17,908,485)	(18,358,147)	(131,316,026)	(138,951,297)	-5.8%
<b>Total Capital Assets</b>	<b>\$ 110,634,878</b>	<b>\$ 106,092,142</b>	<b>\$ 4,037,080</b>	<b>\$ 4,955,672</b>	<b>\$ 114,671,958</b>	<b>\$ 111,047,814</b>	<b>-3.2%</b>

'Infrastructure - Construction in Progress' decreased by approximately \$4.5 million in 2018, the bulk of which was due to the completion of a multi-year bridge project, which in turn substantially increased the 'Infrastructure' line. The 'Infrastructure' category houses the many County-owned bridges scattered throughout the County. The County does not own any roads.

The major capital assets in the 'Buildings & Improvements' section above consisted of the Courthouse, Administration Building, Probation Complex, EMA Center, Judicial Center, County Warehouse, and the County Prison. Smaller buildings are located at the County Park sites and the various MDJ Offices.

Other detailed information about the County's capital assets can be found in Notes to Financial Statements, Capital Assets, Note 5, page 91.

**Debt Administration.** At December 31, 2018, the County had \$185,164,719 of long-term debt outstanding. This was an increase of \$48,450,919 from the prior year ending balance of \$136,713,800, which is made up of the net restatement of the 2018 beginning balance of the OPEB Obligation of \$20,735,794, and the 2018 net change of \$27,715,125. Table A-10 details activity related to the long-term debt.

Type	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt	\$ 81,220,000	\$ -	\$ (9,475,000)	\$ 71,745,000
Unamortized Bond Premium/Discount (Net)	4,634,453	-	(959,503)	3,674,950
Liquid Fuels Revenue Note	9,631,767	-	(1,220,654)	8,411,113
Compensated Absences	13,538,305	348,906	(4,099,920)	9,787,291
Estimated Workers' Comp. Claims	1,953,141	197,731	(1,015,408)	1,135,464
Net Pension Liability	2,949,266	52,371,771	(6,004,307)	49,316,730
Net OPEB Obligation	28,026,714	1,569,703	(2,929,922)	26,666,495
Capital Leases	15,495,948	506,156	(1,574,428)	14,427,676
<b>Total Long Term Debt &amp; Capital Leases</b>	<b>\$ 157,449,594</b>	<b>\$ 54,994,267</b>	<b>\$ (27,279,142)</b>	<b>\$ 185,164,719</b>

The amount of indebtedness a county may incur is limited by Pennsylvania law to 300 percent (non-electoral) and 400 percent (net non-electoral and lease rental) of a three-year average of the total revenue received, exclusive of governmental grants for a specific purpose. The County's non-electoral debt limit at December 31, 2018 was over \$1 billion, and the total non-electoral debt outstanding was approximately \$80 million, which is well below the limit.

At year-end, the County had \$71,745,000 in general obligation bonds and notes outstanding. This figure is down from 2017 as principal continues to be retired.

More detailed information about the County's long-term liabilities is presented in the notes to the financial statements. (See Notes to Financial Statements, Long-term Liabilities, Note 7, page 102.)

**Bond Rating.** The County's bond rating through Standard & Poor's is 'AA/Stable Outlook' as of December 31, 2018. The current combined net non-electoral and net lease rental debt limit is approximately \$1.4 billion.

### Budgetary Highlights

The County budget director revises the budget on an ongoing basis. These revisions include common budget transfers from one line-item to another, and amendments to the bottom-line of individual funds. The line-item transfers are submitted by department directors and, if reasonable, are entered into the system. No commissioner approval is required for these types of budget revisions. Budget Amendments,

which represent increases or decreases to the bottom-line of an individual fund, are entered as new sources of revenue are identified or unplanned operating expenditures become evident. New grants are a common source of budget amendments. The County Board of Commissioners approves these amendments on a quarterly basis.

On December 13, 2017, the Board of Commissioners approved the \$189,233,390 General Fund Budget for 2018. A \$12,275,149 drawdown on fund balance was necessary in order to cover the initial expenditure budget. Six new positions were approved at a cost of approximately \$332,000. The 2018 budget was \$8.8 million less than the final 2017 budget, which was a decrease of 4.45%. This decrease was primarily due to the 6/30/18 termination of the \$28 million Childcare Network Grant that the County has been administering since 2000.

## **Economic Factors and Next Year's Budget**

### **Economic Conditions**

Unemployment in the County now stands at approximately 4.0%. Pennsylvania's average unemployment rate is 4.3% and the national unemployment rate is 3.9%.

Homeownership in the County is 63.5%, with the median value of owner-occupied housing units being \$163,300. There are currently an estimated 277,097 residents within the County. The estimated median household income is \$57,071.00.

The County houses many institutions of higher education. Penn State University has a four-year campus in Middletown and Harrisburg University is in the heart of downtown Harrisburg. Harrisburg Area Community College (HACC) is also located in Harrisburg, while Dickinson University and Widener University are in Dauphin County. Eastern University, Temple University, The University of Phoenix, and Albright University all maintain campuses in the Harrisburg area, offering select undergraduate and graduate degree programs. In addition, the Dixon University Center, also centrally located in Harrisburg, is a regional hub of undergraduate and graduate degree programs where students can earn degrees from many statewide institutions such as Shippensburg University, Millersville University, Indiana University of PA, Elizabethtown University, East Stroudsburg University, West Chester University, Clarion University, and a few others.

Situated in the south-central Region of Pennsylvania, the County is strategically located close to major domestic and international markets. Within a 500-mile radius of the region lies 40% of the United States population and more than 60% of Canada's population. This fact makes the County a major distribution hub for the movement of goods. It is estimated that approximately 61,000 freight carriers pass through the County daily and 10% of the nation's gross national product moves through the County.

These details have come together earning the Harrisburg-Carlisle MSA region many distinctions. SiteSelection.com ranked Harrisburg-Carlisle #6 on its top metro areas in 2010 for new and expanded facilities; Markwatch.com ranked Harrisburg #9 on its Best U.S. Cities to Do Business list (2010); Forbes ranked the area No. 5 among America's most livable cities (2010); Forbes also ranked the area No. 2 among America's best places to raise a family (2010); and the Sports Business Journal named the area the #1 Minor League Sports Market (2011). These lists consider numerous factors such as low unemployment rates, shorter commute times, plentiful entertainment and recreation opportunities, etc.

To support these growth patterns, new economic development projects continue to evolve, such as the expansion of TecPort, The Hershey Center for Applied Research, Hollywood Casino, and other ongoing developments and redevelopments of commercial space throughout the County. There are also proposals for the continued development of the mid-town and downtown sections of Harrisburg, including the construction of additional retail/office space, the Federal Building being relocated in the Mid-Town area, and the expansion of HACC Mid-Town campus. Advances also exist for a proposed regional rail service, Red Rose Capital Corridor and Corridor 2 (Premium Bus Service), Middletown Inter-Modal Center, and many alternative energy projects, including the Dauphin County IDA, which completed a 2 mega-watt Solar Farm. The Lykens Hotel 29 Mixed Income Rental Units Development Project, called the

Union House Apartments, was completed in May 2017. The expansion of two Rail Intermodal Centers (one in Harrisburg and one in Swatara Township) will help serve the expanding Crescent Corridor. Harrisburg International Airport continues to increase freight traffic and maintain a stable passenger flow. The Dauphin County Redevelopment Authority will be developing the old State Hospital grounds. There are 295 acres of land and 42 historical buildings that will be developed in this project. This will be one of the largest redevelopment projects in the County's history. These developments will provide economic vitality for the County for years to come.

### **Next Year's Budget**

On December 12, 2018, the Board of Commissioners approved the \$181,261,763 General Fund Budget for 2019, maintaining the 6.876 millage rate for the fifteenth straight year. A \$16,986,306 drawdown on fund balance was necessary in order to cover the initial expenditure budget. 28 new positions were approved at a cost of approximately \$2.06 million. 24 of these positions were for the County Prison in an effort to cut down on overtime costs, which exceeded \$3.1 million in 2018. The approved 2019 budget was \$10.25 million or 5.35% less than the final 2018 budget. The decrease is due primarily to the termination of a \$28 million childcare network grant on June 30, 2018.

As stated previously in this discussion, the existing County guarantees on the Harrisburg Incinerator Debt went away with the December 2013 incinerator sale and parking asset lease agreement settled by the city. The County has some limited guarantees on the parking deal that are explained in more detail in the footnotes to the audit. The County is obligated, however, to pay 4% interest annually on a \$24 million bond issue that was part of the incinerator sale. These \$480,000 payments are due semi-annually on 6/15 and 12/15 of each year through 2033, at which time the entire principal amount is due. To date, the County has made ten of these payments.

Also as part of the incinerator deal, the County is required to cover the ash disposal costs for the facility starting on 7/1/18. Escrow proceeds covered these costs for the remainder of 2018. Approximately \$380,000 has been paid for ash disposal costs through April 2019.

In February 2019, the County entered into a Swap Agreement with RBC. The notional amount of the agreement is \$24 million. It is tied to the County's guaranty on the Lancaster County Solid Waste Management Authority's Series B of 2013, which covered the purchase of the Harrisburg Incinerator. The swap commences on December 15, 2019, with the County paying SIFMA and receiving 65% of the ISDA-Swap rate from RBC. Payments are due quarterly, with the first one scheduled for March 15, 2020. The termination date of the swap is December 15, 2033.

### **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 Dauphin  
Controller's Office  
101 Market Street, Room 106  
Harrisburg, PA 17101

## **BASIC FINANCIAL STATEMENTS**

**COUNTY OF DAUPHIN, PENNSYLVANIA**

STATEMENT OF NET POSITION

DECEMBER 31, 2018

	Primary Government		Total	Component Units
	Governmental Activities	Business-Type Activities		
<b>Assets</b>				
Cash and cash equivalents	\$ 57,961,780	\$ 3,499,123	\$ 61,460,903	\$ 5,723,242
Investments	1,107,009	-	1,107,009	799,236
Inventory	-	-	-	61,237
Receivables:				
Accounts, net of allowance	12,460,251	2,419,314	14,879,565	367,507
Taxes, net of allowance	7,572,990	-	7,572,990	-
Notes	4,145,000	-	4,145,000	-
Interest and dividends	-	-	-	37,113
Program loans	106,060	-	106,060	1,283,358
Other loans	5,206,895	-	5,206,895	-
Grants	-	-	-	486,529
Internal balances	(30,124)	30,124	-	-
Due from other governments	17,955,391	10,050	17,965,441	1,577,931
Due from primary government	-	-	-	221,788
Due from related party	-	-	-	784,601
Due from component units	8,706,499	-	8,706,499	-
Investment in direct financing leases, current	-	-	-	569,335
Prepaid items	1,161,964	-	1,161,964	288,835
Other assets	1,877	-	1,877	254
Loans receivable, net of current portion	-	-	-	4,381,885
Investment in direct financing leases, net of current portion	-	-	-	14,012,368
Restricted cash	2,586,035	-	2,586,035	16,131,757
Restricted investments	-	-	-	2,521,123
Restricted due from related party	-	-	-	1,059,842
Capital assets, not being depreciated	7,449,104	2,053,595	9,502,699	2,945,466
Capital assets being depreciated, net	98,643,038	2,902,077	101,545,115	29,298,399
<b>Total Assets</b>	<b>225,033,769</b>	<b>10,914,283</b>	<b>235,948,052</b>	<b>82,551,806</b>
<b>Deferred Outflows of Resources</b>				
Pensions	30,576,997	-	30,576,997	-
Deferred loss on refunding	868,468	-	868,468	87,568
<b>Total Deferred Outflows of Resources</b>	<b>31,445,465</b>	<b>-</b>	<b>31,445,465</b>	<b>87,568</b>
<b>Liabilities</b>				
Accounts payable	10,251,901	365,095	10,616,996	3,402,901
Accrued liabilities	4,392,858	46,676	4,439,534	2,507,103
Unearned revenues	10,779,885	-	10,779,885	996,704
Line of credit	-	-	-	390,000
Obligation to construct	-	-	-	1,570,946
Due to primary government	-	-	-	8,706,499
Due to related party	-	-	-	425,681
Due to other governments	-	2,333,427	2,333,427	118,685
Due to component unit	221,788	-	221,788	-
Funds held in escrow	817,068	-	817,068	-
Funds held in fiduciary capacity	1,137,401	-	1,137,401	-
Security deposits	-	-	-	10,590
Other liabilities:	1,608,639	-	1,608,639	-
Long-term liabilities:				
Portion due or payable within one year:				
Obligation under capital lease	1,235,756	-	1,235,756	-
General obligation debt	9,980,000	235,000	10,215,000	1,754,696
Notes payable	1,234,888	-	1,234,888	599,814
Loans payable	-	-	-	81,623
Accrued compensation absences	632,292	1,426	633,718	-
Liability for workers' compensation claims	340,639	-	340,639	-
Portion due or payable after one year:				
Obligation under capital lease	13,191,920	-	13,191,920	-
General obligation debt	60,244,590	4,960,360	65,204,950	46,911,516
Notes payable	7,176,225	-	7,176,225	13,530,565
Loans payable	-	-	-	1,259,959
Accrued compensation absences	9,132,977	20,596	9,153,573	-
Liability for workers' compensation claims	794,825	-	794,825	-
Net pension liability	49,316,730	-	49,316,730	-
OPEB liability	26,666,495	-	26,666,495	-
<b>Total Liabilities</b>	<b>209,156,877</b>	<b>7,962,580</b>	<b>217,119,457</b>	<b>82,267,282</b>
<b>Deferred Inflows of Resources</b>				
Pensions and OPEB	2,208,629	-	2,208,629	-
Deferred gain on refunding	-	-	-	1,237,101
<b>Total Deferred Inflows of Resources</b>	<b>2,208,629</b>	<b>-</b>	<b>2,208,629</b>	<b>1,237,101</b>
<b>Net Position</b>				
Net investment in capital assets	45,789,044	1,299,058	47,088,102	(16,519,305)
Restricted for:				
Judicial	2,580,531	-	2,580,531	-
Public safety	3,073,940	-	3,073,940	-
Public works	5,774,186	-	5,774,186	-
Human service	140,896	-	140,896	406,750
Conservation and development	9,548,331	-	9,548,331	3,782,983
Gaming program	-	-	-	2,179,656
Revolving loan program	-	-	-	667,163
Infrastructure bank program	-	-	-	331,856
Lease operations	-	-	-	1,207,906
Permanent fund, nonexpendable	1,189,805	-	1,189,805	-
Unrestricted	(22,983,005)	1,652,645	(21,330,360)	7,077,982
<b>Total Net Position</b>	<b>\$ 45,113,728</b>	<b>\$ 2,951,703</b>	<b>\$ 48,065,431</b>	<b>\$ (865,009)</b>

The notes to financial statements are an integral part of this statement.

**COUNTY OF DAUPHIN, PENNSYLVANIA**

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Government Activities	Business-type Activities		
<b>Primary Government:</b>								
Government activities:								
General government	\$ 16,935,084	\$ 5,921,763	\$ 2,820,269	\$ -	\$ (8,193,052)	\$ -	\$ (8,193,052)	
Judicial	66,653,315	13,570,965	8,188,763	-	(44,893,587)	-	(44,893,587)	
Public safety	50,692,732	4,076,182	6,943,151	-	(39,673,399)	-	(39,673,399)	
Public works	1,755,369	-	-	2,815,436	1,060,067	-	1,060,067	
Human services	103,618,358	2,380,838	87,367,669	1,044,316	(12,825,535)	-	(12,825,535)	
Culture and recreation	16,789,417	234,514	243,764	2,488,460	(13,822,679)	-	(13,822,679)	
Conservation and development	12,988,612	1,043,366	16,254,154	-	4,308,908	-	4,308,908	
Interest expense	3,185,232	-	-	-	(3,185,232)	-	(3,185,232)	
Total governmental activities	<u>272,618,119</u>	<u>27,227,628</u>	<u>121,817,770</u>	<u>6,348,212</u>	<u>(117,224,509)</u>	<u>-</u>	<u>(117,224,509)</u>	
Business-type activities:								
Human services - Health Choices Fund	93,152,224	93,253,713	-	-	-	101,489	\$ 101,489	
Public works - Health Service building	1,314,452	1,346,726	-	-	-	32,274	32,274	
Other nonmajor funds:								
Public works	841,466	99,051	41,254	-	-	(701,161)	(701,161)	
Culture and recreation	72,122	46,337	-	-	-	(25,785)	(25,785)	
Total business-type activities	<u>95,380,264</u>	<u>94,745,827</u>	<u>41,254</u>	<u>-</u>	<u>-</u>	<u>(593,183)</u>	<u>(593,183)</u>	
Total primary government	<u>\$ 367,998,383</u>	<u>\$ 121,973,455</u>	<u>\$ 121,859,024</u>	<u>\$ 6,348,212</u>	<u>(117,224,509)</u>	<u>(593,183)</u>	<u>(117,817,692)</u>	
<b>Component Units:</b>								
Conservation District	\$ 1,308,523	\$ 534,541	\$ 1,028,078	\$ -			\$ 254,096	
General Authority	9,279,221	8,941,444	-	-			(337,777)	
Mental Health/Mental Retardation Case Management Unit	11,993,913	218,644	11,528,062	-			(247,207)	
Industrial Development Authority	8,323,344	260,229	4,709,200	-			(3,353,915)	
Dauphin County Economic Development Corporation	6,420,029	110,255	6,257,197	-			(52,577)	
Total component units	<u>\$ 37,325,030</u>	<u>\$ 10,065,113</u>	<u>\$ 23,522,537</u>	<u>\$ -</u>			<u>(3,737,380)</u>	
General revenues:								
Taxes:								
Property taxes					103,088,831	-	103,088,831	-
Hotel taxes					12,077,750	-	12,077,750	-
In-lieu of taxes					2,225,269	-	2,225,269	-
Investment income					1,844,697	48,610	1,893,307	224,493
Miscellaneous					3,734,897	-	3,734,897	-
Gain on sale of property					-	-	-	1,517,860
Transfer in (out)					(1,479,181)	1,479,181	-	-
Total general revenues and transfers					<u>121,492,263</u>	<u>1,527,791</u>	<u>123,020,054</u>	<u>1,742,353</u>
Change in Net Position					4,267,754	934,608	5,202,362	(1,995,027)
Net position - beginning of year, as restated					40,845,974	2,017,095	42,863,069	1,130,018
Net position - end of year					<u>\$ 45,113,728</u>	<u>\$ 2,951,703</u>	<u>\$ 48,065,431</u>	<u>\$ (865,009)</u>

The notes to financial statements are an integral part of this statement.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## BALANCE SHEET - GOVERNMENTAL FUNDS

DECEMBER 31, 2018

	General	Children and Youth	Low Income Housing	Gaming	Other Nonmajor Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 19,291,130	\$ 2,500	\$ 1,149,859	\$ 16,482,824	\$ 21,035,467	\$ 57,961,780
Investments	-	-	-	-	1,107,009	1,107,009
Receivables:						
Accounts, net	11,958,991	178,311	18,005	-	304,944	12,460,251
Taxes, net	7,572,990	-	-	-	-	7,572,990
Loans	-	-	-	-	106,060	106,060
Note	4,145,000	-	-	-	-	4,145,000
Other loans	-	-	5,206,895	-	-	5,206,895
Due from other funds	6,318,609	152,313	-	-	272,306	6,743,228
Due from other governments	515,342	9,856,972	-	3,668,923	3,914,154	17,955,391
Due from component units	8,566,649	-	139,850	-	-	8,706,499
Prepaid items	1,048,423	89,108	-	-	24,433	1,161,964
Other assets	1,877	-	-	-	-	1,877
Restricted assets - cash	2,503,239	-	-	-	82,796	2,586,035
<b>Total Assets</b>	<b>\$ 61,922,250</b>	<b>\$ 10,279,204</b>	<b>\$ 6,514,609</b>	<b>\$ 20,151,747</b>	<b>\$ 26,847,169</b>	<b>\$ 125,714,979</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balance</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 2,476,792	\$ 3,821,765	\$ 16,000	\$ 59,744	\$ 3,877,600	\$ 10,251,901
Accrued liabilities	3,210,281	292,791	-	-	541,120	4,044,192
Unearned revenues - other	-	-	5,206,895	1,044,890	4,528,100	10,779,885
Due to other funds	453,595	6,164,648	-	-	155,109	6,773,352
Due to component units	-	-	-	-	221,788	221,788
Funds held in escrow	817,068	-	-	-	-	817,068
Fund held in fiduciary capacity	1,137,401	-	-	-	-	1,137,401
Other liabilities	1,608,639	-	-	-	-	1,608,639
<b>Total Liabilities</b>	<b>9,703,776</b>	<b>10,279,204</b>	<b>5,222,895</b>	<b>1,104,634</b>	<b>9,323,717</b>	<b>35,634,226</b>
<b>Deferred Inflows of Resources:</b>						
Unavailable revenue - property taxes	5,452,084	-	-	-	-	5,452,084
<b>Total Deferred Inflows of Resources</b>	<b>5,452,084</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,452,084</b>
<b>Fund Balance:</b>						
Nonspendable	18,420,481	-	-	-	1,189,805	19,610,286
Restricted	-	-	1,291,714	8,256,617	11,569,553	21,117,884
Assigned	16,986,306	-	-	10,790,496	4,908,024	32,684,826
Unassigned	11,359,603	-	-	-	(143,930)	11,215,673
<b>Total Fund Balance</b>	<b>46,766,390</b>	<b>-</b>	<b>1,291,714</b>	<b>19,047,113</b>	<b>17,523,452</b>	<b>84,628,669</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 61,922,250</b>	<b>\$ 10,279,204</b>	<b>\$ 6,514,609</b>	<b>\$ 20,151,747</b>	<b>\$ 26,847,169</b>	<b>\$ 125,714,979</b>

The notes to financial statements are an integral part of this statement.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

YEAR ENDED DECEMBER 31, 2018

**Total Fund Balance - Governmental Funds** \$ 84,628,669

Amounts reported for governmental activities in the statement of net position are 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	2,465,236
Intangible assets	728,378
Construction in progress - infrastructure	461,126
Construction in progress	3,794,364
Infrastructure, net of \$9,720,563 accumulated depreciation	13,106,967
Buildings and improvements, net of \$54,060,983 accumulated depreciation	50,897,392
Machinery and tools, net of \$40,309,933 accumulated depreciation	22,653,180
Leasehold assets, net of \$16,951,671 accumulated depreciation	11,985,499

Total capital assets 106,092,142

The County is self-insured for the costs of workers' compensation. The liability for workers' compensation is included in the statement of net position, but is not considered a current expenditure for the governmental fund statements. (1,135,464)

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 unavailable revenue - property taxes in the funds. 5,452,084

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 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.

Accrued interest on bonds	(348,666)
General obligation bonds	(66,685,000)
Less: deferred loss on refunding	868,468
Liquid Fuel Revenue Bonds	(8,411,113)
Capital leases payable	(14,427,676)
Compensated absences	(9,765,269)
Unamortized bond premium/discount, net	(3,539,590)
Net pension liability	(49,316,730)
Less: deferred outflows of resources	30,576,997
Plus: deferred inflows of resources	(577,567)
Net OPEB obligation	(26,666,495)
Plus: deferred inflows of resources	(1,631,062)

(149,923,703)

**Total Net Position - Governmental Activities** \$ 45,113,728

The notes to financial statements are an integral part of this statement.

**COUNTY OF DAUPHIN, PENNSYLVANIA**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2018

	General	Children & Youth	Low Income Housing	Gaming	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Property taxes	\$ 105,236,657	\$ -	\$ -	\$ -	\$ -	\$ 105,236,657
Hotel taxes	-	-	-	-	12,077,750	12,077,750
Intergovernmental	30,081,588	35,354,586	139,850	13,012,093	49,577,865	128,165,982
Charges for services	18,827,483	1,232,080	389,557	-	1,240,099	21,689,219
License and permits	160,732	-	-	-	-	160,732
Court costs and fines	3,559,497	-	-	-	1,818,180	5,377,677
Interest and rents	1,149,571	2	21,226	326,040	347,858	1,844,697
Miscellaneous revenue	1,840,943	-	-	-	1,760,204	3,601,147
<b>Total revenues</b>	<b>160,856,471</b>	<b>36,586,668</b>	<b>550,633</b>	<b>13,338,133</b>	<b>66,821,956</b>	<b>278,153,861</b>
<b>Expenditures:</b>						
Current:						
General government	14,793,181	-	-	-	29,260	14,822,441
Judicial	56,683,411	-	-	375,931	7,592,323	64,651,665
Public safety	40,112,405	-	-	-	7,589,930	47,702,335
Public works	-	-	-	-	1,217,556	1,217,556
Human services	19,958,506	44,942,893	-	-	37,915,186	102,816,585
Culture and recreation	2,473,667	-	-	-	14,296,233	16,769,900
Conservation and development	6,221,675	-	469,439	6,253,273	-	12,944,387
Debt service:						
Principal	11,575,187	11,531	-	-	448,364	12,035,082
Interest	3,893,422	10,571	-	-	11,248	3,915,241
Capital outlay	-	-	-	-	1,422,705	1,422,705
<b>Total expenditures</b>	<b>155,711,454</b>	<b>44,964,995</b>	<b>469,439</b>	<b>6,629,204</b>	<b>70,522,805</b>	<b>278,297,897</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>5,145,017</b>	<b>(8,378,327)</b>	<b>81,194</b>	<b>6,708,929</b>	<b>(3,700,849)</b>	<b>(144,036)</b>
<b>Other Financing Sources (Uses):</b>						
Transfers - in	4,459,760	8,455,431	-	-	5,956,514	18,871,705
Transfers - out	(15,374,136)	(77,104)	-	(3,928,172)	(971,474)	(20,350,886)
Issuance of refunding bonds	-	-	-	-	-	-
Payments to refund bonds escrow agent	-	-	-	-	-	-
Bond premium	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-
Capital lease proceeds	506,156	-	-	-	-	506,156
Gain on asset disposal	-	-	-	-	133,750	133,750
<b>Total other financing sources (uses)</b>	<b>(10,408,220)</b>	<b>8,378,327</b>	<b>-</b>	<b>(3,928,172)</b>	<b>5,118,790</b>	<b>(839,275)</b>
<b>Net Changes in Fund Balances</b>	<b>(5,263,203)</b>	<b>-</b>	<b>81,194</b>	<b>2,780,757</b>	<b>1,417,941</b>	<b>(983,311)</b>
<b>Fund Balance, Beginning</b>	<b>52,029,593</b>	<b>-</b>	<b>1,210,520</b>	<b>16,266,356</b>	<b>16,105,511</b>	<b>85,611,980</b>
<b>Fund Balance, Ending</b>	<b>\$ 46,766,390</b>	<b>\$ -</b>	<b>\$ 1,291,714</b>	<b>\$ 19,047,113</b>	<b>\$ 17,523,452</b>	<b>\$ 84,628,669</b>

The notes to financial statements are an integral part of this statement.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2018

**Net Change in Fund Balance - Governmental Funds** \$ (983,311)

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. (4,542,736)

The issuance of long-term debt (bonds and capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. This transaction, however, does not have an effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. Reconciling items related to long-term debt activity for the year ended December 31, 2018 are as follows:

Capital leases - debt issued	(506,156)	
Capital leases - repayments	1,574,428	
General obligation debt - repayment	<u>10,460,654</u>	
		11,528,926

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 no recognized under the modified accrual basis of accounting until due, rather than as it accrues. The differences for the items discussed above are:

Compensated absences expense	3,741,677	
Other postemployment benefits expense	(270,843)	
Pension expense	(6,831,088)	
Amortization of debt premium/discount	945,150	
Amortization of deferred loss on refunding	(239,674)	
Accrued interest on long-term debt	<u>24,533</u>	
		(2,630,245)

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. 77,443

The County is self-insured for the costs of workers' compensation. The decrease in liabilities related to the workers' compensation is reported as an increase in expenditures of the governmental activities. 817,677

**Change in Net Position of Governmental Activities** \$ 4,267,754

The notes to financial statements are an integral part of this statement.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## STATEMENT OF NET POSITION - PROPRIETARY FUNDS

DECEMBER 31, 2018

<b>Assets</b>	Health Choices Fund	Human Services Building	Other Nonmajor Funds	Total
<b>Current assets:</b>				
Cash and cash equivalents	\$ 273,384	\$ 1,846,363	\$ 1,379,376	\$ 3,499,123
Accounts receivables	2,333,427	77,882	8,005	2,419,314
Due from other funds	-	22,527	7,608	30,135
Due from other governments	6,357	-	3,693	10,050
Other assets	-	-	-	-
Total current assets	2,613,168	1,946,772	1,398,682	5,958,622
<b>Capital assets:</b>				
Capital assets, not being depreciated	-	1,941,103	112,492	2,053,595
Capital assets, being depreciated, (net)	-	1,323,818	1,578,259	2,902,077
Capital assets, net	-	3,264,921	1,690,751	4,955,672
Total assets	2,613,168	5,211,693	3,089,433	10,914,294
<b>Liabilities</b>				
<b>Current liabilities:</b>				
Accounts payable	181,318	162,899	20,878	365,095
Accrued liabilities	-	36,351	10,325	46,676
Accrued compensated absences	-	-	1,426	1,426
Due to other funds	-	-	11	11
Due to other governments	2,333,427	-	-	2,333,427
General obligation debt	-	235,000	-	235,000
Total current liabilities	2,514,745	434,250	32,640	2,981,635
<b>Noncurrent liabilities:</b>				
General obligation debt	-	4,960,360	-	4,960,360
Accrued compensated absences	-	-	20,596	20,596
Total noncurrent liabilities	-	4,960,360	20,596	4,980,956
Total liabilities	2,514,745	5,394,610	53,236	7,962,591
<b>Net Position</b>				
Net investment in capital assets	-	(391,693)	1,690,751	1,299,058
Unrestricted	98,423	208,776	1,345,446	1,652,645
Total net position	\$ 98,423	\$ (182,917)	\$ 3,036,197	\$ 2,951,703

The notes to financial statements are an integral part of this statement.

## COUNTY OF DAUPHIN, PENNSYLVANIA

### STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS

YEAR ENDED DECEMBER 31, 2018

	Health Choices Fund	Human Services Building	Other Nonmajor Funds	Total
<b>Operating Revenues:</b>				
Charges for services	\$ 93,253,713	\$ 1,346,726	\$ 145,388	\$ 94,745,827
Total operating revenues	<u>93,253,713</u>	<u>1,346,726</u>	<u>145,388</u>	<u>94,745,827</u>
<b>Operating Expenses:</b>				
Personnel services	241,816	-	412,895	654,711
Contracted services	32,231	90,076	138,507	260,814
Supplies and materials	493	3,314	1,882	5,689
Repairs and maintenance	-	85,763	82,939	168,702
Utilities	285	163,509	27,662	191,456
Other services and charges	35,131	518,646	120,371	674,148
Claims expense	92,842,268	-	-	92,842,268
Depreciation and amortization	-	320,330	129,332	449,662
Total operating expenses	<u>93,152,224</u>	<u>1,181,638</u>	<u>913,588</u>	<u>95,247,450</u>
<b>Operating Income (Loss)</b>	<u>101,489</u>	<u>165,088</u>	<u>(768,200)</u>	<u>(501,623)</u>
<b>Nonoperating Revenues (Expenses):</b>				
Interest income	1,747	45,053	1,810	48,610
Interest expense	-	(132,814)	-	(132,814)
Grants	-	-	41,254	41,254
Total nonoperating revenues (expenses), net	<u>1,747</u>	<u>(87,761)</u>	<u>43,064</u>	<u>(42,950)</u>
Income (loss) before transfers	<u>103,236</u>	<u>77,327</u>	<u>(725,136)</u>	<u>(544,573)</u>
Transfers in	-	-	1,555,688	1,555,688
Transfers out	(76,507)	-	-	(76,507)
Transfers, net	<u>(76,507)</u>	<u>-</u>	<u>1,555,688</u>	<u>1,479,181</u>
<b>Changes in Net Position</b>	<u>26,729</u>	<u>77,327</u>	<u>830,552</u>	<u>934,608</u>
<b>Net Position, Beginning</b>	<u>71,694</u>	<u>(260,244)</u>	<u>2,205,645</u>	<u>2,017,095</u>
<b>Net Position, Ending</b>	<u>\$ 98,423</u>	<u>\$ (182,917)</u>	<u>\$ 3,036,197</u>	<u>\$ 2,951,703</u>

The notes to financial statements are an integral part of this statement.

**COUNTY OF DAUPHIN, PENNSYLVANIA**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS

YEAR ENDED DECEMBER 31, 2018

	Health Choices Fund	Human Services Building	Other Nonmajor Funds	Total
<b>Cash Flows from Operating Activities:</b>				
Receipts from Health Choices services	\$ 91,981,226	\$ -	\$ -	\$ 91,981,226
Receipts from recycling services	-	-	106,745	106,745
Receipts from recreational activities	-	-	46,337	46,337
Receipts from space and parking rentals	-	1,342,154	-	1,342,154
Payments to employees	(241,816)	-	(422,464)	(664,280)
Payments to suppliers	(68,140)	(780,889)	(416,333)	(1,265,362)
Payments for claims	(91,507,559)	-	-	(91,507,559)
Internal activity - payments from (to) other funds	-	514,034	-	514,034
Net cash provided by (used in) operating activities	<u>163,711</u>	<u>1,075,299</u>	<u>(685,715)</u>	<u>553,295</u>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Grants	-	-	41,254	41,254
Operating transfers in (out)	(280,389)	-	1,537,316	1,256,927
Net cash provided by (used in) noncapital financing activities	<u>(280,389)</u>	<u>-</u>	<u>1,578,570</u>	<u>1,298,181</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Purchase of capital assets	-	(1,346,538)	(21,716)	(1,368,254)
Interest paid	-	(132,814)	-	(132,814)
Principal payments on general obligation debt	-	(249,353)	-	(249,353)
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>(1,728,705)</u>	<u>(21,716)</u>	<u>(1,750,421)</u>
<b>Cash flows from Investing Activities:</b>				
Interest income	<u>1,747</u>	<u>45,053</u>	<u>1,810</u>	<u>48,610</u>
Net cash provided by (used in) investing activities	<u>1,747</u>	<u>45,053</u>	<u>1,810</u>	<u>48,610</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(114,931)</b>	<b>(608,353)</b>	<b>872,949</b>	<b>149,665</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>388,315</u>	<u>2,454,716</u>	<u>506,427</u>	<u>3,349,458</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 273,384</u>	<u>\$ 1,846,363</u>	<u>\$ 1,379,376</u>	<u>\$ 3,499,123</u>

The notes to financial statements are an integral part of this statement.

**COUNTY OF DAUPHIN, PENNSYLVANIA**

STATEMENT OF CASH FLOWS (CONTINUED)  
 PROPRIETARY FUNDS

YEAR ENDED DECEMBER 31, 2018

	<u>Health Choices Fund</u>	<u>Human Services Building</u>	<u>Other Nonmajor Funds</u>	<u>Total</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash</b>				
<b><u>Provided by (Used in) Operating Activities:</u></b>				
Operating income (loss)	\$ 101,489	\$ 165,088	\$ (768,200)	\$ (501,623)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization expense	-	320,330	129,332	449,662
Change in assets and liabilities:				
Accounts receivable	(1,266,130)	(4,572)	7,694	(1,263,008)
Other assets	-	520	-	520
Accounts payable	68,579	80,486	(44,972)	104,093
Accrued expenses	-	(587)	(232)	(819)
Accrued vacation and sick pay	-	-	(9,337)	(9,337)
Due to/due from other funds	-	514,034	-	514,034
Due to other governments	1,259,773	-	-	1,259,773
Net cash provided by (used in) operating activities	<u>\$ 163,711</u>	<u>\$ 1,075,299</u>	<u>\$ (685,715)</u>	<u>\$ 553,295</u>

The notes to financial statements are an integral part of this statement.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS

DECEMBER 31, 2018

<b>Assets</b>	Retirement Trust Fund	Agency Funds
Cash and cash equivalents	\$ 2,799,980	\$ 8,263,320
Investments:		
U.S. Government securities	7,715,497	-
Corporate bonds	20,820,632	-
Bond mutual fund	28,344,637	-
Equity funds	110,334,302	-
Savings, CDs, and time deposits	3,975,326	-
Limited partnership	17,855,975	-
Global managed equity fund	40,590,081	-
Global multi-cap quality trust fund	28,928,705	-
Global opportunities equity fund	33,233,845	-
Multi-strategy trust fund	15,766,902	-
Other	2,070,240	-
<b>Total investments</b>	<b>309,636,142</b>	<b>-</b>
Interest and dividends receivable	116,307	-
Employee contributions receivable	168,560	-
<b>Total Assets</b>	<b>\$ 312,720,989</b>	<b>\$ 8,263,320</b>
<b>Liabilities</b>		
Accounts payable	\$ -	\$ 770,345
Benefits payable	384,067	-
Funds held in escrow	-	4,410,768
Due to other governments	-	3,082,207
<b>Total Liabilities</b>	<b>384,067</b>	<b>8,263,320</b>
<b>Net Position</b>		
<b>Restricted for Pension</b>	<b>\$ 312,336,922</b>	<b>\$ -</b>

The notes to financial statements are an integral part of this statement.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

YEAR ENDED DECEMBER 31, 2018

	<u>Retirement Trust Fund</u>
<b>Additions</b>	
<hr/>	
Contributions:	
Employee	\$ 5,120,149
Employer	6,004,307
	<hr/>
Total contributions	11,124,456
	<hr/>
Investment income (loss):	
Net appreciation (depreciation) in fair value of investments	(19,686,599)
Interest and dividends	3,759,621
Less: investment expense	(731,311)
	<hr/>
Net investment income (loss)	(16,658,289)
	<hr/>
Total additions	(5,533,833)
	<hr/>
<b>Deductions</b>	
<hr/>	
Benefits paid to participants	18,558,276
Refunds of contributions	730,014
Administrative expense	232,813
	<hr/>
Total deductions	19,521,103
	<hr/>
<b>Change in Net Position</b>	(25,054,936)
	<hr/>
<b>Net Position, Beginning</b>	337,391,858
	<hr/>
<b>Net Position, Ending</b>	<u>\$ 312,336,922</u>

The notes to financial statements are an integral part of this statement.

**COUNTY OF DAUPHIN, PENNSYLVANIA**

COMBINING STATEMENT OF NET POSITION  
COMPONENT UNITS

DECEMBER 31, 2018

	Conservation District	General Authority	Case Management Unit	Industrial Development Authority	Dauphin County Economic Development Corporation	Total
<b>Assets and Deferred Outflows of Resources</b>						
<b>Assets:</b>						
Cash and cash equivalents	\$ 1,311,328	\$ 3,394,531	\$ 76,108	\$ 785,367	\$ 155,908	\$ 5,723,242
Investments	799,236	-	-	-	-	799,236
Inventory	-	61,237	-	-	-	61,237
Receivables:						
Accounts, net	187	19,896	346,424	1,000	-	367,507
Interest and dividends	5,193	2,375	-	29,545	-	37,113
Loans, current	-	-	-	1,283,358	-	1,283,358
Grants	-	-	-	-	486,529	486,529
Due from other governments	181,032	-	1,396,899	-	-	1,577,931
Investment in direct financing leases, current	-	218,622	-	350,713	-	569,335
Prepaid items	2,542	249,942	36,351	-	-	288,835
Due from primary government	-	-	-	-	221,788	221,788
Due from related party	-	-	-	754,101	30,500	784,601
Other assets	-	-	-	254	-	254
Loans receivable, net of current portion	-	-	-	4,381,885	-	4,381,885
Investment in direct financing leases, net of curre	-	5,486,148	-	6,907,720	1,618,500	14,012,368
Restricted cash	246,174	5,176,978	-	8,003,803	2,704,802	16,131,757
Restricted investments	-	2,521,123	-	-	-	2,521,123
Restricted due from related party	-	-	-	-	1,059,842	1,059,842
Capital assets, not being depreciated	-	2,681,769	-	263,697	-	2,945,466
Capital assets, being depreciated, net	714,867	19,039,819	397,791	7,773,474	1,372,448	29,298,399
<b>Total Assets</b>	<b>3,260,559</b>	<b>38,852,440</b>	<b>2,253,573</b>	<b>30,534,917</b>	<b>7,650,317</b>	<b>82,551,806</b>
<b>Deferred Outflows of Resources:</b>						
Deferred charge on refunding	-	87,568	-	-	-	87,568
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>87,568</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87,568</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 3,260,559</b>	<b>\$ 38,940,008</b>	<b>\$ 2,253,573</b>	<b>\$ 30,534,917</b>	<b>\$ 7,650,317</b>	<b>\$ 82,639,374</b>

(Continued)

The notes to financial statements are an integral part of this statement.

**COUNTY OF DAUPHIN, PENNSYLVANIA**

COMBINING STATEMENT OF NET POSITION  
COMPONENT UNITS

DECEMBER 31, 2018  
(Continued)

	Conservation District	General Authority	Case Management Unit	Industrial Development Authority	Dauphin County Economic Development Corporation	Total
<b>Liabilities, Deferred Inflows of Resources, and Net Position</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 2,195	\$ 726,080	\$ 47,452	\$ 2,162,636	\$ 464,538	\$ 3,402,901
Accrued liabilities	-	1,436,497	998,098	30,539	41,969	2,507,103
Unearned revenues - other	338,774	617,542	13,482	-	26,906	996,704
Line of credit	-	-	390,000	-	-	390,000
Obligation to construct	-	1,570,946	-	-	-	1,570,946
Due to primary government	150,022	-	-	8,416,627	139,850	8,706,499
Due to related party	-	-	-	278,500	147,181	425,681
Due to other governments	-	-	-	106,567	12,118	118,685
Security deposits	-	-	-	10,590	-	10,590
Long-term liabilities:						
Portion due or payable within one year:						
General obligation debt	-	1,754,696	-	-	-	1,754,696
Notes payable	-	-	-	427,814	172,000	599,814
Loans payable	-	-	-	81,623	-	81,623
Portion due or payable after one year:						
General obligation debt	-	46,911,516	-	-	-	46,911,516
Notes payable	-	-	-	9,238,065	4,292,500	13,530,565
Loans payable	-	-	-	1,259,959	-	1,259,959
<b>Total Liabilities</b>	<b>490,991</b>	<b>53,017,277</b>	<b>1,449,032</b>	<b>22,012,920</b>	<b>5,297,062</b>	<b>82,267,282</b>
<b>Deferred Inflows of Resources:</b>						
Deferred charge on refunding	-	1,237,101	-	-	-	1,237,101
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>1,237,101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,237,101</b>
<b>Net Position:</b>						
Net investment in capital assets	714,867	(21,822,554)	397,791	4,288,143	(97,552)	(16,519,305)
Restricted for:						
Human service	-	-	406,750	-	-	406,750
Conservation and development	22,174	-	-	-	3,760,809	3,782,983
Gaming program	-	-	-	2,179,656	-	2,179,656
Revolving loan program	-	-	-	667,163	-	667,163
Infrastructure bank program	-	-	-	331,856	-	331,856
Debt service	-	-	-	-	-	-
Lease operations	-	1,207,906	-	-	-	1,207,906
Unrestricted	2,032,527	5,300,278	-	1,055,179	(1,310,002)	7,077,982
<b>Total Net Position</b>	<b>2,769,568</b>	<b>(15,314,370)</b>	<b>804,541</b>	<b>8,521,997</b>	<b>2,353,255</b>	<b>(865,009)</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b>\$ 3,260,559</b>	<b>\$ 38,940,008</b>	<b>\$ 2,253,573</b>	<b>\$ 30,534,917</b>	<b>\$ 7,650,317</b>	<b>\$ 82,639,374</b>

(Concluded)

The notes to financial statements are an integral part of this statement.

**COUNTY OF DAUPHIN, PENNSYLVANIA**

COMBINING STATEMENT OF ACTIVITIES  
COMPONENT UNITS

YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Expenses	Program Revenues				Net (Expense) Revenue and Changes in Net Position					Total	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Capital Grants and Contributions	Conservation District	General Authority	Case Management Unit	Industrial Development Authority	Economic Development Corporation		
<b>Conservation District</b>												
Conservation and development	\$ 1,308,523	\$ 534,541	\$ 1,028,078	\$ -	\$ -	\$ 254,096	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 254,096
<b>General Authority</b>												
General Authority Operations	9,279,221	8,941,444	-	-	-	-	(337,777)	-	-	-	-	(337,777)
<b>Case Management Units</b>												
Human Services	11,993,913	218,644	11,528,062	-	-	-	-	(247,207)	-	-	-	(247,207)
<b>Industrial Development Authority</b>												
Conservation and Development	8,323,344	260,229	4,709,200	-	-	-	-	-	(3,353,915)	-	-	(3,353,915)
<b>Economic Development Corporation</b>												
Tourism and Economic Development	6,420,029	110,255	6,257,197	-	-	-	-	-	-	-	(52,577)	(52,577)
Total component units	<u>\$ 37,325,030</u>	<u>\$ 10,065,113</u>	<u>\$ 23,522,537</u>	<u>\$ -</u>	<u>\$ -</u>	<u>254,096</u>	<u>(337,777)</u>	<u>(247,207)</u>	<u>(3,353,915)</u>	<u>(52,577)</u>	<u>(3,737,380)</u>	
General revenues:												
Unrestricted investment earnings						26,955	108,933	-	76,620	11,985	224,493	
Gain on sale of property						-	1,517,860	-	-	-	1,517,860	
Total general revenues and transfers						<u>26,955</u>	<u>1,626,793</u>	<u>-</u>	<u>76,620</u>	<u>11,985</u>	<u>1,742,353</u>	
<b>Change in Net Position</b>						281,051	1,289,016	(247,207)	(3,277,295)	(40,592)	(1,995,027)	
Net position - beginning of year						<u>2,488,517</u>	<u>(16,603,386)</u>	<u>1,051,748</u>	<u>11,799,292</u>	<u>2,393,847</u>	<u>1,130,018</u>	
Net position - end of year						<u>\$ 2,769,568</u>	<u>\$ (15,314,370)</u>	<u>\$ 804,541</u>	<u>\$ 8,521,997</u>	<u>\$ 2,353,255</u>	<u>\$ (865,009)</u>	

The notes to financial statements are an integral part of this statement.

## **NOTES TO FINANCIAL STATEMENTS**

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### 1. Summary of Significant Accounting Policies

A summary of significant accounting policies follows:

#### Reporting Entity

The County of Dauphin (County) operates under the direction of an elected Board of Commissioners (Board), and provides the following services: general administrative services, tax assessments and collections, judicial, public improvements, public safety, and human services programs.

Consistent with the guidance contained in Governmental Accounting Standards Board (GASB) Statement No. 61, *"The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34,"* the criteria used by the County to evaluate the possible inclusion of related entities (Authorities, Boards, Councils, etc.) within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given case, the County reviews the applicability of the following criteria.

The County is financially accountable for:

- Organizations that make up the legal County entity.
- Legally separate organizations if County officials appoint a voting majority of the organization's governing body and the County is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County as defined below.

*Impose Its Will* — If the County can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.

*Financial Benefit or Burden*—Exists if the County (1) is entitled to the organization's resources or (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization or (3) is obligated in some manner for the debt of the organization.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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- Organizations that are fiscally dependent on the County and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the County.

Based on the foregoing criteria, the reporting entity has been defined to include all the funds for which the County is financially accountable or for which there is a significant relationship. Specific information on the nature of the various potential component units and a description of how the aforementioned criteria have been considered in determining whether or not to include or exclude such units in the County's financial statements are provided in the following paragraphs.

### Discretely Presented Component Units

Component units that are not blended as part of the primary government are discretely presented, which entails reporting component unit financial data in a column separate from the financial data of the primary government. The component units presented in this way are the following:

#### Dauphin County Conservation District (District)

The District was formed by the County Commissioners in 1952 pursuant to the Conservation District Law (Law). The seven-member board is made up of one County Commissioner and six members appointed by the County Commissioners from a list of nominees received from organizations approved by the Commonwealth of Pennsylvania (Commonwealth). The District was formed to manage the conservation of natural resources in the County. The Law gives the Commonwealth certain powers to supervise and direct the operations of the District. Employees of the District are County employees subject to the County Salary Board. The Law also gives the County Commissioners the ability to unilaterally disband the District if they believe a substantial portion of landowners desire such action.

The District operates and reports on a calendar year basis. The separate audited financial statements of the District may be obtained by contacting the District at 1451 Peters Mountain Road, Dauphin, Pennsylvania 17018.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Dauphin County General Authority (General Authority)

The Dauphin County General Authority (General Authority) was incorporated on March 7, 1984, by the County. The five-member board is appointed by the County Commissioners. The General Authority was created for the purpose of acquiring, financing, holding, constructing, improving, maintaining and operating, owning, and leasing, either in the capacity of lessor or lessee, projects of the kind and character contemplated by law for a general purpose authority, as authorized and permitted by, and also as limited by, provisions of the Pennsylvania Municipality Authorities Act, the Act of May 2, 1945, P.L. 382, as amended. Accordingly, the Authority is not subject to income taxes. The Authority is a special purpose government engaged in business-type activities.

The County guarantees the full payment of the principal and interest on the 1993 Bonds and subsequent refunding bond issues, which funded the golf course construction, in the event that the General Authority fails to pay the amount of principal and interest due. The General Authority has agreed to pay the County 90% of the revenues, net of operating expenses and debt service, earned by the General Authority in connection with the golf course. The County Commissioners must approve all of the General Authority's bond issues, but neither the County nor the General Authority has an ongoing liability for these bond issues other than the golf course debt.

The General Authority reports on a calendar year basis. The separate audited financial statements of the General Authority may be obtained by contacting the General Authority at 530 South Harrisburg Street, Harrisburg, Pennsylvania 17113.

### Case Management Unit (CMU)

CMU was established to provide case management services to persons with mental illness and intellectual disabilities in the County. CMU performs initial intake and evaluation for all clients served by the Dauphin County Mental Health/Intellectual Disabilities Program, plans and coordinates services for clients with direct service providers, and monitors the progress of clients within the Dauphin County system. CMU grants credit to its funding sources without collateral.

The eleven-member board is appointed by the County Commissioners. In addition, the County Commissioners have the ability to significantly influence the programs, projects, activities, and level of services performed by CMU.

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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CMU operates on a fiscal year ending June 30. The separate audited financial statements of CMU may be obtained by contacting CMU at 1100 South Cameron Street, Harrisburg, Pennsylvania 17104.

### Dauphin County Industrial Development Authority (IDA)

The IDA was organized in 1967 as a standing authority of the County. It operates in compliance with the Industrial Development Authority Law, Act No. 102, August 23, 1967. The five-member board is appointed by the County Commissioners. The IDA serves as a financing vehicle for industrial development in the County. The IDA arranges financing through tax-exempt and taxable bonds as well as mortgages for manufacturers, non-profits, and companies establishing corporate headquarters in the County. The IDA participates in new construction and rehabilitation each year through its industrial recruitment and expansion projects. The IDA also owns several commercial properties which it leases. The County pays for all significant management and administrative costs required to operate the IDA on a day-to-day basis. IDA's management and support staff are employees of the County. In addition, the County guarantees the IDA's debts.

The IDA operates on a fiscal year ending September 30. The separate audited financial statements of the IDA may be obtained by contacting the IDA at 112 Market Street, 7<sup>th</sup> Floor, Harrisburg, Pennsylvania 17101.

### Dauphin County Economic Development Corporation (DCEDC)

The DCEDC is a nonprofit organization which operates in compliance with Section 7502 of the Nonprofit Corporation Law of 1972 and Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The five-member board is appointed by the County Commissioners. The DCEDC, an economic development corporation, was established to partner in real estate development projects and to channel grant funding to communities and organizations in need of community and economic development assistance. The DCEDC also administers programs to promote tourism and regional development.

The DCEDC is administered by the County through the Dauphin County Department of Community and Economic Development. The County pays for all significant management and administrative costs required to operate the DCEDC on a day-to-day basis, as the DCEDC's management and support staff are employees of the County. The County also provides significant operating revenue to the DCEDC, primarily through distributions of

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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hotel tax collections. In addition, the County guarantees the DCEDC's 2004 Guaranteed Parking Revenue Note (see Note 29).

The DCEDC operates and reports on a calendar year-end basis. The separate audited financial statements of the DCEDC may be obtained by contacting the DCEDC at 112 Market Street, 7<sup>th</sup> Floor, Harrisburg, Pennsylvania 17101.

### 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 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 does not supply any funding (either directly or as a result of special financing relationships) and 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:

#### Authorities

Dauphin County Housing Authority  
Dauphin County Redevelopment Authority  
Dauphin County Hospital Authority  
Dauphin County Library System  
Dauphin County Land Bank Authority

#### Advisory Boards

Dauphin County Parks and Recreation  
Dauphin County Planning Commission  
Council on Aging Board  
Child Care Advisory Committee  
Children and Youth Advisory Board  
Mental Health/Intellectual Disabilities Advisory Board  
Woodside Juvenile Detention Center Advisory Board  
Drugs and Alcohol Advisory Board  
Fort Hunter Board

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Joint Ventures

The County is a participant with other municipalities 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 they should not be included in its financial reporting entity. Separately published audit reports of the Joint Ventures are available for public inspection in the Controller's Office. Condensed financial information relative to these entities is included in the notes herein:

<u>Name of Organization</u>	<u>Cumberland, Harrisburg Transit Authority</u>	<u>Tri-County Regional Planning Commission</u>
Services provided	Bus Services	Regional Planning
Dauphin County Board representation	3 to 7 members	9 to 19 members
Fiscal year	June 30, 2018	December 31, 2017
Current assets	\$ 3,461,917	\$ 1,114,392
Total assets	\$ 23,041,459	\$ 1,114,392
Net position/fund balance	\$ 15,770,069	\$ 389,617
Operating revenues	\$ 6,429,050	\$ 3,138,971
Operating income (loss)	\$ (18,813,939)	\$ 232,959
Net income (loss)	\$ 251,551	\$ 234,363
Dauphin County Contribution to Operations	\$ 358,442	\$ 334,770
Dauphin County Working Capital Advances	None	None

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Basis of Presentation

The basic financial statements of the County have been prepared in accordance with accounting principles generally accepted in the United States applicable to governments (GAAP). The Governmental Accounting Standards Board (GASB) establishes accounting and financial reporting requirements for governments.

### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The basic financial statements include both government-wide financial statements, which are based on the County as a whole, and fund financial statements. GASB Statement No. 34 focuses on the County as a whole and on major individual funds (within the fund financial statements).

### *Government-Wide Financial Statements*

The government-wide financial statements (statement of net position and statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. The focus of the government-wide financial statements is more on sustainability of the County as an entity and the change in aggregate financial position resulting from activities of the fiscal period. As a general rule, the effect of interfund activity has been eliminated from these statements except certain interfund services provided and used between functions. The County's policy is to eliminate internal activity by distinguishing overhead costs which are eliminated during consolidation from interfund services provided and used. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and other charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

In the government-wide statement of net position, the governmental and business-type activities columns are presented on a consolidated basis by column and are presented using the economic resources measurement focus and the accrual basis of accounting, which incorporates noncurrent assets as well as long-term debt and obligations. Interfund balances between governmental funds and interfund balances between enterprise funds are not included in the total primary government column of the government-wide statement of net position.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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The government-wide statement of activities demonstrates the degree to which the direct expenses of a given functional category (public safety, general government, etc.) or business-type activity (Health Choices, human service building, etc.) are offset by program revenues. Indirect expenses are allocated to specific functions based on the County's approved Central Services Cost Allocation Plan. Direct expenses are those that are clearly identifiable with a specific functional category or business-type activity. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given functional category or business-type activity and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular functional category or business-type activity. Taxes and other items that are not properly included among program revenues are reported instead as general revenues.

### *Fund Financial Statements*

The financial transactions of the County are recorded in individual funds. Each fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, reserves, fund balance/net position, revenues and expenditures/expenses. Emphasis under GASB Statement No. 34 is on major funds in the governmental or enterprise categories. GASB Statement No. 34 sets forth minimum criteria for the determination of major funds. The nonmajor funds in each category are combined in a column in the fund financial statements and detailed in the combining nonmajor fund financial statements.

The governmental fund financial statements are presented using a current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes as available if collected within 60 days after year-end. The availability period for all other significant revenue sources in governmental funds is 180 days. Property taxes due but not collected within 60 days after year-end are considered unavailable revenue and recorded as a deferred inflow of resources. Licenses, permits, and fines and costs are recorded as revenues when received. Intergovernmental revenues, consisting primarily of federal, state, and other grants for the purpose of funding specific expenditures, are recognized when earned or at the time of the specific expenditure. Interest earnings are recorded as earned.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt are recognized as fund liabilities when due. As

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, reconciliations are presented which briefly explain the adjustments necessary to reconcile the governmental fund financial statements to the government-wide financial statements.

The County's enterprise funds, presented in the enterprise fund financial statements, are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. Non-operating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Operating expenses of the enterprise funds include the costs of providing services, such as personnel, contracting, and supplies, as well as depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues.

The County's fiduciary funds are presented in the fund financial statements by type (pension trust fund and agency fund). Since, by definition, the assets of these funds are held for the benefit of a third party (individuals, private organizations, and/or other governments) and cannot be used to satisfy obligations of the County, these funds are not incorporated into the government-wide financial statements. The County's fiduciary funds are presented on the accrual basis of accounting.

The following governmental major funds are used by the County:

- The General Fund is the government's primary operating fund. It accounts for all financial revenues 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 systems, and health and welfare services.
- The Children and Youth Families Fund is used to account for amounts received from various federal, state, and local sources. These funds are restricted to provide support services to at-risk juveniles.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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- The Low Income Housing Fund is used to account for specific revenues related to improving economic development opportunities and expanding the supply of low and middle income housing. Revenues are restricted for those specific purposes.
- The Gaming Fund is used to account for revenue received from the operation of Hollywood Casino in East Hanover Township. These funds are to be used for projects that help human services, improve local infrastructure, enhance transportation, address health and safety needs, assist with emergency services and further public interest initiatives. The Gaming Advisory Committee reviews project requests and submit to the Dauphin County Commissioners for approval.

The following major proprietary funds are used by the County:

- Health Choices Fund accounts for the fiscal activities of the County Behavioral Health Program.
- Human Services Building Fund accounts for the fiscal activities of the County's Human Services Building.

These proprietary funds are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges and cost reimbursement plans.

In addition to the major funds discussed above, the County also reports fiduciary funds. Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include the Pension Trust Fund and Agency Funds. The Pension Trust Fund is accounted for in essentially the same manner as the proprietary funds, since capital maintenance is critical. The Pension Trust Fund's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Agency Funds are custodial in nature and do not involve measurement of results of operations.

- The Pension Trust Fund is used to account for the retirement pension plan contributions of the County and its employees.
- The Agency Funds are used to account for the collection of delinquent taxes for the County and on behalf of school districts and municipalities, as well as the cash held by

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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elected row officers awaiting disbursement to the County, other governments, or citizens for whom it was collected.

### Assets, Liabilities, and Net Position or Fund Balances

#### 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.

#### Receivables and Payables

##### *Interfund Receivables and Payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are 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." All receivables are shown net of an allowance for doubtful accounts.

#### Investments

The County invests its idle funds in various instruments, including external investment pools. The County's investments are reported at fair value or net asset value, except the investments in external investment pools, as discussed in Note 2, which are valued at amortized cost and are classified as cash and cash equivalents in the financial statements.

#### Fair Value Measurement

The County categorizes its fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Prepaid Items

Prepaid items consist primarily of contracts longer than one year and certain payment to vendors that reflect costs applicable to future accounting periods. Prepaid items in the governmental fund types are recorded as expenditures monthly (consumption method) and are classified as nonspendable in fund balance.

### Restricted Assets

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

### 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 activities columns in the government-wide financial statements. Capital assets with initial, individual costs that equal or exceed \$5,000 and estimated useful lives of over one year are recorded as capital assets. Capital assets are recorded at historical costs or estimated costs if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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.

Depreciation is not recognized for intangible (e.g., easements) assets, since they have an indefinite life.

Major outlays for 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.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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

<u>Asset</u>	<u>Years</u>
Infrastructure	40
Buildings and improvements	40
Machinery and equipment	3 - 20
Leasehold assets	5-20

The County evaluates long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. The estimated future undiscounted cash flows associated with the asset would be compared to the asset's carrying amount to determine if a write-down to a new depreciable basis is required. If required, an impairment charge is measured by the difference between the carrying value and the estimated fair value of the assets. There were no identified impairment charges.

### Allowance for Doubtful Accounts

Accounts receivable have been reported net of allowance for doubtful accounts.

### Compensated Absences

County policy permits employees to accumulate a limited amount of earned, but unused, vacation and sick leave. These benefits are payable to employees upon separation of services, with the exception of sick time meeting the requirements for the Sick Leave Sell Back Program. Employees who have in excess of thirty six (36) days of accumulated sick leave may sell up to twenty (20) days per year back to the County. The Sick Leave Sell Back Program is contingent upon approval of the Board annually and payment is made in November. All leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. The computed liability is in compliance with GASB Statement No. 16, "Accounting for Compensated Absences."

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### 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, and issuance costs are expensed as incurred.

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 expenditures.

### Unearned Revenues

Revenues that are received, but not earned, are unearned 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.

### Interfund Transactions

Quasi-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.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Net Position/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 which 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:

- *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 (Board). These amounts cannot be used for any other purpose unless the Board removes or changes the specific use by taking the same type of action (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 delegated the responsibility to approve/or remove assigned fund balance that reflect the Board's intended use of the resources to the Budget Director.
- *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.

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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In the General Fund, the County strives to maintain an unassigned fund balance sufficient to cover operating expenditures for 45 days.

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.
- *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.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the County's policy is to apply restricted net position first, then unrestricted net position as they are needed.

### Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net 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. The government has two items that qualify for reporting in this category: deferred outflows related to pensions and deferred outflows on refunding bonds. Deferred outflows related to pensions are described further in Note 16. The components of deferred outflows of resources, other than the difference between the projected and actual investments earnings on investments, are amortized into pension expense over the weighted average remaining service life of all members of the plan beginning the year in which the deferred amount occurs (current year). The annual difference between the projected and actual earnings on plan investments is amortized over a five-year closed period beginning the year in which the difference occurs (current year). A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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In addition to liabilities, the statement of net 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. The government has three items that qualifies for reporting in this category. Deferred inflows related to pensions are described further in Note 16. The components of deferred inflows of resources, other than the difference between the projected and actual investments earnings on investments, are amortized into pension expense over the weighted average remaining service life of all members of the plan beginning the year in which the deferred amount occurs (current year). The annual difference between the projected and actual earnings on plan investments is amortized over a five-year closed period beginning the year in which the difference occurs (current year). Deferred inflows related to other postemployment benefits are described further in Note 17. Under the modified accrual basis of accounting, the governmental funds report unavailable revenue from property taxes as a deferred inflow of resources. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

### Accounting Estimates

The presentation 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.

### Adopted Pronouncements

The requirements of the following Governmental Accounting Standards Board (GASB) statements were adopted for the financial statements:

GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*," improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The provisions of this statement have been adopted and incorporated into these financial statements. As a result of this implementation, the County's net position as of January 1, 2018 has been restated by a decrease of \$20,735,794.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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The following GASB statements were also adopted for the year ended December 31, 2018: Statement Nos. 85 (*Omnibus*) and 86 (*Certain Debt Extinguishment issues*). These statements had no significant impact on the County's financial statements for the year ended December 31, 2018.

### Pending Pronouncements

GASB has issued statements that will become effective in future years, including Statement Nos. 83 (Certain Asset Retirement Obligations), 84 (Fiduciary Activities), 87 (Leases), 88 (Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements), 89 (Accounting for Interest Cost Incurred before the End of a Construction Period), 90 (Majority Equity Interests – an amendment of GASB Statements No. 14 and No.61), and 91 (Conduit Debt Obligations). Management has not yet determined the impact of these statements on the financial statements.

### Component Units - Summary of Significant Accounting Principles

#### Dauphin County Conservation District

##### Basis of Accounting

The financial statements of the District are reported using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

##### Cash and Cash Equivalents

The District considers all highly liquid investments, including investments in external investment pools, with a maturity of three months or less when purchased to be cash equivalents.

##### Restricted Assets

Restricted assets represent revenues set aside for the liquidation of specific obligations.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Investments

The District invests its idle funds in various instruments, including in external investment pools. The District's investments in external investment pools are valued at amortized cost and are classified as cash and cash equivalents in the financial statements. The District invests in non-negotiable certificates of deposit through the Certificate of Deposit Account Registry Service. The certificates of deposit are valued at cost, plus interest, as they are considered to be non-participating contracts for which redemption terms do not consider market rates.

### Capital Assets

Capital assets, which include buildings and building improvements, land improvements, machinery and equipment, and leasehold assets, are recorded on the statement of net position. Capital assets are defined by the District as assets with a value of \$5,000 or more and have a useful life longer than one year. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value on the date donated. 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. Capital assets of the District are depreciated using the straight-line method.

### Unearned Revenues

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

### Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net 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

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District did not have any items that qualified for reporting in this category.

In addition to liabilities, the statement of net 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. The District did not have any items that qualified for reporting in this category.

### 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 in the financial statements. Accordingly, actual results could differ from those amounts.

### Compensated Absences

The employees of the District are County employees. The District reimburses the County for a portion of salaries and fringe benefits during the year. Therefore, the amount related to compensated absences is recorded on the County's financial statements.

### Net Position / Fund Balance

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

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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

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

The following classifications describe the relative strength of the spending constraints in the governmental fund financial statements:

- *Nonspendable Fund Balance* - Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.
- *Restricted Fund Balance* - Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- *Committed Fund Balance* - Amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. the Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same level of action to remove or change the constraint.
- *Assigned Fund Balance* - Amounts the District intends to be used for a specific purpose, but are neither restricted nor committed. Assignments of fund balance are created by the Financial Coordinator pursuant to authorization established by the Board of Directors.
- *Unassigned Fund Balance* - 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.

On March 1, 2012, the District developed and adopted an assigned fund balance policy, under which the District's policy is to maintain an assigned fund balance sufficient to cover 90 days of operating expenses during a period of economic downturn. Periodically, the

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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amount of fund balance assigned is adjusted by the Board of Directors. The assigned fund balance can only be spent based on action by the Board of Directors.

### Dauphin County General Authority

#### Basis of Accounting

The financial statements are reported using the economic resources measurement focus. This means that all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activities are included on their balance sheet.

The financial statements are reported using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

#### Conduit Debt Issues

The General Authority participates in various Bond issues for which it has limited liability. Acting solely in an agency capacity, the General Authority serves as a financing conduit, bringing the ultimate borrower and the ultimate lender together for which it receives an administrative fee. Although the General Authority is a party to the Trust indenture with the trustee, the agreements are structured such that there is no recourse against the General Authority in the case of default. As such, the corresponding debt is not reflected on the General Authority's balance sheet, but is summarized in Note 6.

#### Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts and disclosures. Actual results could differ from those estimates.

#### Cash and Cash Equivalents

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

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Investments

Investments are recorded at fair value. The General Authority categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

### Direct Financing Lease Transactions

The General Authority accounts for its leases with various agencies as direct financing leases (See Note 8).

### Capital Assets

Capital assets are recorded at cost. The General Authority provides for depreciation and amortization over the estimated useful lives of the assets using the straight-line method. Upon sale or retirement, the cost and related accumulated depreciation or amortization of such assets are removed from the accounts and any resulting gain or loss is credited or charged to income for the period. Expenditures for maintenance and repairs are charged to income as incurred. Capital assets are defined by the General Authority as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years.

Depreciation and amortization were calculated on the straight-line method using the following useful lives:

	<u>Estimated Useful Lives</u>
Land Improvements	7-30 years
Buildings	30 years
Building Improvements	15 years
Golf Course Equipment	5-7 years
Other Equipment	7-10 years

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Inventory

Inventory is valued at the lower of cost or market. Cost is determined on the first-in, first-out method. Inventory consists of consumable supplies used for operations and maintenance and also represents items for sale. Inventory is expensed when the items are used or sold.

### Unearned Revenue

Unearned revenue consists of unredeemed gift certificates and unearned membership revenue. The General Authority sells gift cards with no expiration dates or administration fees. Revenue is recognized from gift cards when they are redeemed by the customer. Additionally, the General Authority sells annual memberships for the golf course. Revenue is recognized evenly each month between the period of April through October based upon the date the memberships was sold. Unearned membership revenue consists of those memberships sold from September through December that will not be utilized until the subsequent golf season.

### Net Position

Net position is classified in the following three components: net investment in capital assets, restricted, and unrestricted net position. Net investment in capital assets, consists of all capital assets, net of accumulated depreciation and reduced by outstanding debt that is attributable to the acquisition, construction, and improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. If there are significant unspent proceeds at the end of the reporting period, the portion of the debt attributable to the unspent amount is not included in the calculation of net investment in capital assets. Instead, that portion of the debt is included in the same net position component (restricted or unrestricted) as the unspent amount. Restricted consists of net position for which constraints are placed thereon by external parties, such as lenders, grantors, contributors, laws, regulations and enabling legislation, including self-imposed legal mandates, less any related liabilities. Unrestricted consists of all other net position which is not restricted for any project or other purpose.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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For the time period that the revenue bonds are outstanding and the trust indenture is in effect in each fund, the net position of the fund is presented as restricted for fund operations.

### Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from primary activities. For the General Authority, these revenues are charges for services, investment income and miscellaneous revenues. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the General Authority.

### Case Management Unit

#### Basis of Presentation

CMU's financial statements are presented on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America. CMU applies all applicable Governmental Accounting Standards Board (GASB) pronouncements.

#### Use of Estimates

The preparation of 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 could differ from those estimates.

#### Revenue Recognition

Revenue from County program funded contracts is recognized as reimbursable costs and are incurred as established by regulations promulgated by the Pennsylvania Department of Human Services. Reimbursable costs are reduced by other program income including third-party reimbursements, private payments, and interest income.

Net patient service revenue consists of Health Choices, medical assistance, and client fees. These revenues are reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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adjustments are accrued on an estimated basis in the period the related services are rendered and are adjusted in future periods as final settlements are determined.

### Capital Assets

Capital assets of CMU include furniture and equipment and leasehold improvements and are reported in the financial statements at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Capital assets are defined as assets with an initial, individual cost of more than \$1,500 and an estimated useful life in excess of three years.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Capital assets of CMU are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Furniture and Equipment	3-10
Leasehold Improvements	10

### Income Taxes

CMU qualifies as a tax-exempt organization under Section 501c (3) of the Internal Revenue Code; therefore, no provision for federal income taxes has been established. Further CMU annually files a Form 990, as applicable. The form filed is subject to examination by the Internal Revenue Service generally for three years after it is filed. Management asserts that they have no uncertain tax positions requiring the establishment of a liability or disclosure in the financial statements. Management believes it is no longer subject to income tax examinations for year-ends prior to June 30, 2014.

### Compensated Absences

CMU policy permits employees to accumulate a limited amount of earned, but unused vacation and sick leave. These benefits are payable to employees upon separation of services. All leave pay is accrued when incurred in the financial statements.

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Dauphin County Industrial Development Authority (IDA)

#### Basis of Accounting

The IDA operations are reported as a proprietary fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

#### Cash and Cash Equivalents

The IDA considers all highly-liquid debt instruments with a maturity date of three months or less when purchased, to be cash equivalents. Cash and cash equivalents at September 30, 2018 consist of cash held in bank accounts.

#### Loans Receivable

Loans receivable that management has the intent and ability to hold for the foreseeable future or until maturity or payoff are reported at outstanding principal. Account balances generally are written off when management judges such balances uncollectible, such as an account in bankruptcy. Management continually monitors and reviews loan receivable balances. Interest at rates ranging from 2.5 - 3.5% is charged on unpaid balances and is recognized in revenue upon receipt. The IDA's management evaluates this risk and, when determined to be necessary, provides an allowance for loans which may become uncollectible. Loans receivable are shown net of an allowance of \$65,835.

#### Direct Financing Lease Transactions

The IDA accounts for its leases with the County of Dauphin as direct financing leases in accordance with GASB Statement No. 62.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Use of 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 the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Significant estimates and assumptions in the IDA's financial statements related to the collectability of loans and other receivables and the useful lives of capital assets. Actual results could differ from those estimates.

### Capital Assets

Capital assets, which include office equipment and furnishings and buildings and building improvements, are recorded at original cost at the time the title reverts to the IDA and said assets are in operating condition. The IDA records all capital outlays as capital assets. Capital assets are depreciated using the straight-line method over their estimated useful lives as follows:

<u>Assets</u>	<u>Years</u>
Buildings	40
Buildings and Improvements	15
Office Equipment and Furnishings	3 - 7
Solar Farm Project	25

### Long-Term Obligations

Long-term debt and other obligations are reported as noncurrent liabilities in the statement of net position.

### Net Position

Net position is categorized as net investment in capital assets, restricted and unrestricted.

- *Net Investment in Capital Assets* - This category groups all capital assets 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.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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- *Restricted Net Position* - This category represents net position of the IDA that is restricted for project or other purposes.
- *Unrestricted Net Position* - This category represents net position of the IDA that is not restricted for any project or other purpose.

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

### Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements 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. The IDA did not have an item that qualifies for reporting in this category.

In addition to liabilities, the financial statements 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. The IDA did not have an item that qualifies for reporting in this category.

### Dauphin County Economic Development Corporation (DCEDC)

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

DCEDC's financial statements are presented on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America. Under this basis, revenues are recorded when they are earned and expenses are recorded when the liability is incurred, regardless of the timing of the related cash flows. The DCEDC applies Governmental Accounting Standard Board (GASB) pronouncements.

All activities of the DCEDC are accounted for within one proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The accounting and financial reporting treatment applied to the DCEDC is determined by its measurement focus. The transactions of the DCEDC are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the balance sheet. Net position (i.e., total assets and deferred outflows of resources net of total liabilities and deferred inflows of resources) is segregated into "net investment in capital assets"; "restricted"; and "unrestricted" components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Operating revenues, such as charges for services, result from exchange transactions associated with the principal activities of the DCEDC. 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. When both restricted and unrestricted resources are available for use, it is the DCEDC's policy to use restricted resources, and then unrestricted resources as they are needed for their intended purposes.

### Cash

DCEDC considers all highly-liquid debt instruments purchased with maturity of three months or less when purchased to be cash equivalents.

### Capital Assets

Capital assets are recorded at their original cost and are depreciated on a straight-line basis over their estimated useful lives. Donated capital assets are recorded at the acquisition value at the date of donation. Assets with an initial, individual cost that equal or exceed \$5,000 and estimated useful lives of over one year are recorded as capital assets and depreciated. Estimated useful lives are as follows:

Furniture and Equipment	3-7 years
Buildings	39 years
Works of Art	7 years

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Long-Term Liabilities

In the financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

### Net Position

The 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 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.
- *Restricted Net Position* - This category presents external restrictions imposed by creditors, grantors, contributors, or laws and 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 DCEDC, not restricted for any project or other purpose.

When an expenditure is incurred for purpose for which both restricted and unrestricted resources are available, it is the DCEDC's policy to use restricted resources first.

### Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net 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. The DCEDC did not have an item that qualifies for reporting in this category.

In addition to liabilities, the statement of net 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

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The DCEDC did not have an item that qualifies for reporting in this category.

### 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 in the financial statements. Accordingly, actual results could differ from those amounts.

### Income Taxes

The DCEDC is exempt from the federal income under Section 501(c)(3) of the Internal Revenue Code. Certain revenue deemed to be unrelated to a nonprofit corporation's tax-exempt purpose could be subject to federal income taxes; however, DCEDC management believes that there is no tax liability as of December 31, 2018.

## **2. Deposits, Investments, and Fair Value Measurement**

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including U.S. Treasury bills, other short-term U.S. and Pennsylvania government obligations, insured or collateralized time deposits, and certificates of deposit. The statutes do not prescribe regulations related to demand deposits; however, they do allow the pooling of governmental funds for investment purposes.

In addition to the investments authorized for governmental funds, fiduciary fund investments may also be made in corporate stocks and bonds, real estate, and other investments consistent with sound business practice.

The following is a description of the County's deposit and investment risk:

*Custodial Credit Risk* – For a deposit, custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a formal deposit policy for custodial credit risk. As of December 31, 2018, \$40,282,452 of the County's \$49,702,317 bank balance was insured by the Federal Deposit Insurance Corporation. The remaining bank balance of \$9,419,864 was exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature,

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. These deposits have carrying amounts of \$45,965,843 as of December 31, 2018 and are classified as cash and cash equivalents and restricted cash in the statement of net position.

For an investment, 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 entity. The County does not have a formal investment policy for custodial credit risk.

*Participation in External Investment Pools.* The County's cash equivalents of \$1,424 were not subject to custodial credit risk, as they were invested with the Pennsylvania Treasurer's INVEST Program for Local Governments and Nonprofits (INVEST), an external investment pool. The County's fair value of its position in the pool is measured at amortized cost and is the same as the value of the pool shares. The INVEST program does not place any limitations or restrictions on withdrawals from the program. The Commonwealth of Pennsylvania provides external regulatory oversight of the INVEST program. Separately issued financial statements of the INVEST program are available to the public via its website. For the year ended December 31, 2018, all of the County's investments in the INVEST program were rated AAA by Standard & Poor's.

The County's investments in Pennsylvania Local Government Investment Trust (PLGIT) cannot be classified by risk category because they are not evidenced by securities that exist in physical or book entry form. The fair value of the County's position in the external investment pool is the same as the value of the pool shares. All investments in an external investment pool that is not SEC-registered are subject to oversight by the Commonwealth of Pennsylvania.

The County can withdraw funds from the external investment pools. However, there are certain limitations placed on these withdrawals. For PLGIT/Arm accounts, there is a minimum investment period of one day. For PLGIT/Prime accounts, there is a one-day holding period and a penalty for more than two withdrawals in a calendar month. PLGIT uses amortized cost to report net assets to compute share prices. It is PLGIT's policy to maintain a net asset value of \$1 per share. Accordingly, the fair value of the position of PLGIT is the same as the value of PLGIT shares. For the year ended December 31, 2018, all of the County's investments in PLGIT were rated AAA by Standard & Poor's.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

The fair value bank balance of the PLGIT investments is \$18,079,671 at December 31, 2018.

*Credit Risk.* The County's Operating Investment Policy limits investments to direct obligations of the United States Government or its agencies or instrumentalities; other obligations that are either insured or guaranteed by the United States Government; deposits with banks within the Commonwealth of Pennsylvania properly insured in accordance with the requirements of the County Code or properly collateralized in accordance with the County Code and Act 72 of 1971 P.S. Section 3836-1, et seq.; or investments with the Pennsylvania Local Government Investment Trust (PLGIT).

*Interest Rate Risk.* As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's Operating Funds Investment Policy states that maturities shall be set to generally match the projected cash flow requirements for the County as determined by the County Controller.

*Concentration of Credit Risk.* The County's Operating Investment Policy does not allow a single issuer or guarantor to represent more than 10% of the total value of holdings at the time of acquisition.

The County's primary government investments at December 31, 2018 were as follows:

Governmental Funds:	
Fort Hunter Permanent Fund:	
Fixed income mutual funds - bonds	\$ 537,725
Equity mutual funds - stocks	<u>569,284</u>
Total governmental funds	<u><u>\$ 1,107,009</u></u>

As of December 31, 2018, the County had the following debt investment and maturities within its excess operating fund accounts:

Investment Type	Fair Value	Investment Maturities (In Years)			
		Less Than 1	1-5	6-10	More Than 10
Fixed income mutual funds - bonds	<u>\$ 537,725</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 537,725</u>	<u>\$ -</u>

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

The County had the following recurring fair value measurements for its operating accounts as of December 31, 2018:

- Fixed income mutual funds - bonds of \$537,725 and equity mutual funds - stocks of \$569,584 are valued using quotes market prices (Level 1 inputs).

### County Retirement Plan

The County Retirement Plan investments are held separately from those of other County Funds. Investments were consistent with those authorized.

As of December 31, 2018, the County had the following cash equivalents and investments in its retirement plan:

Investment Type	Fair Value	Investment Maturities (In Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Government Treasuries	\$ 1,954,863	\$ -	\$ 1,954,863	\$ -	\$ -
U.S. Government Agencies	5,750,634	-	2,588,614	2,577,200	584,820
Corporate Bonds	20,820,632	1,246,418	13,895,867	1,043,502	4,634,845
Bond Mutual Fund	28,344,637	-	28,344,637	-	-
Total debt securities	56,870,766	\$ 1,246,418	\$ 46,783,981	\$ 3,620,702	\$ 5,219,665
Cash and cash equivalents	2,799,980				
Equity Funds	110,334,302				
Savings, CDs and time deposits	3,975,326				
Hancock Timberland Fund LLP	2,070,240				
Investments measure at NAV:					
Limited Partnership	17,855,975				
Global Managed Equity Fund	40,590,081				
Global Multi-Cap Quality Trust Fund	28,928,705				
Global Opportunities Equity Fund	33,233,845				
Multi-Strategy Trust Fund	15,776,902				
Total investments at NAV	136,385,508				
Total cash and investments reported on statement of plan net position	\$ 312,436,122				

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

The County had the following recurring fair value measurements for its retirement accounts as of December 31, 2018:

	12/31/18	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investment by Fair Value Level:				
U.S. Government Securities	\$ 7,705,497	\$ -	\$ 7,705,497	\$ -
Corporate Bonds	20,820,632	-	20,820,632	-
Bond Mutual Funds	28,344,637	28,344,637	-	-
Equity Funds	110,334,302	110,334,302	-	-
Hancock Timberland Fund, LLP	2,070,240	-	-	2,070,240
Savings, CDs, and Time Deposits	3,975,326	-	3,975,326	-
Total investments by fair value level	<u>173,250,634</u>	<u>138,678,939</u>	<u>32,501,455</u>	<u>2,070,240</u>
Investments Measured at the Net Asset Value:				
Limited Partnership	17,855,975			
Global Managed Equity Fund	40,590,081			
Global Multi-Cap Quality Trust Fund	28,928,705			
Global Opportunities Equity Fund	33,233,845			
Multi-Strategy Trust Fund	<u>15,776,902</u>			
Total investments measured at the net asset value	<u>136,385,508</u>			
Total investments	<u>\$ 309,636,142</u>			

Bond mutual funds and equity funds classified in Level 1 are valued using prices quoted in active markets for those securities. U.S. government securities, corporate bonds, and savings, CDs, and time deposits classified in Level 2 are valued using quoted market prices for similar securities. The retirement plan's investment in money markets (cash and cash equivalents) of \$2,799,980 is reported at amortized cost, which approximates market.

For the Level 3 item, the County's fair value is determined by good faith estimates of management. These investments do not have readily ascertainable market values and generally represent long-term investments. Valuation approaches of directly held real estate investments may include any or all of the following three methods performed semi-annually by independent appraisers: (i) sales comparison approach, (ii) cost approach and (iii) income approach. However, because of the inherent uncertainty of the valuation methodology, those estimated values may differ significantly from the values that would have been used had a ready market for such investments existed.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Investments Measured Using the Net Asset Value per Share Practical Expedient

The County reports alternative investment funds using the net asset value per share as determined by investment managers under the so-called "practical expedient." Valuations are generally based on the compilation of prices from each fund's underlying company or fund administrator. Upon completion of the fund valuations, the County's individual investor valuations are based upon their ownership share of each pool.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of the future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

December 31, 2018	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Limited Partnership	\$ 17,855,975	n/a	Quarterly	120 days
Global Managed Equity Fund	40,590,081	n/a	Daily	30 days
Global Multi-Cap Quality Trust Fund	28,928,705	n/a	Daily	5 days if over 20% of investment
Global Opportunities Equity Fund	33,233,845	n/a	Daily	5 days
Multi Strategy Trust Fund	15,776,902	n/a	Daily	30 days

The following is a description of the retirement plan deposit and investment risks:

*Credit Risk.* The Investment Policy limits the average quality of fixed income securities to a minimum rating of "A2" or better, the third broad investment grade as determined by Moody's. The Investment Policy allows investments in bonds with ratings below Baa, but limits them to no more than twenty percent of total fixed income securities.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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As of December 31, 2018, the County's retirement plan investments in U.S. Government Agencies, corporate bonds and bond mutual funds had a credit rating as follows:

<u>Investment Type</u>	<u>Credit Quality Rating</u>	<u>% of Investment Type</u>
U.S. Government Agencies	Aaa	58%
U.S. Government Agencies	Not Rated	42%
Corporate Bonds	Aaa	39%
Corporate Bonds	Aa2	6%
Corporate Bonds	Aa3	7%
Corporate Bonds	A2	5%
Corporate Bonds	A3	8%
Corporate Bonds	Baa1	7%
Corporate Bonds	Baa2	4%
Corporate Bonds	Baa3	4%
Corporate Bonds	Not rated	19%
Bond Mutual Funds	Not Rated	100%

*Custodial Credit Risk.* 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. The County does not have a written policy to limit its exposure to custodial credit risk. At December 31, 2018, the retirement plan investment balance, excluding equity mutual funds of \$110,344,302 (bank and book balance), was exposed to custodial credit risk. Plan investments in equity mutual funds are not exposed to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

*Concentration of Credit Risk.* The County's Retirement Investment Policy states that no issuer, other than the U.S. Government or other federal agencies, may represent more than 5% of the total market value of the fixed income portfolio. The policy has no limit upon investments in U.S. Treasury securities as a percentage of fixed income securities at cost or market value, except that any single coupon issue thereof may constitute no more than 30% of any administrator's fixed income investments at market value and any single Treasury zero coupon issue 10% at market value. Federal agency securities are limited to 25% per agency, and to 10%, at market value, per any single agency issue.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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At December 31, 2018, the County is not subject to concentration of credit risk.

*Interest Rate Risk.* The County's Retirement Plan Investment Policy Statement ("Retirement Investment Policy") states that emphasis shall be placed on providing adequate and timely investment cash flow to permit benefit payments from the Retirement Plan when due and sufficient reserves to meet unanticipated benefit payments. The average effective duration of fixed income securities shall be no more than 25 percent greater or 50 percent less than the effective duration of Barclays 5-10 Year Treasury Index for Treasuries or Barclays 1-3 Government/Credit Index for bonds.

### Component Units - Deposit and Investment Risk

#### Dauphin County Conservation District

##### Deposits and Investments

*Custodial Credit Risk.* For deposits and investments of the District, custodial credit risk is the risk that in the event of the failure of the counterparty, the District 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, 2018, the District's cash balance was \$439,630 and its bank balance was \$445,276. Of this bank balance, \$195,276 was exposed to custodial credit risk, as it was collateralized with securities held by the pledging financial institution and uninsured.

The District's cash equivalents of \$1,117,872 were not subject to custodial credit risk, as they were invested with the Pennsylvania Treasurer's INVEST Program for Local Governments and Nonprofits (INVEST), an external investment pool. The District's fair value of its position in the pool is measured at amortized cost and is the same as the value of the pool shares. The INVEST program does not place any limitations or restrictions on withdrawals from the program. The Commonwealth provides external regulatory oversight of the INVEST program. Separately issued financial statements of the INVEST program are available to the public via its website.

At December 31, 2018, the District held \$799,236 in certificates of deposit, through the Certificates of Deposit Account Registry Service (CDARS), which are classified as investments on the statement of net position. The certificates of deposit are not exposed to custodial

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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credit risk, as the funds are invested in certificates of deposit of multiple financial institutions under the FDIC limit.

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

*Credit Risk.* For December 31, 2018, all of the District's investments in the state investment pool were rated AAAM by Standard & Poor's.

### Dauphin County General Authority

#### Deposits and Investments

Cash and investments are held by trustees, pursuant to provisions of various Trust Indentures, except for the Administrative Fund cash account, the Dauphin Highlands Golf Course cash account, and the 100 Chestnut Street Fund cash account, which are administered by the General Authority's Executive Director.

The Municipality Authorities Act (Act) provides for investment of governmental funds into certain authorized investment types, including U.S. Treasury bills, other short-term U.S. government obligations, short-term commercial paper issued by a public corporation, banker's acceptances, insured or collateralized time deposits, and certificates of deposit. The Act allows pooling of governmental funds for investment purposes. The Act does not prescribe regulations relating to demand deposits.

#### Deposits

*Custodial credit risk.* Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The General Authority does not have a deposit policy for custodial credit risk. At December 31, 2018, the book balance of the General Authority's unrestricted deposits was \$3,394,531 and the bank balance was \$3,402,312. Of the unrestricted bank balance, \$250,000 was covered by federal depository insurance, and \$3,152,312 was collateralized under Act 72 of the 1971 session of the Pennsylvania General Assembly for the protection of public depositors. At December 31, 2018, the book balance of the General Authority's restricted deposits was \$5,176,978 and the bank balance was \$5,177,079. Of the restricted bank balance, \$556,099 was covered by federal depository insurance, and \$4,620,980 was collateralized under Act 72.

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Investments

The General Authority's Level 1 investments reported at December 31, 2018 are as follows:

	<u>Fair Value</u>
Restricted Money Market Funds	<u>\$ 2,521,123</u>

*Custodial Credit Risk.* Custodial credit risk is the risk that the counterparty to an investment transaction will fail and the government will not recover the value of the investment or collateral securities that are in possession of an outside party. The General Authority does not have an investment policy for custodial credit risk. The General Authority's investments in money market funds are not exposed to custodial credit risk because they are not evidenced by securities in book entry or paper form.

*Concentration of credit risk.* The General Authority places no limit on the amount the Authority may invest in any one issuer.

*Credit Risk.* The General Authority does not have a formal policy that would limit investment choices with regard to credit risk. The General Authority's money market funds are unrated as of December 31, 2018.

*Interest rate risk.* The General Authority does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The General Authority's money market funds have an average maturity of less than one year.

### Case Management Unit Cash Concentrations

*Custodial Credit Risk* - For deposits, custodial credit risk is the risk that in the event of the failure of the counterparty, CMU will not be able to recover the value of its deposits that are in the possession of an outside party. As of June 30, 2018, CMU's cash balance was \$76,108 and its bank balance was \$139,872. Of this bank balance for June 30, 2018, none of CMU's deposits were exposed to custodial credit risk. CMU does not have a written policy to limit its exposure to custodial credit risk.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Dauphin County Industrial Development Authority (IDA)

The IDA's deposit policy adheres to State Statutes and prudent business practice.

#### Deposits

*Custodial Credit Risk.* For deposits, custodial credit risk is the risk that in the event of failure of the counterparty, the IDA will not be able to recover the value of its deposits or collateral securities that are in the possession of an outside party. As of September 30, 2018, the IDA's cash balance was \$8,789,170, and its bank balance was \$8,858,547. At September 30, 2018, \$7,657,239 of the IDA's deposits were subject to custodial credit risk and collateralized under Act 72 of the 1971 session of the Pennsylvania General Assembly for the protection of public depositors. The IDA does not have a formal policy to limit its exposure to custodial credit risk.

### Dauphin County Economic Development Corporation (DCEDC)

#### Deposits

*Custodial Credit Risk.* For deposits, custodial credit risk is the risk that in the event of failure of the counterparty, the DCEDC will not be able to recover the value of its deposits or collateral securities that are in the possession of an outside party. As of December 31, 2018, the DCEDC's cash balance was \$2,269,838, and its bank balance was \$3,296,490. At December 31, 2018, \$2,269,838 of the DCEDC's deposits were subject to custodial credit risk and were collateralized under Act 72 of the 1971 session of the Pennsylvania General Assembly for the protection of public depositors. The DCEDC does not have a formal policy to limit its exposure to custodial credit risk.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### 3. Restricted Assets

Assets whose use is limited to a specific purpose have been classified as restricted in the balance sheet. Restricted assets are composed of the following:

	<u>Cash</u>
Governmental Funds:	
General Fund:	
Amounts held in escrow for purposes including tax protest ordered liabilities	\$ 817,068
Amounts held in fiduciary capacity :	
District Attorney's Office	1,137,401
Amounts held in Harrisburg City:	
Trash deposits	211,084
Amounts reserved for Workers' Compensation Liabilities	<u>337,686</u>
Total General Fund	<u>2,503,239</u>
Fort Hunter Permanent Fund	<u>82,796</u>
Total Governmental Funds	<u>\$ 2,586,035</u>

#### Component Units - Restricted Assets

##### Dauphin County Conservation District

Assets whose use is limited to a specific purpose has been classified as restricted in the statement of net position. Restricted cash and cash equivalents of \$246,174 are comprised of cash held with a financial institution for various state and local grant programs.

##### Dauphin County Economic Development Corporation (DCEDC)

Restricted assets represent cash balances from hotel tax and grant program distributions received from Dauphin County. These distributions are restricted for the purpose of promoting tourism and regional development and for the CDBG and HOME programs. At December 31, 2018, the restricted cash balance was \$2,704,802 and the restricted due from related party was \$1,059,842.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Dauphin County Industrial Development Authority (IDA)

Restricted assets represent cash balances from gaming revenues which are restricted for the purpose of providing municipal grants; cash related to the revolving loan program which is restricted for the purpose of providing loans to businesses; security deposits for the property management fund; cash held for municipality loan draws within the infrastructure bank fund; and cash drawn down on the MDJ project within the financing fund which was unexpended at year-end. At September 30, 2018, the restricted cash balance was \$8,033,803.

### Dauphin County General Authority

Restricted assets represent cash, cash equivalents, and investments maintained in accordance with bond resolutions, loan agreements, grant awards, and other resolutions and formal actions of the General Authority or by agreement for the purpose of funding certain debt service payments, depreciation and contingency activities. At December 31, 2018, the General Authority had restricted cash and cash equivalents of \$5,176,978 and restricted investments of \$2,521,123.

## **4. Risk Management**

The County is exposed to risk of loss related to self-insurance activities for workers' compensation. The County records the liability for the risk associated with the workers' compensation. The County has excess workers' compensation insurance with a self-insured retention per occurrence of \$850,000, and a maximum indemnity per occurrence of \$1,000,000.

As required by the Pennsylvania Department of Labor and Industry, the County has established a trust amount for workers' compensation. The cash balance at December 31, 2018 was \$337,686 and is included in the restricted cash amount in the General Fund. The purpose of the account is to provide a source of funds for claimants entitled to benefits under Article III Section 305 of the Pennsylvania Workers' Compensation Act, in case the County could not pay claims.

The County maintains workers' compensation reserves for claims incurred and claims incurred but not reported on the funds to which, per the County's estimate, they apply.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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Independent of these reserves, the County maintains an \$189,000 deposit with a third-party administrator to facilitate claim processing. This amount is recorded in the General Fund.

The accrued liability for workers' compensation claims represents the expected reserve level needed to provide for the ultimate payment of benefits for workers' compensation claims. The accrued liability includes allocated loss adjustment expense, but it does not include any provision for other expenses.

The following summary provides aggregate information on the workers' compensation self-insurance liability, incurred claims, and payments during the years ended December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Balances as of January 1	\$ 1,953,141	\$ 1,930,790
Add: incurred claims and changes in estimates related to:		
Prior years	43,311	247,069
Current year	<u>154,420</u>	<u>294,386</u>
	<u>197,731</u>	<u>541,455</u>
Less: payment of claims related to:		
Prior years	937,915	339,599
Current year	<u>77,493</u>	<u>179,505</u>
	<u>1,015,408</u>	<u>519,104</u>
Balances as of December 31	<u><u>\$ 1,135,464</u></u>	<u><u>\$ 1,953,141</u></u>

The foregoing reconciliation reflects a deficiency in the December 31, 2017 liability for workers' compensation self-insurance of \$43,311. The changes in these liabilities were primarily the result of changes in estimates as more information became available.

As of December 31, 2018, the accrued liability for workers' compensation claims was \$1,135,464. The balance is intended to be sufficient to provide for the ultimate payment of benefits for outstanding incurred losses as of December 31, 2018.

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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There have been no significant reductions in insurance coverage from coverage in the prior year and the amount of settlements have not exceeded insurance coverage for each of the past three years.

The County participates in a claims servicing public entity risk pool (the Pool) for health insurance. Under an agreement with the Pool, the County pays monthly premiums to the Pool based on past loss experience. Based on the County's favorable loss experience in 2018, no liability has been recorded for claims incurred, but not paid as of December 31, 2018.

### Component Units - Risk Management

#### Case Management Unit

CMU has elected to self-insure itself for medical insurance for certain employees. As of June 30, 2018, CMU is liable for all claims up to an aggregate of \$2,322,859, or \$95,000 per individual for any one plan year. Once the deductible has been met, all future stop loss reimbursements for that contract year are payable. CMU purchased stop loss insurance to cover all claims incurred in excess of these deductible points. As of June 30, 2018, CMU has recorded a liability for claims incurred but not yet paid. No settlements exceeded insurance coverage for each of the past three years. The claims liability is included in accrued expenses on the statement of net position.

	<u>2018</u>	<u>2017</u>
Balances as of January 1	\$ 314,061	\$ 297,819
Add: incurred claims relating to:		
Current year	<u>2,071,643</u>	<u>2,127,427</u>
	<u>2,385,704</u>	<u>2,425,246</u>
Less: payment of claims relating to:		
Prior years	227,867	297,819
Current Year	<u>1,929,970</u>	<u>1,813,366</u>
	<u>2,157,837</u>	<u>2,111,185</u>
Balances as of June 30	<u><u>\$ 227,867</u></u>	<u><u>\$ 314,061</u></u>

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

### Dauphin County Industrial Development Authority ("IDA")

The IDA is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance. There were no significant reductions in insurance coverages during 2018. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

## 5. Capital Assets

Capital asset activity for the year ended December 31, 2018 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,465,236	\$ -	\$ -	\$ 2,465,236
Intangible assets	658,378	70,000	-	728,378
Construction in progress - infrastructure	5,003,499	461,126	(5,003,499)	461,126
Construction in progress	5,198,964	1,177,066	(2,581,666)	3,794,364
Total capital assets, not being depreciated	<u>13,326,077</u>	<u>1,708,192</u>	<u>(7,585,165)</u>	<u>7,449,104</u>
Capital assets, being depreciated:				
Infrastructure	17,374,030	5,003,499	-	22,377,529
Building and improvements	103,233,407	1,724,969	-	104,958,376
Machinery and equipment	61,677,891	1,333,432	(48,210)	62,963,113
Leasehold assets	28,431,014	506,156	-	28,937,170
Total capital assets, being depreciated	<u>210,716,342</u>	<u>8,568,056</u>	<u>(48,210)</u>	<u>219,236,188</u>
Less: accumulated depreciation and amortization for:				
Infrastructure	(8,732,750)	(537,813)	-	(9,270,563)
Building and improvements	(52,093,388)	(1,967,595)	-	(54,060,983)
Machinery and equipment	(36,856,805)	(3,501,338)	48,210	(40,309,933)
Leasehold assets	(15,724,598)	(1,227,073)	-	(16,951,671)
Total accumulated depreciation and amortization	<u>(113,407,541)</u>	<u>(7,233,819)</u>	<u>48,210</u>	<u>(120,593,150)</u>
Total capital assets, being depreciated, net	<u>97,308,801</u>	<u>1,334,237</u>	<u>-</u>	<u>98,643,038</u>
Governmental activities capital assets, net	<u>\$ 110,634,878</u>	<u>\$ 3,042,429</u>	<u>\$ (7,585,165)</u>	<u>\$ 106,092,142</u>

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 111,492	\$ -	\$ -	\$ 111,492
Construction in progress	604,215	1,347,538	(9,650)	1,942,103
Total capital assets, not being depreciated	715,707	1,347,538	(9,650)	2,053,595
Capital assets, being depreciated:				
Building and improvements	19,499,344	19,471	-	19,518,815
Machinery and equipment	1,700,445	10,895	-	1,711,340
Leasehold assets	30,069	-	-	30,069
Total capital assets, being depreciated	21,229,858	30,366	-	21,260,224
Less: accumulated depreciation and amortization for:				
Building and improvements	(16,365,091)	(402,728)	-	(16,767,819)
Machinery and equipment	(1,518,055)	(46,486)	-	(1,564,541)
Leasehold assets	(25,339)	(448)	-	(25,787)
Total accumulated depreciation and amortization	(17,908,485)	(449,662)	-	(18,358,147)
Total capital assets, being depreciated, net	3,321,373	(419,296)	-	2,902,077
Business-type activities capital assets net	\$ 4,037,080	\$ 928,242	\$ (9,650)	\$ 4,955,672

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

<u>Governmental activities:</u>	
General government	\$ 1,431,224
Judiciary	1,503,000
Conservation and development	20,980
Human services	219,877
Culture and recreation	120,257
Public safety	3,400,668
Public works	537,813
Total governmental activities	\$ 7,233,819
<u>Business-type activities:</u>	
Public works	\$ 85,639
Human Services	320,330
Culture and recreation	43,693
Total business type activities	\$ 449,662

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Component Units - Capital Assets

#### Dauphin County Conservation District

Capital assets consist of the following:

	<u>Cost</u>	<u>Estimated Useful Lives</u>
Land improvements	\$ 202,495	20 years
Buildings and improvements	1,242,013	20-40 years
Machinery and equipment	308,348	3-6 years
Leasehold assets	15,241	4 years
	<u>1,768,097</u>	
Less: accumulated amortization and depreciation	<u>1,053,230</u>	
	<u>\$ 714,867</u>	

Depreciation expense for the year ended December 31, 2018 was \$81,819.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

### Dauphin County General Authority

Changes in capital assets of the business-type activities at December 31, 2018 consist of the following:

	Beginning Balance	Transfers In/ Increases	Transfers Out/ Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 2,015,951	\$ -	\$ -	\$ 2,015,951
Construction in Progress	48,531	1,405,876	(788,589)	665,818
Total capital assets, not being depreciated	2,064,482	1,405,876	(788,589)	2,681,769
Capital assets, being depreciated:				
Land improvements	5,816,283	73,778	-	5,890,061
Buildings	46,643,287	742,917	-	47,386,204
Building improvements	535,348	30,272	-	565,620
Gold course equipment	1,668,645	82,096	-	1,750,741
Other equipment	98,240	-	-	98,240
Total capital assets, being depreciated	54,761,803	929,063	-	55,690,866
Less: accumulated depreciation and amortization for:				
Land improvements	4,270,554	205,160	-	4,475,714
Buildings	28,526,491	1,821,065	-	30,347,556
Building improvements	388,102	20,903	-	409,005
Golf course equipment	1,140,255	187,430	-	1,327,685
Other equipment	87,208	3,879	-	91,087
Total accumulated depreciation and amortization	34,412,610	2,238,437	-	36,651,047
Capital assets, being depreciated, net	20,349,193	(1,309,374)	-	19,039,819
Capital assets, net	\$ 22,413,675	\$ 96,502	\$ (788,589)	\$ 21,721,588

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Case Management Unit

Capital assets activity for the year ended June 30, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Furniture and Equipment	\$ 1,513,197	\$ 91,154	\$ -	\$ 1,604,351
Leasehold improvements	<u>135,239</u>	<u>-</u>	<u>-</u>	<u>135,239</u>
Total capital assets, being depreciated	<u>1,648,436</u>	<u>91,154</u>	<u>-</u>	<u>1,739,590</u>
Less: accumulated depreciation for:				
Furniture and equipment	1,113,884	108,645	-	1,222,529
Leasehold improvements	<u>115,721</u>	<u>3,549</u>	<u>-</u>	<u>119,270</u>
Total accumulated depreciation	<u>1,229,605</u>	<u>112,194</u>	<u>-</u>	<u>1,341,799</u>
Capital assets, net	<u>\$ 418,831</u>	<u>\$ (21,040)</u>	<u>\$ -</u>	<u>\$ 397,791</u>

CMU functions solely as designee in possession of the assets for the purpose of providing services under all MH/ID contracts. Capital assets purchased are capitalized and depreciated over their estimated useful life for financial statement purposes.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

### Dauphin County Industrial Development Authority (IDA)

The following is a summary of changes in capital assets for business-type activities for the year ended September 30, 2018:

	Balance <u>October 1, 2017</u>	Additions	Deletions	Balance <u>September 30, 2018</u>
Capital assets, not being depreciated:				
Construction in progress	\$ -	\$ -	\$ -	\$ -
Land	263,697	-	-	263,697
Total capital assets, not being depreciated	<u>263,697</u>	<u>-</u>	<u>-</u>	<u>263,697</u>
Capital assets, being depreciated:				
Buildings held for lease	474,354	-	-	474,354
Building improvements	2,070,256	62,933	-	2,133,189
Office furniture and equipment	14,521	-	-	14,521
Equipment - solar farm phase I	4,829,816	-	-	4,829,816
Equipment - solar farm phase II	3,967,771	-	-	3,967,771
Total capital assets, being depreciated	<u>11,356,718</u>	<u>62,933</u>	<u>-</u>	<u>11,419,651</u>
Less: accumulated depreciation for:				
Buildings held for lease	(148,237)	(11,859)	-	(160,096)
Building improvements	(1,152,018)	(139,191)	-	(1,291,209)
Office furniture and equipment	(14,521)	-	-	(14,521)
Equipment - solar farm phase I	(1,167,668)	(193,193)	-	(1,360,861)
Equipment - solar farm phase II	(660,779)	(158,711)	-	(819,490)
Total accumulated depreciation	<u>(3,143,223)</u>	<u>(502,954)</u>	<u>-</u>	<u>(3,646,177)</u>
Total capital assets, being depreciated, net	<u>8,213,495</u>	<u>(440,021)</u>	<u>-</u>	<u>7,773,474</u>
Total capital assets, net	<u>\$ 8,477,192</u>	<u>\$ (440,021)</u>	<u>\$ -</u>	<u>\$ 8,037,171</u>

Depreciation expense was \$502,954 for the year ended September 30, 2018.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Dauphin County Economic Development Corporation (DCEDC)

The following is a summary of changes in capital assets for business-type activities for the year ended December 31, 2018:

	Balance <u>January 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>December 31, 2018</u>
Capital assets, being depreciated:				
Furniture and equipment	\$ 19,927	\$ -	\$ -	\$ 19,927
Works of art	8,011	-	-	8,011
Buildings	<u>2,068,611</u>	<u>-</u>	<u>-</u>	<u>2,068,611</u>
Total capital assets, being depreciated	<u>2,096,549</u>	<u>-</u>	<u>-</u>	<u>2,096,549</u>
Less: accumulated depreciation for:				
Furniture and equipment	(19,927)	-	-	(19,927)
Works of art	(8,011)	-	-	(8,011)
Buildings	<u>(643,122)</u>	<u>(53,041)</u>	<u>-</u>	<u>(696,163)</u>
Total accumulated depreciation	<u>(671,060)</u>	<u>(53,041)</u>	<u>-</u>	<u>(724,101)</u>
Total capital assets, being depreciated, net	<u>1,425,489</u>	<u>(53,041)</u>	<u>-</u>	<u>1,372,448</u>
Total capital assets, net	<u>\$ 1,425,489</u>	<u>\$ (53,041)</u>	<u>\$ -</u>	<u>\$ 1,372,448</u>

Depreciation expense was \$53,041 for the year ended December 31, 2018.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### 6. Conduit Debt Issues

#### Component Unit

#### Dauphin County General Authority

The following Conduit debt issues were outstanding at December 31, 2018:

University of Pittsburgh Medical Center	\$ 128,210,000
University of Pittsburgh Medical Center	96,695,000
University of Pittsburgh Medical Center	89,255,000
University of Pittsburgh Medical Center	52,585,000
Elizabethtown College	16,280,000
Elizabethtown College	1,060,820
Elizabethtown College	139,680
Harrisburg University	56,680,000
	<u>\$ 440,905,500</u>

#### Dauphin County Industrial Development Authority (IDA)

#### Variable Rate Demand Revenue Bonds (WITF, Inc. Project). Series of 2005

On September 23, 2005, the IDA issued Variable Rate Demand Revenue Bonds, Series of 2005 (the Bonds) in the aggregate principal amount of \$19,000,000. The IDA appointed Fulton Financial Advisors, N.A., to serve as trustee, bond registrar, and paying agent for the Bonds. The bonds are limited obligations of the IDA, payable solely from the payments required to be made by WITF, Inc. (the Borrower) under a loan agreement by and between IDA and the Borrower (the Agreement).

Pursuant to the Agreement, the IDA lent the full proceeds of the Bonds to the Borrower for the acquisition and construction of a public media center to be occupied and used by the Borrower, and payment of related costs and expenses, including a portion of the costs incurred to issue the Bonds. The Borrower is obligated to make payments in amounts equal to scheduled principal and interest on the Bonds, along with certain annual administrative expenses of the IDA, until the Bonds mature in 2026.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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The IDA assigned all of its rights under the Agreement to the Trustee. Under the bond indenture and the Agreement, the Borrower is obligated to make the payments directly to the Trustee in amounts necessary to satisfy the debt service requirements of the Bonds. Accordingly, no recourse can be made against the IDA for payment of principal or interest on the Bonds.

In 2009, the IDA approved the refinancing of these bonds into a tax-exempt private loan. The refinanced aggregate principal is \$18,000,000.

### Taxable Mortgage Revenue Bonds, Series 2006 (Bentley Harrisburg Senior Living Facility)

On April 6, 2006, the IDA issued Taxable Mortgage Revenue Bonds, Series 2006 (the Bonds) in the aggregate principal amount of \$2,720,000. The IDA appointed Wells Fargo Bank, N.A. to serve as trustee, bond registrar, and paying agent for the Bonds. The bonds are limited obligations of the IDA, payable solely from the payments required to be made by Harrisburg Senior Living, LLC and Bentley Harrisburg Senior Center, LLC (the Borrowers) under the loan agreement by and between IDA and the Borrowers (the Agreement). Pursuant to the Agreement, the IDA lent the full proceeds of the Bonds to the Borrowers to refinance certain short-term debt incurred by the Borrowers to acquire the facility, to fund certain working capital needs for the facility, and to pay Bond issuance costs.

The Borrower is obligated to make payments in amounts equal to scheduled principal and interest on the Bonds, along with certain annual administrative expenses of the IDA, until the Bonds mature in 2039.

The IDA assigned all of its rights under the Agreement to the Trustee. Under the bond indenture and the Agreement, the Borrower is obligated to make timely payments directly to the Trustee in amounts necessary to satisfy the debt service requirements of the Bonds. Accordingly, no recourse can be made against the IDA for payment of principal or interest on the Bonds.

### Mortgage Revenue Notes, Series of 2006 and 2007 (Hershey Christian School Association Project)

In November 2006, the IDA authorized the issuance of a Mortgage Revenue Note (Note) totaling \$6,000,000. Pursuant to a Loan Agreement, the IDA lent the full proceeds of the Note to a Pennsylvania non-profit corporation (Corporation) for the acquisition and construction of an educational facility. Final maturity on the Note is November 2030. The Note is secured

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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by an Open-End Mortgage and Security Agreement from the Corporation. Accordingly, no recourse can be made against the IDA for payment of principal or interest on the note.

In January 2007, the IDA issued a series of additional Mortgage Revenue Notes (2007 Notes) totaling \$700,000. Pursuant to the Supplemental Loan Agreement, the IDA lent the proceeds of the notes to the Corporation for the acquisition and construction of an educational facility. Final maturity on the Notes is November 2030. The Notes are secured by an Open-End Mortgage and Security Agreement from the Corporation. Accordingly, no recourse can be made against the IDA for payment of principal or interest on the notes.

### Mortgage Revenue Note. Series of 2007 (Yellow Breeches Educational Center. Inc. Project)

In December 2007, the IDA authorized the issuance of a Mortgage Revenue Note (Note) totaling \$437,000 for the purpose of assisting a Pennsylvania nonprofit corporation in the acquisition of an existing educational facility, and the acquisition of the sewer treatment plant which serves said educational facility. Final maturity on the Note is December 2023. The note is secured by various assets of the borrower; accordingly, no recourse can be made against the IDA for payment of principal or interest on the note.

### Multifamily Housing Revenue Bonds, Series of 2008 (Central Pennsylvania MHA Associates LP Project)

In November 2008, the IDA authorized the issuance of Multifamily Housing Revenue Bonds (Bonds) totaling \$13,000,000. Pursuant to a Loan Agreement, the IDA lent the full proceeds of the Bond to a Limited Partnership (LP) for the acquisition, rehabilitation and equipping of land and land improvements and the marketing and leasing of leasable space in the improvements. Final maturity on the Bonds is December 2040. The Bonds are secured by an Open-End Mortgage, Assignment of Leases and Rents, and Security Agreement and from the LP. Accordingly, no recourse can be made against the IDA for payment of principal or interest on the note.

### Mortgage Revenue Note. Series of 2008 (Visiting Nurse Association)

In December 2008, the IDA authorized the issuance of a Mortgage Revenue Note (Note) totaling \$766,000 for the purpose of assisting a Pennsylvania nonprofit corporation (Corporation) in the acquisition and renovation of a facility and in refinancing of a line of credit of the Corporation. Final maturity on the Note is December 2023. The Note is secured

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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by a mortgage of the Corporation; accordingly, no recourse can be made against the IDA for payment of principal or interest on the note.

### Commercial Mortgage Revenue Loan. Series of 2012 (Next Generation Farmer Loan Program)

In February 2012, the IDA authorized the issuance of a Commercial Mortgage Revenue Loan (Loan) totaling \$488,000 for the purpose of financing the purchase price being paid by the Beginning Farmer to the Seller for the Project, which is the fair value of the property identified in the acquisition to be used for farming purposes only. Final maturity on the Loan is December 2032. The note is secured by various assets of the borrower; accordingly, no recourse can be made against the IDA for payment of principal or interest on the note.

### Next Generation Farmer Loan Note. Series of 2014

In July 2014, the IDA authorized the issuance of a Next Generation Farmer Loan Note, Series of 2014, totaling \$300,000 for the purpose of financing a portion of the acquisition of an approximately 103 acre farm and related buildings, equipment, and improvements, situated in the Township of Wayne, Dauphin County, and paying the costs of financing. Final maturity on the Note is August 2044. The note is secured by an Open-End Mortgage and Security Agreement, and, accordingly, no recourse can be made against the IDA for payment of principal or interest on the note.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

### 7. Long-term Liabilities

A summary of changes in long-term obligations excluding obligations under capital lease follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities:</b>					
Bonds and notes payable:					
General obligation debt	\$ 75,925,000	\$ -	\$ (9,240,000)	\$ 66,685,000	\$ 9,980,000
Unamortized bond premium /discount(net)	4,484,740	-	(945,150)	3,539,590	-
Liquid Fuels revenue note	9,631,767	-	(1,220,654)	8,411,113	1,234,888
<b>Total bonds and notes payable</b>	<b>90,041,507</b>	<b>-</b>	<b>(11,405,804)</b>	<b>78,635,703</b>	<b>11,214,888</b>
Other liabilities:					
Compensated absences	13,506,946	347,715	(4,089,392)	9,765,269	632,292
Estimated liability for workers' compensation claims	1,953,141	197,731	(1,015,408)	1,135,464	340,639
Net pension liability	2,949,266	52,371,771	(6,004,307)	49,316,730	-
OPEB liability	28,026,714	1,569,703	(2,929,922)	26,666,495	-
<b>Total other liabilities</b>	<b>46,436,067</b>	<b>54,486,920</b>	<b>(14,039,029)</b>	<b>86,883,958</b>	<b>972,931</b>
<b>Governmental Activities Long-term Liabilities</b>	<b>\$ 136,477,574</b>	<b>\$ 54,486,920</b>	<b>\$ (25,444,833)</b>	<b>\$ 165,519,661</b>	<b>\$ 12,187,819</b>

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>Business-Type Activities:</b>					
Bonds payable:					
General obligation debt	\$ 5,295,000	\$ -	\$ (235,000)	\$ 5,060,000	\$ 235,000
Unamortized bond premium	149,713	-	(14,353)	135,360	-
<b>Total bonds payable</b>	<b>5,444,713</b>	<b>-</b>	<b>(249,353)</b>	<b>5,195,360</b>	<b>235,000</b>
Other liabilities:					
Compensated absences	31,359	1,191	(10,528)	22,022	1,426
<b>Total other liabilities</b>	<b>31,359</b>	<b>1,191</b>	<b>(10,528)</b>	<b>22,022</b>	<b>1,426</b>
<b>Business-Type Activities Long-term Liabilities</b>	<b>\$ 5,476,072</b>	<b>\$ 1,191</b>	<b>\$ (259,881)</b>	<b>\$ 5,217,382</b>	<b>\$ 236,426</b>

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

Compensated absences, the liability for workers' compensation, the net pension liability, and the OPEB liability are liquidated by the General Fund, Children and Youth Fund, and certain Other Nonmajor Funds.

Pertinent information regarding the governmental activities long-term debt obligations outstanding is as follows: (General Obligation Bonds are payable from General Fund tax revenues; the Pennsylvania Infrastructure Bank Loans are paid from Liquid Fuels Tax Funds):

Date	Amount of Issue	Issue Purpose	Balance Outstanding
2013	\$ 15,905,000	General Obligation Bonds, Series of 2013 issued to advance refund General Obligation Bonds, Series C of 2004; to advance refund General Obligation Bonds, Series D of 2004; and to pay cost of issuance at an interest rate from 0.654%-3.617%. (Final Maturity 2024)	\$ 5,985,000
2014	\$ 9,880,000	General Obligation Bonds, Series of 2014 issued to advance refund a portion of General Obligation Bonds, Series of 2009 and to pay cost of issuance at an interest rate from 0.23%-2.50% (Final Maturity 2023)	6,845,000
2014	\$ 8,200,000	General Obligation Bonds, Series of A of 2014 issued to currently refund General Obligation Bond, Series of 2009 and to pay cost of issuance related to the bond issue at an interest rate from 0.23%-2.30% (Final Maturity 2024)	6,535,000
2014	\$ 4,272,723	Pennsylvania Infrastructure Bank (PIB) Loan issued for establishment of the Dauphin County Infrastructure Bank at an interest rate of 1.6325% (Final Maturity 2024)	2,327,722
2015	\$ 18,475,000	General Obligation Bonds, Series of A Of 2015 issued to currently refund General Obligation Bond, Series B and Series C of 2005, to partially fund a termination payment associated with the 2015 Swap, and to pay the cost of issuance at an interest rate from 1.00%-5.00% (Final Maturity 2024)	14,265,000

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

Date	Amount of Issue	Issue Purpose	Balance Outstanding
2015	\$ 7,034,518	Pennsylvania Infrastructure Bank (PIB) Loan issued for establishment of the Dauphin County Infrastructure Bank at an interest rate of 1.625% (Final Maturity 2024)	5,043,766
2016	\$ 14,690,000	General Obligation Bonds, Series A and B of 2016 issued to currently refund General Obligation Bonds, Series C of 2006 to partially fund a termination payment associated with the 2016 Swap (See Note 8), and to pay cost of issuance at an interest rate from 1.00%-4.00% (Final Maturity 2023)	12,140,000
2016	\$ 1,279,250	Pennsylvania Infrastructure Bank (PIB) Loan issued to fund the County Infrastructure Bank at an interest rate of 1.625% (Final Maturity 2026)	1,039,625
2017	\$ 16,775,000	General Obligation Bonds, Series of 2017 issued to advance refund portions of the General Obligation Bonds, Series C of 2010, Series D and 2011 Series, and to pay cost of issuance at an interest rate from 3.00%-5.007%. (Final Maturity 2024)	16,770,000
2017	\$ 4,355,000	General Obligation Bonds, Series of A of 2017 issued to fund municipal projects through the Dauphin County Infrastructure Bank and to pay the cost of issuance at an interest rate of 1.30%-4.00% (Final Maturity 2037)	4,145,000
			<u>\$ 75,096,113</u>

Interest rates on the above obligations range from 0.23% to 5.00%. The County has pledged its taxing power as security for outstanding general obligation debt.

In May 2017, the County issued \$16,775,000 in General Obligation Bonds, Series of 2017. The County recognized a bond premium of \$2,044,276 as a result of this refunding. In addition, the County paid \$168,534 in bond issuance costs. The County used \$17,765,000 of the proceeds to advance refund a portion of the 2010 Series D Bonds and the 2011 Bonds. The Bonds' final maturity is on November 15, 2024 and carries an interest rate between 3.00% and 5.00%. As a result of the transaction, the County recognized a deferred loss on refunding in the amount of \$656,721. The deferred loss is being amortized over the shorter of the life of the refunded or refunding debt. This refunding transaction resulted in an estimated cash flow savings of approximately \$755,000 for the County.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

In December 2017, the County issued the General Obligation Bonds, Series A of 2017 in the amount of \$4,355,000 to fund municipal projects through the Dauphin County Infrastructure Bank. The County recognized a bond premium in the amount of \$60,091 through the issuances of the Bond. In addition, the County paid \$256,091 in bond issuance costs. The Bonds' final maturity is on October 1, 2037 and carry an interest rate of 1.30%-4.00%.

An analysis of debt service requirements to maturity on the governmental activities obligations follows:

Years Ended December 31	General Obligation Principal Requirements	PIB Principal Requirements	Total Principal Requirements	General Obligation Interest Requirements	PIB Interest Requirements	Total Interest Requirements	Total Debt Service Requirements
2019	\$ 9,980,000	\$ 1,234,888	\$ 11,214,888	\$ 2,291,249	\$ 136,681	\$ 2,427,930	\$ 13,642,818
2020	10,215,000	1,254,955	11,469,955	2,058,196	116,614	2,174,810	13,644,765
2021	10,555,000	1,275,348	11,830,348	1,718,583	96,221	1,814,804	13,645,152
2022	10,945,000	1,296,072	12,241,072	1,324,519	75,496	1,400,015	13,641,087
2023	11,395,000	1,317,133	12,712,133	861,869	54,435	916,304	13,628,437
2024-2028	11,480,000	2,032,717	13,512,717	786,663	52,006	838,669	14,351,386
2029-2033	1,140,000	-	1,140,000	270,002	-	270,002	1,410,002
2034-2037	975,000	-	975,000	81,956	-	81,956	1,056,956
	<u>\$ 66,685,000</u>	<u>\$ 8,411,113</u>	<u>\$ 75,096,113</u>	<u>\$ 9,393,037</u>	<u>\$ 531,453</u>	<u>\$ 9,924,490</u>	<u>\$ 85,020,603</u>

In prior years, the County defeased various general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the accompanying general purpose financial statements. At December 31, 2018, the principal amount outstanding relative to defeased debt was \$42,065,000.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

An analysis of the debt service requirements to maturity on the Business-Type Activities obligations follows:

Years Ended December 31	General Obligation Principal Requirements	General Obligation Interest Requirements	Total Debt Service Requirements
2019	\$ 235,000	\$ 145,404	\$ 380,404
2020	240,000	142,819	382,819
2021	245,000	135,619	380,619
2022	250,000	131,944	381,944
2023	260,000	121,944	381,944
2024-2028	1,445,000	457,522	1,902,522
2029-2033	1,655,000	255,981	1,910,981
2034-2035	730,000	33,000	763,000
	<u>\$ 5,060,000</u>	<u>\$ 1,424,232</u>	<u>\$ 6,484,232</u>

The Business-Type Activities General Obligation Bonds are payable from the Human Service Building Fund charges for service.

In November 2016, the County issued \$5,535,000 in General Obligation Bonds, Series C of 2016. The bonds final maturity is on October 1, 2035 and carries an interest rate between 0.80% and 4.00%. As of December 31, 2018, \$5,060,000 of the General Obligation Bonds, Series C of 2016 were outstanding.

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, 2018, the County has not recorded an arbitrage liability in its financial statements.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

### Dauphin County General Authority

Long-term debt outstanding at December 31, 2018, is as follows:

Office and Parking Revenue Bonds (Riverfront Office Center):		
Series C of 1998 - Capital Appreciation Bonds		\$ 7,368,786
Series of 2015		26,280,000
Dauphin County Guaranteed Lease Revenue Note (Magisterial District Justice Funds):		
Series of 2017		5,704,770
Dauphin County Guaranteed Revenue Bonds (Dauphin Highlands):		
Series A and B of 2016		<u>9,312,656</u>
		<u><u>\$ 48,666,212</u></u>

Long-term debt is shown on the balance sheets as follows:

Current portion of long-term debt	\$ 1,754,696
Long-term debt, net of current portion	<u>46,911,516</u>
	<u><u>\$ 48,666,212</u></u>

Long-term liability activity for the General Authority's business-type activities for the year ended December 31, 2018, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Bonds Payable	\$ 46,631,192	\$ 489,972	\$ (4,159,722)	\$ 42,961,442	\$ 1,536,074
Note Payable	5,917,000	-	(212,230)	5,704,770	218,622
Total Capital Lease Obligations	<u>\$ 52,548,192</u>	<u>\$ 489,972</u>	<u>\$ (4,371,952)</u>	<u>\$ 48,666,212</u>	<u>\$ 1,754,696</u>

Each of the General Authority's financing programs is described below. The General Authority has complied with the significant covenants contained in its debt agreements for the year ended December 31, 2018.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Office and Parking Revenue Bonds - Series A, B and C of 1998 and Series of 2015 (Riverfront Office Center)

On June 30, 1998, the General Authority issued Office and Parking Revenue Bonds Series A, B, and C in the principal amounts of \$38,950,000, \$1,120,000, and \$5,235,436, respectively. The bond proceeds were used to acquire certain real estate and parking facilities in the City of Harrisburg, known as the Riverfront Office Center, to fund a debt service reserve, and to pay the cost of issuance. The bonds were issued without a municipal bond guaranty insurance policy.

The 1998 bonds, as issued, consisted of Current Interest and Capital Appreciation Bonds. The Series A and B are Current Interest Bonds and the Series C are Capital Appreciation Bonds. During the year ended December 31, 2015, the Authority refunded Series A of 1998 Bonds and partially refunded Series C of 1998 Bonds with the issuance of Office and Parking Revenue Bonds, Series of 2015 (Series of 2015 Bonds). The proceeds from the issuance of the Series of 2015 Bonds totaled \$32,000,000. The Series of 2015 Bonds were issued without a municipal bond guaranty insurance policy. Principal is paid annually on January 1 and interest is paid biannually on July 1 and January 1. The interest rate is fixed at 3.92% for ten years through January 1, 2025 and subsequent to that date, interest converts to a variable rate based on London Interbank Offered Rate (LIBOR) plus 2.50%, with a floor of 3% and a maximum rate of 6%.

#### Series A of 1998

There was no balance remaining on the Series A of 1998 Bonds at December 31, 2018.

#### Series B of 1998

There was no balance remaining on the Series B of 1998 bonds at December 31, 2018.

#### Series C of 1998

During the year ended December 31, 2015, the General Authority partially currently refunded the Series C of 1998 Bonds in the amount of \$15,500,000 with the Series of 2015 Bond proceeds. The refunding was for a portion of Series C of 1998 Bonds set to mature in 2028. During the year ended December 31, 2017, the General Authority repurchased a portion of the Series C of 1998, totaling \$9,660,000. The remaining Series C of 1998 Capital Appreciation

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

Bonds, which have an effective yield of 7%, bear no stated interest and have stated initial principal values as follows:

Maturity Dates	Stated Values at Issuance	Maturity Values	Discount	Accreted Value
July 1, 2024	\$ 304,140	\$ 1,175,000	\$ 370,196	\$ 804,804
January 2, 2026	274,310	1,570,000	600,085	969,915
July 1, 2026	265,047	1,450,000	584,509	865,491
January 1, 2027	256,074	1,820,000	770,406	1,049,594
July 1, 2027	247,411	1,820,000	805,896	1,014,104
January 1, 2028	3,310,677	4,950,000	2,285,122	2,664,878
	<u>\$ 4,657,659</u>	<u>\$ 12,785,000</u>	<u>\$ 5,416,214</u>	<u>\$ 7,368,786</u>

### Series of 2015

The 2015 Bonds mature as follows, assuming a fixed rate of 3.92% through January 1, 2025 and 6% thereafter:

Years	Interest Rate	Principal	Interest	Total
2019	3.92%	\$ 1,215,000	\$ 1,017,808	\$ 2,232,808
2020	3.92%	1,155,000	959,910	2,114,910
2021	3.92%	1,200,000	913,752	2,113,752
2022	3.92%	1,250,000	865,732	2,115,732
2023	3.92%	1,295,000	815,850	2,110,850
2024-2028	3.92-6.00%	7,290,000	4,583,908	11,873,908
2029-2033	6.00%	8,835,000	2,578,050	11,413,050
2034-2035	6.00%	4,040,000	244,800	4,284,800
		<u>\$ 26,280,000</u>	<u>\$ 11,979,810</u>	<u>\$ 38,259,810</u>

As required by a mandatory sinking fund provision, the trustee deposited \$2,339,688 of bond proceeds in the Debt Service Reserve Account.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Lease Revenue Bonds - Series D of 2009 (100 Chestnut Street)

On September 1, 1998, the General Authority issued Tax Exempt Lease Revenue Bonds, Series A, in the principal amount of \$4,285,000 and Federally Taxable Lease Revenue Bonds, Series B, in the principal amount of \$340,000. The bond proceeds were used to acquire certain real estate in the City of Harrisburg, known as 100 Chestnut Street, to fund certain renovations to the facility, to fund a debt service reserve, and to pay the costs of issuance. On October 1, 2003, the Authority advance refunded the Series A of 1998, resulting in a defeasance of the bonds. The Series A bonds matured in 2018 and were paid in full.

On October 1, 2003, the General Authority issued Tax Exempt Lease Revenue Bonds, Series A in the principal amount of \$2,490,000 and Federally Taxable Lease Revenue Bonds, Series B, in the principal amount of \$1,355,000. The Authority used the 2003 bond proceeds to advance refund the Lease Revenue Bonds, Series A and B of 1998, resulting in defeasance of the bonds. The bonds were insured by a municipal bond guaranty insurance policy.

On November 12, 2009, the General Authority issued Tax Exempt Lease Revenue Bonds, Series D of 2009, in the principal amount of \$2,570,000. The Authority used the Series D bond proceeds to currently refund the Series A of 2003 Bonds. As of December 31, 2018, the Series A and Series B of 2003 bonds had a zero balance. Final payment was made on the Series D of 2009 Bonds during the year ended December 31, 2018.

### Dauphin County Guaranteed Revenue Bonds - Series A and B of 2016 (Dauphin Highlands)

On January 6, 2005, the General Authority issued Tax Exempt County Guaranteed Revenue Refunding Bonds, Series A of 2005 (Series A of 2005) and Taxable County Guaranteed Revenue Refunding Bonds, Series B of 2005 (Series B of 2005) in the principal amount of \$8,565,000 and \$2,435,000, respectively. The bonds were insured by a municipal bond guaranty insurance policy. The net proceeds were used to advance refund the 1993 Series Capital Appreciation Bonds, advance refund the County Guaranteed Revenue Bonds, Series of 2003, and pay the costs of issuing the bonds. At December 31, 2018, the maturity value and accreted value of the bonds outstanding on the 1993 Series Capital Appreciation Bonds are \$6,295,000 and \$6,401,603 respectively. There is no balance outstanding on the County Guaranteed Revenue Bonds, Series of 2003, at December 31, 2018.

On September 30, 2011, the General Authority issued Taxable County Guaranteed Revenue Refunding Bond, Series A of 2011 (Series A of 2011) and Taxable County Guaranteed Revenue Refunding Bond, Series B of 2011 (Series B of 2011), in the principal amounts of \$8,796,927

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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and \$2,355,154, respectively. The Series A and B of 2011 Bonds were issued without a municipal bond guaranty insurance policy. The General Authority used the proceeds of Series A of 2011 to currently refund the Series A of 2005 and pay the cost of issuance. The net proceeds of Series B of 2011 were used to advance refund the Series B of 2005 and pay issuance costs. There is no balance outstanding on the County Guaranteed Revenue Bonds, Series B of 2005, at December 31, 2018.

On February 10, 2016 the General Authority issued Taxable County Guaranteed Revenue Refunding Bond, Series A of 2016 (Series A of 2016) and Tax-Exempt County Guaranteed Revenue Refunding Bond, Series B of 2016 (Series B of 2016), in the principal amounts of \$8,479,511 and \$1,708,775, respectively. The Series A and B of 2016 Bonds were issued without a municipal bond guaranty insurance policy. The net proceeds of Series A of 2016 Bonds were used to currently refund the Series A of 2011 Bonds and pay the cost of issuance. The net proceeds of Series B of 2016 Bonds were used to currently refund the Series B of 2011 Bonds and pay issuance costs.

The interest rate on Series A of 2016 Bonds is variable. Per the bond agreements, the interest rates will change monthly and be calculated based on London Interbank Offered Rate (LIBOR) plus 1.55% not to exceed 12%. The interest rate on these bonds as of December 31, 2018 was 3.89925%. The County has pledged its full faith, credit, and taxing power to guarantee the debt service payments related to both principal and interest due on the Series A of 2016 Bonds.

Using the interest rate in effect at December 31, 2018, these bonds mature as follows:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 146,679	\$ 317,246	\$ 463,925
2020	149,640	311,403	461,043
2021	152,660	305,443	458,103
2022	7,630,511	299,362	7,929,873
	<u>\$ 8,079,490</u>	<u>\$ 1,233,454</u>	<u>\$ 9,312,944</u>

The interest rate on Series B of 2016 Bonds is variable. Per the bond agreements, the interest rates will change monthly and be calculated based on 70% of LIBOR plus 1.60%, not to exceed 12%. The interest rate on these bonds as of December 31, 2018 was 3.24448%. The County has pledged its full faith, credit, and taxing power to guarantee the debt service payments related to both principal and interest due on the Series B of 2016 Bonds.

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

Using the interest rate in effect at December 31, 2018, the Series B of 2016 bonds mature as follows:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 174,395	\$ 38,420	\$ 212,815
2020	177,916	32,639	210,555
2021	181,507	26,743	208,250
2022	699,348	20,726	720,074
	<u>\$ 1,233,166</u>	<u>\$ 118,528</u>	<u>\$ 1,351,694</u>

### Dauphin County Guaranteed Lease Revenue Note-Series of 2017 (Magisterial District Justice Fund)

On December 28, 2017, the General Authority issued a Tax Exempt County Guaranteed Lease Revenue Note, Series of 2017 (2017 Note), in the principal amount of \$5,917,000. The 2017 Note proceeds were used to finance the purchase, acquisition, and construction of a new magisterial district justice office and courtroom to be located in the Township of Swatara, Dauphin County, Pennsylvania. In addition, a portion of the proceeds were used to refund the County and the Dauphin County Industrial Development Authority's (IDA) debt of other magisterial district justice projects previously undertaken by the County and IDA. Upon refunding these projects, the deeds for the properties were passed to the General Authority.

The 2018 Notes bear interest and mature as follows:

<u>Years</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	3.00%	\$ 218,622	\$ 168,153	\$ 386,775
2020	3.00%	225,271	161,504	386,775
2021	3.00%	232,123	154,652	386,775
2022	3.00%	239,184	147,592	386,776
2023	3.00%	246,459	140,317	386,776
2024-2028	3.00%	1,349,402	651,463	2,000,865
2029-2033	5.00%	1,567,488	610,646	2,178,134
2034-2038	5.00%	1,626,221	190,446	1,816,667
		<u>\$ 5,704,770</u>	<u>\$ 2,224,773</u>	<u>\$ 7,929,543</u>

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Dauphin County Industrial Development Authority (IDA)

#### \$1,900,000 Guaranteed Mortgage Revenue Note, Series of 2010

The proceeds of the Note, dated December 1, 2010, were used to pay issuance costs of \$26,197 and \$1,675,870 was used to refinance the outstanding principal balances of the Guaranteed Lease Revenue Note, Series of 2005, Loan Payable, Vartan Bank, and Guaranteed Construction Note, Series of 2008. The remaining balance of \$197,933 was used to pay outstanding interest on the old debt and to fund the 2010 Renovation Project.

The following is a maturity schedule for the Guaranteed Mortgage Revenue Note Series 2010:

<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
\$ 81,623	\$ 64,330	5.00%	2019
86,216	60,202	5.00%	2020
<u>1,173,743</u>	<u>14,379</u>	5.00%	2021
<u>\$ 1,341,582</u>	<u>\$ 138,911</u>		

#### \$318,850 Guaranteed Lease Revenue Note, Series 2010

Due in semi-annual installments of \$11,101 through December 1, 2017 plus interest at 3.40%, then in semi-annual installments of \$13,755 through December 1, 2030 plus interest at 7.00%.

The proceeds of the Note, dated December 1, 2010 were used for and towards the acquisition for a building situated at 3005 Hoffman Street in Harrisburg, Dauphin County, Pennsylvania; and paying the costs and expenses related to the forgoing purposes and the issuance of the Note.

Under a lease agreement dated December 1, 2010 between the IDA, as lessor, and the County, as lessee, the County is obligated to make monthly payments to or on behalf of the IDA in amounts required by the Note. The County is currently making payments directly to the bank. The County guarantees payment of principal and interest on the Note.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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The following is a maturity schedule for the Guaranteed Lease Revenue Note, Series of 2010:

Principal	Interest	Interest Rate	Maturity Date
\$ 11,713	\$ 15,797	7.00%	2019
12,518	14,991	7.00%	2020
13,463	14,046	7.00%	2021
14,435	13,074	7.00%	2022
15,478	12,031	7.00%	2023
95,813	41,733	7.00%	2024-2028
62,013	6,730	7.00%	2029-2031
<u>\$ 225,433</u>	<u>\$ 118,402</u>		

### \$305,000 Guaranteed Mortgage Revenue Note Series of 2012

Due in monthly installments of \$1,899 through December 1, 2017 plus interest at 4.25%, then in monthly installments through December 1, 2032 plus interest at a variable rate equal to Fulton Bank, NA's Prime Rate, as determined on the last business day immediately preceding the applicable adjustment date, not to exceed 10.00% per annum.

The proceeds from this Note, dated December 13, 2012 are used by the IDA to fund repairs within the Veterans Building.

The following is a maturity schedule for the Guaranteed Lease Revenue Note, Series of 2012:

Principal	Interest	Interest Rate	Maturity Date
\$ 12,597	\$ 9,899	4.10%	2019
13,124	9,382	4.10%	2020
13,728	8,844	4.10%	2021
14,331	8,280	4.10%	2022
14,961	7,692	4.10%	2023
85,230	28,697	4.10%	2024-2028
87,250	9,599	4.10%	2029-2033
<u>\$ 241,221</u>	<u>\$ 82,393</u>		

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### \$8,330,000 Guaranteed Lease Revenue Note Series 2013

Due in annual installments through December 1, 2033 plus interest at 3.00% through December 1, 2023 and interest of 4.85% through December 1, 2033.

The proceeds of the Note, dated December 17, 2013, were used for and towards the acquisition of 1100 South Cameron Street, Dauphin County, Pennsylvania; and paying the costs and expenses related to the foregoing purposes and the issuance of the Note.

Under a lease agreement dated December 17, 2013 between the IDA, as lessor, and the County, as lessee, the County is obligated to make monthly payments to or on behalf of the IDA in amounts required by the Note. The County guarantees payment of principal and interest on the Note.

The following is a maturity schedule for the Guaranteed Lease Revenue Note, Series 2013:

<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
\$ 349,000	\$ 205,755	3.00%	2019
359,000	195,135	3.00%	2020
370,000	184,200	3.00%	2021
381,000	172,935	3.00%	2022
393,000	161,325	3.00%	2023
2,148,000	954,087	3% - 4.85%	2024-2028
2,489,000	440,840	4.85%	2029-2033
544,000	13,192	4.85%	2034
<u>\$ 7,033,000</u>	<u>\$ 2,327,469</u>		

### \$2,210,000 Guaranteed Note. Series of 2017

Due in semi-annual through December 1, 2022 plus interest at 3.80%, then in semi-annual installments through December 31, 2042 plus interest at a variable rate equal to Fulton Bank, NA's Prime Rate, as determined on the last business day immediately preceding the applicable adjustment date, not to exceed 10.00% per annum.

The proceeds from this Note, dated August 14, 2017, were used by the IDA to refinance the IDA's Guaranteed Note, Series of 2012.

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

The following is a maturity schedule for the Guaranteed Lease Revenue Note, Series of 2017:

Principal	Interest	Interest Rate	Maturity Date
\$ 54,504	\$ 82,943	3.80%	2019
56,404	81,043	3.80%	2020
58,818	78,628	3.80%	2021
61,106	76,340	3.80%	2022
63,483	133,644	3.80% - Variable	2023
356,046	871,545	Variable	2024-2028
431,151	673,896	Variable	2029-2033
521,829	435,271	Variable	2034-2038
562,884	146,452	Variable	2039-2040
<u>\$ 2,166,225</u>	<u>\$ 2,579,762</u>		

The following is a summary of long-term debt for the year ended September 30, 2018:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Guaranteed lease revenue notes:					
Series of 2006	\$ 484,724	\$ -	\$ (484,724)	\$ -	\$ -
Series of 2007	553,728	-	(553,728)	-	-
Series of 2007 (A)	250,497	-	(250,497)	-	-
Series of 2010	237,999	-	(12,566)	225,433	11,713
Series of 2013	1,075,488	-	(1,075,488)	-	-
Series of 2014 (Cameron)	7,372,000	-	(339,000)	7,033,000	349,000
Series of 2015	1,817,000	-	(1,817,000)	-	-
Subtotal	<u>11,791,436</u>	<u>-</u>	<u>(4,533,003)</u>	<u>7,258,433</u>	<u>360,713</u>
2010 Commercial Term Loan	1,436,658	-	(95,076)	1,341,582	81,623
2012 Guaranteed Mortgage Revenue Note	254,034	-	(12,813)	241,221	12,597
2017 Guaranteed Note	2,210,000	-	(43,775)	2,166,225	54,504
Total Capital Lease Obligations	<u>\$ 15,692,128</u>	<u>\$ -</u>	<u>\$ (4,684,667)</u>	<u>\$ 11,007,461</u>	<u>\$ 509,437</u>

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

### Dauphin County Economic Development Corporation (DCEDC)

The following is a summary of long-term debt for the year ended December 31, 2018:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
2004 Guaranteed Parking Revenue Note	\$ 1,440,000	\$ -	\$ (1,440,000)	\$ -	\$ -
Section 108 Note Payable	1,548,000	-	(172,000)	1,376,000	172,000
2018A Guaranteed Note	-	1,618,500	-	1,618,500	-
2018B Guaranteed Parking Revenue Note	-	1,470,000	-	1,470,000	-
	\$ 2,988,000	\$ 3,088,500	\$ (1,612,000)	\$ 4,464,500	\$ 172,000

Long-term debt at December 31, 2018, consisted of the following:

Section 108 Note payable in the amount of \$3,000,000 issued for the purpose of redeveloping a brownfield site at an approximate interest rate of 5.4% and final payment due August 2026.	\$ 1,376,000
Guaranteed Note, Series A of 2018, in the amount of \$1,618,500 issued for the purpose of refinancing the Dauphin County Industrial Development Authority 2010 and 2012 Notes at an interest rate of 3.7% and final payment due November 2020.	1,618,500
Guaranteed Parking Revenue Note, Series B of 2018, in the amount of \$1,470,000 issued for the purpose of refinancing the DCEDC's 2004 Note at an interest rate of 3.7% and final payment due November 2020.	1,470,000
	4,464,500
Less: Current portion	(172,000)
Long-term portion	\$ 4,292,500

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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Maturities of long-term, debt are as follows:

<u>Maturity Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 172,000	\$ 191,708	\$ 363,708
2020	3,260,500	173,256	3,433,756
2021	172,000	58,584	230,584
2022	172,000	49,002	221,002
2023	172,000	39,336	211,336
2024-2026	516,000	59,322	575,322
	<u>\$ 4,464,500</u>	<u>\$ 571,208</u>	<u>\$ 5,035,708</u>

### 8. Direct Financing Leases

#### Component Unit - Direct Financing Leases

##### Dauphin County General Authority

The General Authority's 100 Chestnut Street Fund leasing operation consists of leasing an office building to the County under a direct financing lease arrangement, with the lease assigned to a trustee as collateral for the Chestnut Street Revenue Bonds. The Chestnut Street Revenue Bonds were originally advance refunded in 2003 through the issuance of Lease Revenue Bonds, Series A and B of 2003. In November 2009, the General Authority currently refunded the Lease Revenue Bonds, Series A of 2003 through the issuance of Lease Revenue Bonds, Series D of 2009. The term of the revised lease agreement is 15 years and expired in 2018. The final lease payment of \$346,390 was made during the year ended December 31, 2018 and the facility was sold for \$1,600,000.

The General Authority's Magisterial District Justice Fund leasing operation consists of leasing offices to the County under a direct financing lease arrangement. The lease arrangement was financed through the issuance of Dauphin County Guaranteed Lease Revenue Note, Series of 2017. The term of the lease agreement is 20 years and expires in 2038.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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The following is a schedule of minimum lease payments for the Magisterial District Justice Fund's direct financing lease:

<u>Years Ending December 31,</u>	
2019	\$ 386,775
2020	386,775
2021	386,775
2022	386,775
2023	386,775
2024-2028	2,000,866
2029-2033	2,178,134
2034-2038	<u>1,816,668</u>
	<u>\$ 7,929,543</u>

The net investment in the direct financing lease for the General Authority Magisterial District Justice Fund consists of the following at December 31, 2018:

Total Minimum Lease Payments:	
Payments to be Received	\$ 7,929,543
Less: Unearned Income	<u>2,224,773</u>
	<u>\$ 5,704,770</u>
Current Portion	\$ 218,622
Noncurrent Portion	<u>5,486,148</u>
	<u>\$ 5,704,770</u>

### Dauphin County Industrial Development Authority (IDA)

On December 1, 2010, the IDA entered into a lease agreement with the County of Dauphin for a building for a twenty-year term. The lease requires the County to make payments equal to the principal and interest of the IDA's Series of 2010 Guaranteed Lease Revenue Note. The County has the right to purchase the leased building for the sum of one dollar, plus the amount, if any, required to pay in full the outstanding balance due under the IDA's Series of 2010 Guaranteed Lease Revenue Note. The amount of lease outstanding at September 30, 2018 is \$225,433.

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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On December 17, 2013, the IDA entered into a lease agreement with the County of Dauphin for a building for a twenty-year term. The lease requires the County to make payments equal to the principal and interest of the IDA's Series of 2013 Guaranteed Lease Revenue Note (Cameron Street). The County has the right to purchase the leased property for the sum of one dollar, plus the amount, if any, required to pay in full the outstanding balance due under the IDA's Series of 2013 Guaranteed Lease Revenue Note. The amount of the lease outstanding at September 30, 2018 is \$7,033,000.

Following is a schedule of minimum lease payments for the direct financing leases:

Years Ending September 30,	
2019	\$ 582,264
2020	581,644
2021	581,709
2022	581,444
2023	581,835
2024-2028	3,239,633
2029-2033	2,998,613
2034	557,192
	<u>\$ 9,704,334</u>

The net investment in direct financing lease consists of the following at September 30, 2018:

Total Minimum Lease Payments:	
Payments to be Received	\$ 9,704,334
Less: Unearned Income	<u>(2,445,901)</u>
	<u>\$ 7,258,433</u>
Current Portion	\$ 350,713
Noncurrent Portion	<u>6,907,720</u>
	<u>\$ 7,258,433</u>

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### 9. Line of Credit

#### Component Unit Line of Credit Case Management Unit

At June 30, 2018, CMU had an \$800,000 line of credit with a bank, secured by all accounts receivable, which expires December 10, 2048. Interest on outstanding borrowings is due monthly at .5% above the bank's prime rate, which was 5.5% at June 30, 2018. There were \$2,790,000 in borrowings on the line and \$2,400,000 in repayments for the year ended June 30, 2017. The principal balance on the line as of June 30, 2018 was \$390,000.

### 10. Capital Lease Obligations

The following is a summary of changes in capital lease obligations for the year ended December 31, 2018:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities</u>					
Capital Leases	\$ 15,495,948	\$ 506,156	\$ (1,574,428)	\$ 14,427,676	\$ 1,235,756
Total Capital Lease Obligations	<u>\$ 15,495,948</u>	<u>\$ 506,156</u>	<u>\$ (1,574,428)</u>	<u>\$ 14,427,676</u>	<u>\$ 1,235,756</u>

In prior years, the County has entered into capital lease agreements for computer equipment, office and other equipment, and a security system which are accounted for in the Governmental Activities.

In 2018, the County entered into two, new capital leases all of which were in Governmental Activities. The leases were for IT equipment in the amount of \$346,925 and vehicles \$159,231.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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The following is a schedule of future minimum lease payments under the capital lease agreements, together with the present value of the net minimum lease payments as of December 31, 2018:

<u>Years Ending December 31,</u>	<u>Governmental Activities</u>
2019	\$ 1,700,601
2020	1,601,618
2021	1,213,306
2022	1,128,137
2023	988,375
2024-2028	5,273,302
2029-2033	5,170,708
2034-2038	<u>1,816,665</u>
Total Minimum Lease Payments	18,892,712
Less: Interest	<u>4,465,036</u>
Total Present Value of Net Minimum Lease Payments	14,427,676
Less: Amount Due within One Year	<u>1,235,756</u>
	<u>\$ 13,191,920</u>

At December 31, 2018, the County had leased buildings and equipment disclosed as leasehold assets in the Capital Asset Note (see Note 5) in the amount of \$28,937,170 with accumulated depreciation of \$16,951,671.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### 11. Fund Balance/Net Position

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

#### Governmental Funds

##### General Fund:

###### NonSpendable:

Prepaid Items: \$ 1,048,423

This line item represents payments made for the following calendar year.

PCHIPC Settlement: 8,805,409

This line item represents a reimbursement for overpayment of health insurance.

Due from Component Unit: 8,566,649

This line item represents funds due from the County's component units.

###### Assigned:

2019 Budget Deficit: 16,986,306

This line item represents amounts assigned to balance the subsequent year's budget.

##### Low Income Housing Fund:

Restricted: 1,291,714

This line item represents amounts that are restricted by enabling legislation for the future payments of expenditures to enable County residents to purchase or rent residential housing.

##### Gaming Fund:

Restricted: 8,256,617

This line item represents restricted amounts of local share assessment revenue.

Assigned: 10,790,496

This line item represents assigned amounts of local share assessment revenue.

##### Nonmajor Funds:

###### NonSpendable:

Ford Hunter Trust Fund 1,189,805

This line item represents funds intended for the preservation of Fort Hunter.

###### Restricted:

State Grant: 909,010

This line item represents amounts restricted for various state fiscal year grants

Liquid Fuels: 859,391

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

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Governmental Funds

#### Nonmajor Funds:

##### Restricted:

Domestic Relations:	\$ 723,988
This line item represents amounts that are restricted by grantors for the future payments of expenditures for the operation of the child support enforcement.	
Hazardous Materials:	242,599
This line item represents monies collected, per statute, for training programs, public and facility owner educations, information and participating programs, general administrative and operational expenses.	
Emergency 911 Operating:	2,831,341
This line item represents amounts that are restricted for the future payments of expenditures for operation of the 911 program.	
Fee for Local Use:	2,966,680
This line item represents amounts that are restricted by grantors for the future payments of expenditures for the building and improvements of roads and bridges.	
Aging:	140,896
This line item represents amounts that are restricted for aging programs.	
Drug Act Forfeited - State:	58,399
This line item represents amounts that are restricted to drug enforcement related expenses.	
Drug Act Forfeited - Federal:	889,134
This line item represents amounts that are restricted to drug enforcement related expenses.	
Act 89 Bridge Maintenance:	902,457
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.	
PennDOT Act 44:	1,045,658
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.	
Assigned:	
Capital Projects:	4,908,024
This line item represent amounts for future capital projects.	

The restrictions of net position included in the Fiduciary Funds are as follows:

### Fiduciary Funds

Net Position Restricted for Pension	<u>\$ 312,336,922</u>
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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Component Units – Fund Balance/Net Position

#### Dauphin County Economic Development Corporation (DCED)

The restrictions of net position included in the financial statements represent portions of net position that are restricted for various purposes and are not available for the payment of other subsequent expenditures. The following restrictions are included in the financial statements:

Tourism and Regional Promotion	\$ 3,759,465
HOME Program	<u>1,344</u>
	<u>\$ 3,760,809</u>

## 12. Interfund and Component Unit Receivables and Payables

Interfund receivable and payable balances consist of the following at December 31, 2018:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Governmental Funds:		
General Fund	\$ 6,318,609	\$ 453,595
Children and Youth Families Fund	152,313	6,164,648
Other Nonmajor Funds	<u>272,306</u>	<u>155,109</u>
Total Governmental Funds	<u>\$ 6,743,228</u>	<u>\$ 6,773,352</u>
Business-Type Funds:		
Health Choices Fund	\$ -	\$ -
Human Service Building Fund	22,527	-
Other Nonmajor Funds	<u>7,608</u>	<u>11</u>
Total Business-Type Funds	<u>\$ 30,135</u>	<u>\$ 11</u>

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

The County utilizes a pooled operating fund to enhance investment return, therefore, interfund receivables and payables are recorded to recognize amounts held by the General Fund in the pooled account on behalf of other funds. In addition, the General Fund has paid expenses on behalf of other funds, therefore, a corresponding interfund receivable and payable has been recorded.

### Component Unit – Receivables and Payables

	Dauphin County Conservation District	Dauphin County Industrial Development Authority Funds	Dauphin County Economic Development Authority Funds	Total
Due From Component Unit:				
General Fund	\$ 150,022	\$ 8,416,627	\$ -	\$ 8,566,649
Low Income Housing Fund	-	-	139,850	139,850
	150,022	8,416,627	139,850	8,706,499
Due to Component Unit:				
Other Nonmajor funds	-	-	221,788	221,788
	\$ -	\$ -	\$ (81,938)	\$ (81,938)

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### 13. Interfund Operating Transfers

Interfund Transfers are executed as a result of the requirements for certain funds to fund a portion of the expenditures or expenses of other funds. Interfund operating transfers are as follows:

	<u>Transfers from Other Funds</u>	<u>Transfers to Other Funds</u>
Governmental Funds:		
General Fund	\$ 4,459,760	\$ 15,374,136
Children and Youth Families Fund	8,455,431	77,104
Gaming Fund	-	3,928,172
Other Nonmajor Funds	<u>5,956,514</u>	<u>971,474</u>
Total Governmental Funds	<u>18,871,705</u>	<u>20,350,886</u>
Business-Type Funds:		
Health Choices Fund	-	76,507
Other Nonmajor Funds	<u>1,555,688</u>	<u>-</u>
Total Business-Type Funds	<u>1,555,688</u>	<u>76,507</u>
	<u>\$ 20,427,393</u>	<u>\$ 20,427,393</u>

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 provided as subsidies or matching funds for various grant programs.

### 14. Property Taxes

#### Real Estate Property Taxes

Real estate property taxes attach as an enforceable lien on property on January 1, based on the assessed value listed as of the prior December 31 for all real property located in the County. Assessed values are established by the County Assessment Board at approximately 100% of calculated market value. Taxes are billed on or about February 1, payable under the

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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following terms: 2% discount, February 1 through March 31; face amount, April 1 through July 31, and 5% penalty June 1 through July 31, and a 10% penalty from August 1 through December 31. The County bills its own property taxes, which are collected by elected tax collectors. Real estate property taxes levied for 2018 are recorded as receivables, net of estimated uncollectibles of approximately \$1.8 million. The net receivables collected during 2018 and expected to be collected within the first sixty (60) days of 2018 are recognized as revenue in 2018. Net receivables estimated to be collectible subsequent to March 31 are reflected in deferred revenue. Prior years' levies are recorded using these same principles, and remaining receivables are annually reevaluated as to collectability. The rate of taxation in 2018 was 6.876 mills, for general purposes. In addition, a special tax of 0.35 mills was approved for the County Library System. The total taxable assessed value of the County for 2018 was \$15,386,611,200.

### 15. Legal Compliance

#### Fund Balance / Net Position Deficit

For the year ended December 31, 2018, the following funds had a deficit fund balance / net position:

Governmental Funds:		
Bridge Bundle Project Fund	\$	143,930
Enterprise Funds:		
Human Service Building Fund	\$	182,917

The above deficit in the Bridge Bundle Project Fund resulted from expenditures incurred in excess of revenues received. The deficit will be funded from future proceeds of County vehicle registration fees. The above deficit in the Human Services Building Fund resulted from additional expenses that will be paid through contributions by the General Fund.

#### Excess of Expenditures over Appropriations

For the year ended December 31, 2018, there were no major funds that had an excess of actual expenditures over budget.

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Component Unit - Net Position Deficit

#### Dauphin County General Authority

The following funds of the General Authority had negative net position as of December 31, 2018:

<u>Fund</u>	<u>Amount</u>
Riverfront Office Center	\$ 15,105,303
Dauphin Highlands Golf Course	9,202,444

Revenue, receipts, and property of each fund are pledged as collateral on the bonds and are not cross collateralized.

## **16. Employees Retirement Plan**

The Employees' Retirement Trust Fund Plan (the "Plan") is a single employer contributory defined benefit retirement plan covering substantially all full-time employees of the County and part-time employees exceeding 1,000 hours per year. The Plan is included in the financial statements of the County as a pension trust fund.

The Retirement Trust Fund issues a publicly available financial report that includes financial statements and supplementary information. This report may be obtained by contacting the Dauphin County Controller's Office, 101 Market Street, Room 106, Harrisburg, PA 17101.

The Retirement Trust Fund is presented on the accrual basis of accounting in conformity with generally accepted accounting principles as applicable to government entities. Plan members and employer contributions to the Plan are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

### Description of Plan

*Plan administration.* The County of Dauphin Retirement Plan is a public "County Employees Retirement System". The Plan is governed by the 1971 County Pension Law, Act 96, of the General Assembly of the Commonwealth of Pennsylvania, as amended, (the "Act"). Benefits

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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and contribution provisions of the Plan are established and can be amended as provided by the Act.

Management of the Plan is vested in the Retirement Board, which consists of five members - three elected County Commissioners, the County Controller, and the County Treasurer.

*Plan membership.* Membership of the plan membership consisted of the following at January 1, 2018:

Inactive plan members or beneficiaries currently receiving benefits	1,170
Inactive plan members entitled to buy not yet receiving benefits	239
Active plan members	<u>1,447</u>
Total membership	<u><u>2,856</u></u>

*Benefits provided.* The Plan provides retirement, disability, and death benefits. Retirement benefits for plan members are calculated as a percent of the member's highest 3-year average salary times the member's years of service depending on class basis. Plan members with 20 years of service are eligible to retire at age 55. Plan members that have attained age 60 are eligible to retire. All plan members are eligible for disability benefits after 5 years of service if disabled while in service and unable to continue as a county employee. Disability retirement benefits are equal to 25% of the highest average salary at the time of retirement. Death benefits for a member who dies with 10 years of service prior to retirement is the total present value of member's retirement paid in a lump sum. A plan member who leaves County service with less than 5 years of service may withdraw his or her contributions, plus accumulated interest.

On an ad hoc basis, cost-of-living adjustments to each member's retirement allowance shall be reviewed at least once in every three years subsequent to the member's retirement date. The adjustment, should the County elect to give one, is a percentage of the change in the Consumer Price Index. No ad hoc postemployment benefit changes were included in the future liability.

*Contributions.* The Retirement Board establishes the contribution rates based on an actuarially determined contribution recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance an unfunded accrued liability. For the year 2018 measurement period, the minimum active member contribution rate was 5.0 percent of annual pay, and the County average

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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contribution rate was 7.73 percent of annual payroll. Employees may contribute up to an additional 10% of gross pay, at their option. The employee contributions are recorded in an individually identified account that is also credited with interest, calculated to yield 4.0% compounded annually at December 31, 2018.

Administrative and investment costs of the Plan are paid by the investment earnings of the Fund. The Act makes no provision for termination of the Fund.

### Legally Required Reserves

At December 31, 2018, the Fund has a balance of \$69,699,565 in the Members' Annuity Reserve Account. This account is the total of the contributions deducted from the salaries of the active and terminated vested members of the retirement system and the IRC 414(h)(2) pickup contributions together with the interest additions as of December 31, 2018. As of December 31, 2018, this reserve was fully funded.

The Fund has a balance of \$29,407,958 in the County Annuity Reserve Account as of December 31, 2018. This balance and the amounts expected to be credited in the future, plus investment earnings thereon, represent the reserves set aside for the payment of the County's share of the retirement allowances. This is the account out of which regular interest is credited to the Members' Annuity and Retired Members' Reserve Account, administrative expenses may be paid, and the pension obligations of the County are funded. When a County annuity is scheduled to commence for a particular member, sufficient monies are transferred from the County Annuity Reserve Account to the retired members' reserve account to provide for such County annuities actually entered upon. As of December 31, 2018, this reserve was fully funded.

The Retired Members' Reserve Account is the account out of which monthly retirement allowances including cost-of-living increases and death benefits are paid. The balance in this account was \$169,084,020 as of December 31, 2018, and this reserve was fully funded.

### Plan Reporting

#### Net Pension Liability of the County

The total pension liability was based on an actuarial valuation for the 2018 measurement period at January 1, 2018 and rolled-forward to December 31, 2018 measurement date. The components of the net pension liability of the County at December 31, 2018 were as follows:

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

Total Pension Liability	\$ 361,653,652
Plan Fiduciary Net Position	<u>312,336,922</u>
County's Net Pension Liability	<u><u>\$ 49,316,730</u></u>
Plan Fiduciary Net Position as a	
Percentage of the Total Pension Liability	86.36%

The schedule of changes in the net pension liability and related ratios, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about the plan.

Changes in the County's net pension liability for the plan for the year ended December 31, 2018 were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at 12/31/2017	\$ 340,341,124	\$ 337,391,858	\$ 2,949,266
Service costs	7,224,873	-	7,224,873
Interest cost	25,110,793	-	25,110,793
Changes of benefit terms	-	-	-
Changes for experience	2,501,870	-	2,501,870
Changes of assumptions	5,763,282	-	5,763,282
Contributions-employer	-	6,004,307	(6,004,307)
Contributions-member	-	5,120,149	(5,120,149)
Net investment income	-	(16,658,289)	16,658,289
Benefit payments, including			
refunds of member contributions	(19,288,290)	(19,288,290)	-
Administrative expense	-	(232,813)	232,813
Net changes	<u>21,312,528</u>	<u>(25,054,936)</u>	<u>46,367,464</u>
Balances at 12/31/2018	<u><u>\$ 361,653,652</u></u>	<u><u>\$ 312,336,922</u></u>	<u><u>\$ 49,316,730</u></u>

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Deferred Outflows and Inflows of Resources

The total pension expense recognized in 2018 for the plan was \$12,835,395. At December 31, 2018, the County reported deferred outflows and inflows of resources related to the pension plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 2,992,556	\$ (577,567)
Difference between projected and actual investment earnings	23,074,046	-
Change in assumptions	<u>4,510,395</u>	<u>-</u>
Total	<u>\$ 30,576,997</u>	<u>\$ (577,567)</u>

The deferred outflows and inflows of resources will be recognized in pension expense as follows:

December 31,	
2019	\$ 9,548,924
2020	5,701,919
2021	5,506,495
2022	<u>9,242,092</u>
Total	<u>\$ 29,999,430</u>

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Plan Actuarial Methods and Assumptions

*Actuarial assumptions.* The total pension liability was determined by an actuarial valuation for the 2018 measurement period at January 1 and rolled-forward to December 31 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary Increases	4.25 percent, average, including inflation
Investment Rate of Return	7.25 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2013 Annuitant and Non-Annuitant Mortality Tables for Males and Females with no projected improvements.

The actuarial assumptions used in the valuation for the 2018 measurement period were based on past experience under the plan and reasonable future expectations which represent the independent actuary's best estimate of anticipated experience under the plan. An experience study was performed during 2016; no modifications to the assumptions were made as a result.

Under the Act, cost-of-living adjustments to each member's retirement allowance shall be reviewed at least once in every three years subsequent to the member's retirement date. The adjustment, should the County elect to give one, is a percentage of the change in the Consumer Price Index. The Plan did not include an assumption for projected postemployment benefit changes as they are not considered to be substantively automatic.

For the January 1, 2018 valuation, the County has elected to change the interest rate assumption from 7.5% to 7.25% and the salary assumption from 4.5% to 4.25%. The cost effect on the change in assumption for the interest rate and salary adjustments are an increase of \$964,231 and decrease of \$321,426, respectively in the actuarial accrued liability.

*Investment policy.* The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board by a majority vote of its members. It is the policy of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of returns

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

(expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation in the Plan's target asset allocation for the 2018 measurement period are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	44%	5.4-6.4%
International Equity	18%	5.5-6.5%
Fixed Income	22%	1.3-3.3%
Real Estate	15%	4.5-5.5%
Cash	1%	0.0-1.0%

*Discount rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (i.e. no depletion date is projected to occur).

*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the Fund, calculated using the discount rate of 7.25 percent, as well as what the Fund's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
County's net pension liability	\$ 68,735,634	\$ 49,316,730	\$ (6,442,202)

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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*Rate of return.* For the 2018 measurement period, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (4.70) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

### Component Unit - Defined Contribution Plan

#### Case Management Unit

CMU contributes to the Case Management 401K Savings Plan (the "Plan"), a defined contribution plan, covering all employees of CMU who are age twenty-one or older. The Plan is subject to the provisions of the Employee Retirement Income Securities Act (ERISA) of 1974. For all enrolled participants, CMU makes a discretionary contribution equal to 1.5% of the participants' eligible compensation. For each participant electing to contribute 2% or more of their eligible compensation, CMU makes a matching contribution equal to 1% of their eligible compensation. Employees are permitted to make contributions up to applicable Internal Revenue Code limits. For the fiscal year ended June 30, 2018, participant contributions totaled \$201,629 and employer contributions totaled \$114,702.

Participants are immediately vested in all contributions and earnings on those contributions. Participant loans and forfeitures are not permitted under the Plan. CMU had no liability to the Plan at June 30, 2018.

## **17. Other Post-Employment Benefit Plan**

*Plan Description.* The County sponsors a single employer defined benefit other post-employment benefits plan that covers health and life insurance benefits for eligible retirees. The County provides health and life insurance coverage for eligible retirees under the terms of agreements with the unions that represent them. Groups of retirees that are eligible for medical OPEB are: Court Related Teamster, Court appointed AFSME, Probation Officers, Prison Guards, PSSU, Dauphin County Detectives Association, and Captains and Lieutenants. Death benefits of \$10,000 retiree life insurance are available for qualifying individuals age 55 with 20 years of service. The County has not accumulated assets for the retiree plan in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 The Plan does not issue a publicly available financial report.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Employees Covered by Benefit Terms

As of December 31, 2018, the date of the most recent actuarial valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	318
Inactive employees entitled to, but not yet receiving benefits payments	-
Active Employees	<u>1410</u>
	<u>1728</u>

### Contributions

The contribution requirements of the County are established and may be amended through future union negotiations. The Plan does require contributions from some retirees. Retiree contributions depend upon the terms of the various union contracts. The County funds the Plan on a pay-as-you-go basis.

### Total OPEB Liability

The County's total OPEB liability of \$26,666,495 was measured as of December 31, 2018 and was determined by an actuarial valuation as of that date.

### Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of December 31, 2018 using the following actuarial assumptions, applied to all periods including the measurement:

Salary increases	4.50%
Discount rate	3.64% per year
Healthcare cost trend rates	6.0% in 2018, and 5.5% in 2019 through 2021. Rates gradually decrease from 5.4% in 2022 to 3.8% in 20175 and later based on the Society of Actuaries Long-Run Medical Cost Trend Model.
Mortality Table	Pub-2010 Mortality Table for General Employees - Incorporated into the table are rates projected generationally using Scale MP-2018 to reflect mortality improvement.

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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The discount rate was based on the S&P Municipal Bond 20-Year High Grade Rate Index at December 31, 2018.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2018 through December 31, 2018.

### Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at January 1, 2018	\$ 28,026,714
Changes for the year:	
Service cost	682,402
Interest	887,301
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions	(1,766,984)
Benefit payments	<u>(1,162,938)</u>
Net changes	<u>(1,360,219)</u>
Balance at December 31, 2018	<u>\$ 26,666,495</u>

There were no changes of benefit terms during the period ended December 31, 2018.

### Changes of Assumptions

The discount rate changed from 3.16% to 3.64%. The trend and mortality assumptions were updated.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current discount rate as of December 31, 2018:

	1% Decrease (2.64%)	Discount Rate (3.64%)	1% Increase (4.64%)
Total OPEB liability	\$ 29,237,372	\$ 26,666,495	\$ 24,364,218

### Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rates as of December 31, 2018:

	1% Decrease (5%)	Current Rate (6%)	1% Increase (7%)
Total OPEB liability	\$ 24,200,389	\$ 26,666,495	\$ 29,542,715

### Deferred Outflows and Inflows of Resources

The OPEB expense recognized in 2018 was \$1,433,781. At December 31, 2018, the County reported deferred inflows of resources related to OPEB from changes of assumptions of \$1,631,062.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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The deferred outflow of resources will be recognized in OPEB expense as follows:

December 31,	
2019	\$ (135,922)
2020	(135,922)
2021	(135,922)
2022	(135,922)
2023	(135,922)
Thereafter	<u>(951,452)</u>
Total	<u>\$ (1,631,062)</u>

### 18. Compensated Absences

County policy applicable to vacation and sick pay for employees is as follows:

#### Vacation Pay

Time accrues at various rates based on length of service. Employees are encouraged to utilize earned vacation time by December 31 of each period; however, current practice allows for the carryover of 20 unused vacation days. Time carried over in this manner is considered vested.

#### Sick Pay

Time accrues at various rates based on length of service. An employee may accumulate up to a maximum of 200 days. Time carried over in this manner is considered vested.

Applicable GASB pronouncements require accrual of sick and vacation pay that meet certain specific conditions. The County has determined that such conditions apply to vested vacation pay and accumulated sick pay of the Governmental Funds and the Proprietary Funds. To the extent vacation and sick pay liabilities are expected to be incurred, they are accrued in the government-wide and proprietary fund financial statements.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Component Units

#### Case Management Unit (CMU)

CMU policy permits employees to accumulate a limited amount of earned, but unused vacation and sick leave. These benefits are payable to employees upon separation of services. All leave pay is accrued when incurred in the financial statements. A liability for these amounts is recorded in accrued compensation on the Statements of Net Position.

## 19. Leases

### Operating Leases

The County leases office space under several operating leases with expiration dates through 2034.

Future minimum lease payment requirements under the various leases are as follows:

2019	\$	2,016,467
2020		1,962,225
2021		1,677,023
2022		1,599,528
2023		1,612,929
2024-2028		4,169,152
2029-2033		3,880,048
2034		5,975
Total minimum payments required	\$	<u>16,923,347</u>

Total rental expense for these leases during 2018 approximated \$2,665,216.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### Component Units – Leases

#### Case Management Unit

The Case Management Unit leased its principal office space. Rent expense totaled \$554,598 for the fiscal year ended June 30, 2018 and is recorded on the Statement of Activities. The lease agreement between the County and CMU is for the period of January 1, 2015 through December 1, 2033. Monthly rent increases 1.90% at the beginning of each year.

CMU also has a lease on the Elizabethville, Pennsylvania office. The lease agreement is for a period of twenty-five years through 2033. Rent for this lease is based on a set price per square foot per year. These payments range from \$51,465 - \$69,632 and are payable monthly. CMU also has a 3-year lease for its Lebanon office. The monthly payments range from \$2,300 to \$2,440.

Future minimum lease payments under the above leases are as follows:

Years Ending June 30,	
2019	\$ 556,014
2020	557,611
2021	529,257
2022	530,339
2023	531,565
2024-2028	2,951,112
2029-2033	2,800,074
2034	239,562
	<u>\$ 8,695,534</u>

## 20. Related Party Transactions

### Component Units - Related Party Transactions

#### Dauphin County Conservation District

The employees of the District are employees of the County. On a quarterly basis, the District reimburses the County for the cost of salaries and benefits. For the year ended December 31, 2018, the District incurred salaries and benefits expenses of \$571,210, of which \$146,762 is

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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payable to the County at December 31, 2018. In addition, \$3,260 is payable to the County for janitorial supplies, fuel, phone charges, and miscellaneous fees. These amounts have been included as due to primary government on the statement of net position.

### Dauphin County General Authority

The General Authority is a component unit of Dauphin County. The General Authority has entered into certain lease financing arrangements with the County. Lease payments from the County to the General Authority for the year ended December 31, 2018 were \$940,088.

The County has been paying rent in excess of the lease requirement to the General Authority since 2000. The total amount of these overpayments is \$370,245 at December 31, 2018 and is reported as unearned revenue on the balance sheet. The County had a claim on such overpayments until February 17, 2010, when an indemnity agreement was signed.

### Dauphin County Industrial Development Authority ("IDA")

The County of Dauphin provides funds and pays for certain significant management and administrative costs required to operate the IDA on a day-today basis. The IDA's management and support staff are employees of the County and other significant operating expenses such as telephone service, office maintenance, and insurance are paid for by the County. The amount of the County's support and the corresponding operating costs are not reported as revenues and expenses in the IDA's financial statements. The County also provides significant operating revenues, primarily through Gaming distributions passed-through the IDA. Gaming revenue from the County was \$3,883,097 in 2018 representing 87.1% of total operating revenues.

See Notes 7 and 8 for long-term obligations and direct financing leases for additional information concerning financial transactions with the County.

### Other Related Organizations

The IDA shares personnel and office space, and performs various administrative and program functions in conjunction with two other organizations:

The Dauphin County Department of Community and Economic Development (DCDCED) which is an internal department of the County, not a separate entity; The Dauphin County Economic Development Corporation (DCEDC), a nonprofit corporation created by the County to partner in real estate development projects and to channel grant funding to communities and

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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organizations in need of community and economic development assistance. DCEDC leases office space from the DCIDA under a year-to-year operating lease. For the year ended September 30, 2018, DCIDA has earned approximately \$35,326 in lease payments that are recorded as Due from Related Party. During the year, the IDA made transfers to DCEDC in the amount of \$92,250 as parking rental subsidy for the Market Square Garage and property management support.

The IDA is not owned in part or in total by DCEDC or DCDCED, and has no ownership interest in either organization. The IDA and DCEDC are both governed by the same Board of Directors which is appointed by the Commissioners of Dauphin County.

### Case Management Unit

The Case Management Unit is a component unit of Dauphin County, PA. The operating lease, described in Note 19, is held with the County and the lease payments were at market value at the time of execution.

### Dauphin County Economic Development Corporation (DCEDC)

DCEDC is administered by the County of Dauphin ("County") through the Dauphin County Department of Community and Economic Development. DCEDC is not owned in part or in total by the County. However, the Commissioners of Dauphin County have the sole power to appoint members of the Corporation's Board of Directors.

The County pays for certain significant management and administrative costs required to operate the DCEDC on a day-to-day basis. DCEDC's management and support staff are employees of the County. Certain costs paid by the County are reimbursed by DCEDC. The amount of the County's support and the corresponding operating costs are not reported as revenues and expenses in the DCEDC's financial statements.

The County also provides significant operating revenue, primarily through hotel tax distributions passed-through to DCEDC. Revenue from the County was \$2,792,557 in 2018, representing 45% of total revenue. The County guarantees DCEDC's long-term debt.

The DCEDC shares management, support staff and office space with the Dauphin County Department of Community and Economic Development and with the Dauphin County Industrial Development Authority. The DCEDC is not owned in part or in total by the IDA, has no interest ownership therein, and receives no revenue from the IDA. However, the IDA and

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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DCEDC are governed by the same Board of Directors, which is appointed by the Commissioners of Dauphin County.

The IDA acts an intermediary between property management and the DCEDC. In this capacity, the IDA collects parking rent fees and remits such fees to the DCEDC on a periodic basis. Parking fees for the year ended December 31, 2018 were \$57,000.

### **21. Commitments and Contingencies**

#### Federal and Commonwealth Grants

The County receives funds from the Commonwealth and various federal agencies to fund specific programs. Final determination of various amounts is subject to audit under the Federal Single Audit Act and by the funding agencies. County officials believe that any audit adjustments resulting from final settlements will be immaterial in relation to the County's financial resources.

#### State Grants

On September 28, 2016, the Pennsylvania Supreme Court invalidated certain "Local Share Assessment" provisions contained in Section 1403(c) of the Pennsylvania Race Horse and Gaming Act ("Gaming Act"), under which Hollywood Casino was required to make Local Share Assessment payments that are directed to Dauphin County. On November 2, 2016, the County and Hollywood Casino signed a Memorandum of Understanding, under which absent action from the Pennsylvania General Assembly to craft remedial measures to the Gaming Act, Hollywood Casino agreed to maintain Local Share Assessment payments under the same structure and formula that existed in the Gaming Act. The Memorandum of Understanding was amended on May 17, 2017 to adjust the expiration date from June 30, 2017 to January 1, 2018. On October 30, 2017, Governor Tom Wolf signed into law HB 271 which restored the local share assessment, crediting any casino payments made from January 1, 2017 to the present. For the year ended December 31, 2018, the total Local Share Assessments received by the County was \$12,560,504.

#### Capital Projects

In 2015, the County entered into contracts for approximately \$781,000 for the security upgrades to the County's administrative building and court house. In 2017, the County

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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entered into a second contract for approximately \$819,000 for security upgrades to the County's administrative building and courthouse. Costs expensed under these contracts were approximately \$1,532,741 as of December 31, 2018.

In 2016, the County entered into contracts for a court house space renovations project. The contracts' value approximated \$1,550,000 of which \$1,496,583 has been expensed as of December 31, 2018.

### Dauphin County General Authority

#### Project Viability

The continued operation of the Dauphin Highlands Golf Course is dependent on the Administrative Fund providing working capital to fund any deficits created by operations of this golf course. The General Authority's Administrative Fund has provided, and intends to continue to provide funds for working capital needs of the Dauphin Highlands Golf Course. The Administrative Fund provided \$1,696,679 of working capital advances during year ended December 31, 2018 to the Dauphin Highlands Golf Course. As of December 31, 2018, none had been repaid to the Administrative Fund.

If the General Authority fails to generate sufficient revenues to pay debt service on the Series A of 2016 and Series B of 2016, or ceases revenue generating operations, or if other monies set aside for such purposes are insufficient, the County will be required to pay principal and interest on such bonds when due pursuant to the County Bond Guarantee Agreement among the County, the Authority, and the trustee for the bonds. In accordance with the County Bond Guaranty Agreement, if such payments are made by the County, the General Authority is required to reimburse the County from any money's available for that purpose under the Trust Indenture.

The Dauphin Highlands Golf Course has incurred substantial accumulated losses, which have resulted in cash flow difficulties. During the year ended December 31, 2013, the General Authority entered into a contract with a management company to try to maximize the course's revenue while minimizing the overall expenses. The management company will continue to strive toward increasing revenue while keeping expenses contained.

The Riverfront Office Center Fund has incurred substantial accumulated losses. The refunding of Series A of 1998 Bonds and partial refunding of Series C of 1998 Bonds during the year ended December 31, 2015 provides significant future debt savings. Additionally, during the

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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year ended December 31, 2017, the General Authority purchased \$9.6 million of the Series C debt. The remaining Series C of 1998 Bonds are subordinate debt and have no recourse to the General Authority. In addition, significant capital improvements have taken place at the Riverfront Office Center during the years ended December 31, 2015, 2016, and 2017, which allow future savings of energy costs. 2018 will be the first year of verified energy savings related to these improvements. The Riverfront Office Center is at 100% occupancy through a long-term lease ending in 2030, with a five-year extension. Management believes that the debt structure, long-term lease, and Riverfront Office Center capital improvements provide for positive cash flow and future net operating income.

### Contract Commitments

During the year ended December 31, 2018, the General Authority, through the Riverfront Office Center Fund, entered into a contract with a construction contractor totaling \$1,557,723. The commitment remaining on the contract at December 31, 2018 was \$1,503,007.

### Dauphin County Industrial Development Authority ("IDA")

The Dauphin County Industrial Development Authority has contractual commitments at September 30, 2018, of \$4,345,240, of which \$2,179,656 is currently available for projects directly assisting businesses and municipalities county-wide in the areas of both economic and community development. In November 2018, the IDA had gaming fund draws from Dauphin County in the amount of \$2,477,370 to cover the remaining contractual commitments.

## **22. Administrative Fees**

### Component Units - Administrative Fees

#### Dauphin County General Authority

Provisions of the financing documents of the bond issues require administrative fees to be paid to the General Authority. For the year ended December 31, 2018, these fees, as paid by the Administrative fund, are as follows:

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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Administrative Fund:		
Riverfront Office Center	\$	292,800
100 Chestnut Street		38,470
Dauphin Highlands Golf Course		27,540
Bond issuance fees		22,500
		<hr/>
	\$	381,310
		<hr/>

### 23. Hotel Tax Distributions and Related Expenses

The hotel tax revenues are derived from a hotel room excise tax imposed by the County of Dauphin. Ordinance No. 3-1999 enacted by the Commissioners imposed a 2% hotel room excise tax effective January 1, 2001. Ordinance No. 3-2002, which repealed and replaced Ordinance No. 3-1999, imposed a 3% hotel room excise tax effective April 1, 2002. Ordinance No. 1-2008, which repealed and replaced Ordinance No. 3-2002, imposed a five-percent hotel room excise tax effective March 1, 2008. The ordinances were enacted pursuant to 16 P.S. Section 1770.5, an act of the General Assembly of the Commonwealth of Pennsylvania, which permits the imposition of a 5% hotel tax, providing for the distribution of 50% of the revenues to the Tourist Promotion Agency and the separate distribution of the other 50% of the revenue to be distributed for the purposes of promoting tourism and regional development.

Of the original 2% hotel tax revenue, the County distributes 20% to the City of Harrisburg, 70% to the Demy Township Industrial Authority and 10% to DCEDC to be remitted, in full to the Hershey Harrisburg Region Vacations Bureau (the County's Tourist Promotion Agency) to be used solely for tourism and regional promotion purposes.

The next 1% hotel tax revenue may be distributed at the discretion of the County Commissioners, to be used solely for tourism and regional promotion purposes. DCEDC is the County's sole recipient and administrator of this 1% Hotel Tax revenue. These funds are required to be kept in an account separate from other funds received by DCEDC.

Of the remaining 2% hotel tax revenue, the County distributes 50.0% to the Hershey Harrisburg Region Vacations Bureau (the County's Tourist Promotion Agency) to be used solely for tourism and regional promotion purposes and 12.50% to the Hershey Harrisburg Region Vacations Bureau to be used for tourism and regional promotion within the City of Harrisburg. Demy Township Industrial Authority receives the remaining 37.5% for the purpose of the improvement, support, rehabilitation, revitalization or construction of one or more tourism-related facilities.

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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DCEDC had revenues from Dauphin County of \$2,792,557 for the year ended December 31, 2018.

### 24. Affordable Housing Loan Programs

The Home Grant Program and Affordable Housing Program disburse funds in the form of deferred payment loans for low and moderate income households. The deferred payment loans are secured by a mortgage on the property. Repayment of the loan is unearned until the property is sold or until the original occupant moves out. The principal balance outstanding at December 31, 2018 for these loans totaled \$5,206,895. These outstanding deferred loans have been recorded as receivables at December 31, 2018, and unearned revenues totaling \$5,206,895 have been recorded to offset the loans.

### 25. Loans and Notes Receivable

In 2010, the County entered into a verbal agreement with the Township of Derry (the "Township") in which the County would pay the Township's costs associated with the reconstruction and relocation of County Bridge No. 122. All expenditures related to this project were incurred in calendar year 2010. On January 26, 2011, the County entered into a formal loan agreement with the Township in the original amount of \$408,948, adjusted based on final cost allocation to \$334,470, at an annual simple interest rate of 1.625% to reimburse the County for the Township's portion of the costs. The agreement requires the Township to make annual principal and interest payments of \$36,509 to the County for 10 years beginning in 2012. The amount outstanding as of December 31, 2018 is \$106,060.

<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 34,785	\$ 1,724	\$ 36,509
2020	35,350	1,158	36,508
2021	35,925	584	36,509
	<u>\$ 106,060</u>	<u>\$ 3,466</u>	<u>\$ 109,526</u>

In December 2017, the County issued General Obligation Bonds, Series A of 2017, in which the County funded the Infrastructure Bank projects of Derry Township, Lower Swatara Township, and Londonderry Township (the "municipalities"). Individual notes were issued to

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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the municipalities in the amounts of \$2,968,111, \$1,203,801, and \$183,088, respectively. The agreements require the municipalities to make annual principal and interest payments for 20 years beginning in 2018 at fixed interest rates ranging from 1.30% to 4.00%, with final payments in October 2037.

### Component Units - Loans and Notes Receivable

#### Dauphin County Industrial Development Authority ("IDA")

On April 1, 2007, the IDA entered into a loan agreement with Tuscano Pizza & Grill, Inc. in the amount of \$100,000 at a fixed interest rate of 6.0%. The agreement required Tuscano Pizza & Grill, Inc. to make monthly principal and interest payments of \$1,933 to the IDA for 60 consecutive months beginning on May 1, 2007. In February 2009 this loan agreement was amended, requiring Tuscano Pizza & Grill, Inc. to make monthly principal and interest payments of \$1,007 for 84 consecutive months beginning on March 1, 2009 on the remaining balance of \$76,187. The new loan agreement carries a fixed interest rate of 3.0%. The amount outstanding on the loan as of September 30, 2018 is \$32,490 which is fully reserved on the financial statements.

In July 2008, the IDA entered into a loan agreement with Trinity Harvest in the amount of \$50,000 at a fixed interest rate of 3.0%. The agreement required Trinity Harvest to make monthly principal and interest payments of \$898 to the IDA for 60 consecutive months beginning on October 1, 2008. The amount outstanding on the loan as of September 30, 2018 is \$33,345 which is fully reserved on the financial statements.

On December 18, 2012, the IDA entered into a loan agreement with Q. Jones, Inc. in the amount of \$50,000 at a fixed rate of 2.5%. The agreement required Q. Jones, Inc. to make monthly principal and interest payments of \$887 to the IDA for 60 consecutive months beginning on February 1, 2013. The loan was fully paid off during the year ended September 30, 2018.

On May 23, 2013, the IDA entered into a loan agreement with Hershey Miniature Golf, Inc. (Adventure Sports in Hershey) in the amount of \$114,400 at a fixed rate of 3.5%. The agreement required Hershey Miniature Golf, Inc. to make monthly principal and interest payments of \$1,538 to the IDA for 84 consecutive months beginning on July 1, 2013. The amount outstanding on the loan as of September 30, 2018 is \$22,533.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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On October 9, 2013, the IDA entered into a loan agreement with Probitas Technology, Inc. in the amount of \$100,000 at a fixed rate of 2.5%. The agreement required Probitas Technology, Inc. to make monthly principal and interest payments of \$1,775 to the IDA for 60 consecutive months beginning on December 1, 2013. The amount outstanding on the loan as of September 30, 2018 is \$68,044.

On February 17, 2015, the IDA amended an existing loan agreement with Dewberry, LLC in the amount of \$248,000 at a fixed rate of 3.0%. The agreement requires Dewberry, LLC to make monthly principal and interest payments of \$4,456.24 to the IDA for 60 consecutive months beginning on January 1, 2016. The amount outstanding on the loan as of September 30, 2018 is \$116,207.

On March 6, 2015, the IDA entered into a loan agreement with Harristown Development Corporation in the amount of \$100,000 at a fixed rate of 3.25%. The agreement requires Harristown Development Corporation to make monthly principal and interest payments of \$1,808 to the IDA for 60 consecutive months beginning on April 1, 2015. The amount outstanding on the loan as of September 30, 2018 is \$33,439.

On July 8, 2015, the IDA entered into a loan agreement with Robert and Susan Louer (Street Stores) in the amount of \$55,400 at a fixed rate of 3.25%. The agreement requires Street Stores to make monthly principal and interest payments of \$1,002 to the IDA for 60 consecutive months beginning on August 1, 2015. The amount outstanding on the loan as of September 30, 2018 is \$22,306.

On December 7, 2016, the IDA entered into a loan agreement with Harristown Enterprises, Inc. in the amount of \$125,000 at a fixed rate of 2.50%. The agreement requires Harristown Enterprises, Inc. to make monthly principal and interest payments of \$2,218.42 to the IDA for 60 consecutive months beginning January 7, 2017. The amount outstanding on the loan as of September 30, 2018 is \$83,014.

On March 20, 2017, the Authority entered into a loan agreement with Steelton Borough in the amount of \$80,000 at a fixed rate of 2.80%. The agreement requires Steelton Borough to make monthly principal and interest payments of \$1,430.40 to the IDA for 60 consecutive months beginning September 1, 2017. The amount outstanding on the loan as of September 30, 2018 is \$59,748.

On August 11, 2017, the IDA entered into a loan agreement with Harristown Enterprises, Inc. in the amount of \$100,000 at a fixed rate of 3.50%. The agreement requires Harristown

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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Enterprises, Inc. to make monthly principal and interest payments of \$1,819.17 to the IDA for 60 consecutive months beginning September 1, 2017. The amount outstanding on the loan as of September 30, 2018 is \$79,791.

On September 5, 2017, the IDA entered into a loan agreement with Tres, LLC in the amount of \$100,000 at a fixed rate of 3.25%. The agreement requires Tres, LLC to make monthly principal and interest payments of \$1,808 to the IDA for 60 consecutive months beginning October 1, 2017. The amount outstanding on the loan as of September 30, 2018 is \$90,714.

On June 15, 2018, the IDA entered into a loan agreement with Pop's House in the amount of \$50,000 at a fixed rate of 3.00%. The agreement requires Pop's House to make monthly principal and interest payments of \$898.43 to the IDA for 60 consecutive months beginning July 15, 2018. The amount outstanding on the loan as of September 30, 2018 is \$48,451.

Loans receivable at September 30, 2018 are as follows:

Displayed as:	
Current portion	\$ 254,148
Noncurrent portion	<u>370,099</u>
	<u>\$ 624,247</u>

### Dauphin County Economic Development Corporation (DCEDC)

The Section 108 Note Payable proceeds described in Note 7 were loaned to a developer to fund the revitalization of an office building complex. DCEDC entered into a mortgage agreement with the developer for repayment of the loan. As of December 31, 2018, the amount owed to the DCEDC is \$2,315,056. As a result of the developer filing for bankruptcy, the balance has been determined to be uncollectible and has been fully reserved in DCEDC's financial statements.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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### 26. Economic Dependency

#### Component Units - Economic Dependency

##### Dauphin County Conservation District

Approximately 64.64 percent of the District's funding is from private, state, and federal grants and subsidies. Reduction or loss of this funding could have a significant effect on the District's programs and activities.

##### Case Management Unit

Formal commitment for future funding by the Dauphin County MH/ID program is made on an annual basis. Reduction of, or loss of, this funding could have a significant effect on CMU's programs and activities.

##### Dauphin County Economic Development Corporation ("DCEDC")

Formal commitment for future funding by the Department of Housing and Urban Development is made on an annual basis. The DCEDC also receives a significant amount of operating revenue from Dauphin County, primarily through Hotel Tax distributions. Reduction of, or loss of, these funding sources could have a significant effect on the DCEDC's programs and activities.

### 27. Litigation

In the normal course of business, there are various claims and suits pending against the County and its elected officials. Management is of the opinion that these matters will not have a material adverse effect on the County's financial position at December 31, 2018.

#### Component Unit – Litigation

##### Dauphin County General Authority

The General Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. Significant losses are covered by commercial insurance for all major programs. There were no significant

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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reductions in insurance coverages in 2018. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

The General Authority is involved in several lawsuits arising in the normal course of business. Management of the General Authority believes none of the litigation outstanding against the General Authority and none of the potential unasserted claims that may be asserted against the General Authority would materially affect the financial position of the General Authority.

### **28. Management's Plan**

#### Component Unit - Management's Plan

#### Dauphin County Economic Development Corporation ("DCEDC")

The DCEDC has a deficit unrestricted net position balance in the amount of \$1,310,002 at December 31, 2018. The DCEDC experienced the deficit due to the Section 108 HUD Loan described in Note 7 in the amount of \$1,376,000. This loan is being repaid in accordance with the loan amortization schedule using CDBG funds. The payments will continue through the loans maturity in 2026 and subsequently relieve the net position deficit.

### **29. Guaranteed Debt**

Pennsylvania Local Government Unit Debt Act permits local government to extend nonexchange financial guarantees on certain debt issued by related and unrelated entities. In accordance with the Act, the County has guaranteed several debt issuances.

In 2010, the County guaranteed IDA's \$1,900,000 Guaranteed Mortgage Revenue Note, Series of 2010. The IDA is a component unit of the County. The note matures monthly through December 1, 2020. At December 31, 2018, the outstanding principal amount of the guaranteed note is \$1,341,582. In 2012, the County guaranteed IDA's \$305,000 Guaranteed Mortgage Revenue Note, Series of 2012. The note matures monthly through December 1, 2032. At December 31, 2018, the outstanding principal amount of the guaranteed note is \$241,221. In 2018, the County guaranteed IDA's \$2,210,000 Guaranteed Mortgage Revenue Note, Series of 2017. The note matures monthly through December 13, 2042. At December 31, 2018 the outstanding principal amount of the guaranteed note is \$7,033,000. The

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

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proceeds from this note, dated August 14, 2017, were used to refinance the IDA's Guaranteed Note of 2012.

In the event IDA is unable to make a required payment on the above debt issuances, the County would be required to make the payments. The IDA is not required to repay the County for any payments the County makes pursuant to the guaranty.

In 2004, the County guaranteed DCEDC's \$2,200,000 Guaranteed Parking Revenue Note, Series of 2004. The DCEDC is a component unit of the County. The note matures semi-annually through December 1, 2030. The note was paid in full during 2018. In 2018, the County guaranteed the DCEDC's \$1,618,500 Guaranteed Note Series A of 2018 and \$1,470,000 Guaranteed Parking Revenue Note Series B of 2018. At December 31, 2018 the outstanding principal amount of the guaranteed notes were \$1,618,500 and \$1,470,000, respectively. In the event DCEDC is unable to make a required payment on the guaranteed notes, the County would be required to make the payments. The DCEDC is not required to repay the County for any payments the County makes pursuant to the guaranty.

In 2016, the County guaranteed the General Authority's \$8,479,511 and \$1,708,775 Taxable County Guaranteed Revenue Refunding Bond, Series A of 2016 and Tax-Exempt County Guaranteed Revenue Refunding Bond, Series B of 2016, respectively. The General Authority is a component unit of the County. The bonds mature through 2022. At December 31, 2018 the outstanding principal amounts of the Series A of 2016 and Series B of 2016 are \$8,079,490 and \$1,233,166 respectively. In 2017, the County guaranteed the General Authority's \$5,917,000 Lease Revenue Note. The note matures through 2038. At December 31, 2018, the outstanding principal amount of the guaranteed note is \$5,704,770. In the event the General Authority is unable to make a required payment on the guaranteed bonds, the County would be required to make the payments. In accordance with the guaranty agreement, if such payments are made by the County, the General Authority is required to reimburse the County from any money's available for that purpose under the Trust Indenture.

In accordance with an Asset Transfer Agreement dated December 1, 2013, the Pennsylvania Economic Development Financing Authority ("PEDFA") leased the Off-Street Parking System from the Harrisburg Parking Authority and entered into a PEDFA Intergovernmental Cooperation Agreement with the City of Harrisburg to operate an On-Street Parking System, collectively the "Parking System". The City of Harrisburg is a political subdivision of the County. To finance the acquisition of the Parking System, the Pennsylvania Economic Development Financing Authority issued 2013 Bonds.

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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In 2013, Dauphin County guaranteed portions of the 2013 Bonds. In accordance with the Series B Bond Guaranty Agreement between Dauphin County and the Pennsylvania Economic Development Financing Authority, the County has guaranteed the full payment of the principal and interest of the Series B Bonds in the maximum principal amount of \$99,000,000, together with interest thereon. The Series B Bonds mature through July 1, 2053. As of December 31, 2018, the amount of principal outstanding on the Series B Bonds is \$96,717,029. The County entered into a County/Authority Reimbursement Agreement with the Pennsylvania Economic Development Financing Authority that provides for the County to seek reimbursement from the Authority for any guarantee payments the County makes as a result of a failure of the Authority to make a payment.

In accordance with the Series C Bond Guaranty Agreement between Dauphin County and the Pennsylvania Economic Development Financing Authority, the County has guaranteed the full payment of the principal and interest of the Series C Bonds in the maximum principal amount of \$68,453,474, together with interest thereon, in the event that the Bond Insurer (Assured Guarantee Municipal Corp. "AGM") fails to make debt service payments to the Authority. The Series C Bonds mature through July 1, 2053. As of December 31, 2018 the amount of principal outstanding on the Series C Bonds is \$66,473,474. The County entered into a Reimbursement Agreement with AGM so that the County has a legal right to seek reimbursement from AGM for any guaranty payments the County makes as a result of a failure of AGM to make a guarantee payment.

In accordance with a guaranty agreement dated December 23, 2013 between the County and the Lancaster County Solid Waste Management Authority ("LCSWMA"), the County guarantees the full payment of the principal and interest of the \$24 million 2013B Bonds issued by the LCSWMA in connection with the Harrisburg Resource Recovery Facility ("HRRF") transactions. As part of the HRRF, the LCSWMA agreed to purchase the Harrisburg Incinerator from the Harrisburg Authority. The Harrisburg Authority is a component unit of the City of Harrisburg, which is a political subdivision of the County. The County will also be responsible for interest expense, over 1% annum, for a period of 20 years. The 2013B Bonds, when due in 2033, will be paid by the LCSWMA if the County flow control to the HRRF is renewed for a subsequent 10-year term by mutual agreement between the County and the LCSWMA. If such mutual agreement is not reached, LCSWMA has agreed to convey the HRRF to the County, free and clear of any liens or encumbrances, for \$24 million which will be applied to pay the 2013B Bonds. At December 31, 2018, the outstanding principal of the 2013B Bonds is \$24 million. The County entered into a Reimbursement Agreement with LCSWMA so that the County has a legal right to seek reimbursement from LCSWMA for any guaranty payments the County makes as a result of a failure of LCSWMA to make a payment. During February

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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2019, the County entered into a constant maturity swap on the above guaranteed debt. The County will make interest payments based on the notional amount outstanding multiplied by SIFMA Municipal Swap Index (SIFMA) and the Counterparty will make payments to the County equal to the notional amount outstanding multiplied by 65% of the 10-year USD ICE Swap Rate.

### **30. Labor Contract**

Approximately 80% of CMU's payroll was paid to employees represented by a labor union contract. The union ratified a new agreement in September 2016, which runs until June 30, 2019.

### **31. Infrastructure Bank**

#### Component Unit - Infrastructure Bank

#### Dauphin County Industrial Development Authority ("IDA")

The Dauphin County Infrastructure Bank Program (the "Program") was approved for creation in June of 2013 for the purpose of providing eligible applicants loans to fund qualifying transportation infrastructure projects, with interest rates at 0.5% and terms of up to 10 years. These loans are to be secured by pledges of liquid fuels revenue for public applicants, or letters of credit for private applicants. In addition, the loan agreements are between the County and the loan applicants.

In March 2014, February 2015, and February 2016 through a partnership between the Pennsylvania Department of Transportation and Dauphin County, the County received loans in the amounts of \$4,272,723, \$7,034,518, and \$1,279,250, respectively, which were transferred to the IDA, by Memorandum of Understanding (MOU), for the administration of the Infrastructure Bank program.

#### Loans Receivable

On May 15, 2014, the County entered into a loan agreement with Londonderry Township in the amount of \$925,000 at a fixed interest rate of 0.50%. The agreement allows for Londonderry Township to draw funds and make payments similar to a line of credit

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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arrangement with a structured payment schedule. The agreement requires Londonderry Township to make annual principal and interest payments of \$94,887 to the IDA for 10 consecutive years beginning on January 1, 2015. The amount outstanding on the loan as of September 30, 2018 is \$406,321 with an additional \$153,168 available for Londonderry Township to borrow.

On May 21, 2014, the County entered into a loan agreement with Derry Township in the amount of \$256,960 at a fixed interest rate of 0.50%. The agreement allows for Derry Township to draw funds and make payments similar to a line of credit arrangement with a structured payment schedule. The agreement requires Derry Township to make annual principal and interest payments of \$26,357 to the IDA for 10 consecutive years beginning on January 1, 2015. The amount outstanding on the loan as of September 30, 2018 is \$86,953 with an additional \$68,457 available for Derry Township to borrow.

On May 21, 2014, the County entered into a loan agreement with Middletown Borough in the amount of \$1,500,000 at a fixed interest rate of 0.50%. The agreement allows for Middletown Borough to draw funds and make payments similar to a line of credit arrangement with a structured payment schedule. The agreement requires Middletown Borough to make annual principal and interest payments of \$153,858 to the IDA for 10 consecutive years beginning on January 1, 2015. The amount outstanding on the loan as of September 30, 2018 is \$907,204 with no additional amounts available for Middletown Borough to borrow.

On August 7, 2014, the County entered into a loan agreement with West Hanover Township in the amount of \$825,000 at a fixed interest rate of 0.50%. The agreement allows for West Hanover Township to draw funds and make payments similar to a line of credit arrangement with a structured payment schedule. The agreement requires West Hanover Township to make annual principal and interest payments of \$84,533 to the IDA for 10 consecutive years beginning on January 1, 2015. West Hanover Township has made regularly schedule payments in excess of the amounts previously drawn and is currently owed \$106,567 which is included in due to other governments on the Statement of Net Position.

On May 1, 2015, the County entered into a loan agreement with the Township of Swatara in the amount of \$1,500,000 at a fixed interest rate of 0.50%. The agreement allows for the Township of Swatara to draw funds and make payments similar to a line of credit arrangement with a structured payment schedule. The agreement requires the Township of Swatara to make annual principal and interest payments of \$153,900 to the IDA for 10 consecutive years beginning on January 1, 2016. The amount outstanding on the loan as of

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# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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September 30, 2018 is \$1,028,991 with an additional \$27,084 available for the Township of Swatara to borrow.

On May 15, 2015, the County entered into a loan agreement with the Township of Lower Swatara in the amount of \$500,000 at a fixed interest rate of 0.50%. The agreement allows for the Township of Lower Swatara to draw funds and make payments similar to a line of credit arrangement with a structured payment schedule. The agreement requires the Township of Lower Swatara to make annual principal and interest payments of \$51,290 to the IDA for 10 consecutive years beginning on January 1, 2016. The amount outstanding at September 30, 2018 is \$300,146 with an additional \$51,811 available for the Township of Lower Swatara to borrow.

On June 15, 2015, the County entered into a loan agreement with the Township of Susquehanna in the amount of \$4,800,000 at a fixed interest rate of 0.50%. The agreement allows for the Township of Susquehanna to draw funds and make payments similar to a line of credit arrangement with a structured payment schedule. The agreement requires the Township of Susquehanna to make annual principal and interest payments of \$492,181 to the IDA for 10 consecutive years beginning on January 1, 2016. The amount outstanding on the loan as of September 30, 2018 is \$2,222,606 with an additional \$1,154,774 available for Susquehanna Township to borrow.

On May 11, 2016, the County entered into a loan agreement with the Township of Middle Paxton in the amount of \$1,212,000 at a fixed interest rate of 0.50%. The agreement allows for the Township of Middle Paxton to draw funds and make payments similar to a line of credit arrangement with a structured payment schedule. The agreement requires the Township of Middle Paxton to make annual principal and interest payments of \$124,334 to the IDA for 10 consecutive years beginning on January 1, 2017. The amount outstanding at September 30, 2018 is \$88,775 with an additional \$883,886 available for the Township of Middle Paxton to borrow.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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Loans receivable at September 30, 2018 are as follows:

	<u>Infrastructure Bank</u>
Displayed as:	
Current portion	\$ 1,029,210
Noncurrent portion	<u>4,011,786</u>
	<u>\$ 5,040,996</u>

### Due to Related Party

Through the creation of the Infrastructure Bank, Dauphin County established an MOU with the IDA in which the IDA acts as the administrator of the program. Although the MOU gives the administrative rights to the IDA, the debt remains in the name of Dauphin County. As the debt service payments from the Municipalities are collected by the IDA, they will be applied against the County loan. The County has also budgeted to contribute \$350,000 annually of their Liquid Fuels allocation to assist in the repayment of the loan. As of September 30, 2018, \$8,416,627 is due to Dauphin County for the repayment of the Infrastructure Bank loan.

## **32. Subsequent Events**

### Component Units - Subsequent Events

#### Dauphin County Industrial Development Authority ("IDA")

On October 30, 2018, the IDA entered a lease of the Veterans Building to the Dauphin County Economic Development Corporation (the "Corporation") through November 15, 2020. The Veterans Building is located at 112 Market Street, Harrisburg, PA. As owner of the building, the IDA leased the building to the Corporation and assigned the rents on the building to allow the Corporation to issue debt and remit the debt proceeds to the IDA, less costs of issuance, to allow the Corporation to effectively pre-pay its rent obligations under the lease and further allow the IDA to retire/refinance its debt obligations on the Veterans Building.

On October 30, 2018, the Corporation issued debt in the amount of \$1,618,500 and remitted the proceeds, less issuance costs, to the IDA and the IDA retired the 2010 Note related to the Veterans Building.

# COUNTY OF DAUPHIN

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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Further, on October 30, 2018, the IDA entered a sublease agreement with the Corporation to lease back the Veterans Building. The purpose of the sublease was to require the IDA to pay rents sufficient to allow the Corporation to make interest and principal payments on the 2018 Note issued by the Corporation to allow the IDA to retire/refinance its debt on the Veterans Building. The sublease will require rent payments equal to the Corporation's interest only payments on its Note through November 1, 2020, at which time a rental payment of \$1,618,500 will be required by the IDA to allow the Corporation to retire the 2018 Note.

The transaction is in substance a direct financing lease and will be recorded as such on both the books and records of the IDA and the Corporation.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**COUNTY OF DAUPHIN, PENNSYLVANIA**

SCHEDULE OF CHANGES IN THE NET PENSION  
LIABILITY AND RELATED RATIOS

YEARS ENDED DECEMBER 31

	2018	2017	2016	2015	2014
<b>Total Pension Liability:</b>					
Service cost	\$ 7,224,873	\$ 8,135,054	\$ 7,782,411	\$ 7,539,587	\$ 7,631,935
Interest	25,110,793	24,190,935	23,191,491	22,212,750	21,023,961
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	2,501,870	(783,239)	(340,322)	3,005,187	(1,154,590)
Changes of assumptions	5,763,282	-	-	-	-
Benefit payments, including refunds of member contributions	(19,288,290)	(17,504,222)	(16,635,647)	(16,348,103)	(15,117,387)
<b>Net Changes in Total Pension Liability</b>	<b>21,312,528</b>	<b>14,038,528</b>	<b>13,997,933</b>	<b>16,409,421</b>	<b>12,383,919</b>
<b>Total Pension Liability - Beginning</b>	<b>340,341,124</b>	<b>326,302,596</b>	<b>312,304,663</b>	<b>295,895,242</b>	<b>283,511,323</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 361,653,652</b>	<b>\$ 340,341,124</b>	<b>\$ 326,302,596</b>	<b>\$ 312,304,663</b>	<b>\$ 295,895,242</b>
<b>Plan Fiduciary Net Position:</b>					
Contributions - employer	\$ 6,004,307	\$ 5,852,311	\$ 6,263,146	\$ 6,546,502	\$ 7,296,208
Contributions - employee	5,120,149	4,940,140	4,635,059	4,407,790	4,414,489
Net investment income (loss)	(16,658,289)	44,189,197	21,807,326	2,071,951	20,481,368
Benefit payments, including refunds of employee contributions	(19,288,290)	(17,504,222)	(16,635,647)	(16,348,103)	(15,117,387)
Administrative expense	(232,813)	(213,874)	(208,581)	(191,401)	(185,839)
Other	-	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>(25,054,936)</b>	<b>37,263,552</b>	<b>15,861,303</b>	<b>(3,513,261)</b>	<b>16,888,839</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>337,391,858</b>	<b>300,128,306</b>	<b>284,267,003</b>	<b>287,780,264</b>	<b>270,891,425</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 312,336,922</b>	<b>\$ 337,391,858</b>	<b>\$ 300,128,306</b>	<b>\$ 284,267,003</b>	<b>\$ 287,780,264</b>
<b>Net Pension Liability - Ending (a-b)</b>	<b>\$ 49,316,730</b>	<b>\$ 2,949,266</b>	<b>\$ 26,174,290</b>	<b>\$ 28,037,660</b>	<b>\$ 8,114,978</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>86.36%</b>	<b>99.13%</b>	<b>91.98%</b>	<b>91.02%</b>	<b>97.26%</b>
<b>Covered Payroll</b>	<b>\$ 77,655,475</b>	<b>\$ 77,285,207</b>	<b>\$ 74,619,828</b>	<b>\$ 73,801,979</b>	<b>\$ 74,667,283</b>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	<b>63.51%</b>	<b>3.82%</b>	<b>35.08%</b>	<b>37.99%</b>	<b>10.87%</b>

*Note: This schedule is present to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available is shown.*

**COUNTY OF DAUPHIN, PENNSYLVANIA**

SCHEDULE OF EMPLOYER CONTRIBUTIONS AND INVESTMENT RETURNS

YEARS ENDED DECEMBER 31

<u>Schedule of Contributions</u>	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	\$ 6,004,307	\$ 5,852,311	\$ 6,263,146	\$ 6,546,502	\$ 7,296,208	\$ 8,772,717	\$ 8,493,038	\$ 10,293,492	\$ 10,118,006	\$ 7,732,226
Contributions in relation to the actuarially determined contribution	<u>6,004,307</u>	<u>5,852,311</u>	<u>6,263,146</u>	<u>6,546,502</u>	<u>7,296,208</u>	<u>8,772,717</u>	<u>8,493,038</u>	<u>10,293,492</u>	<u>10,118,006</u>	<u>7,732,226</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	<u>\$ 77,655,475</u>	<u>\$ 77,285,207</u>	<u>\$ 74,619,828</u>	<u>\$ 73,801,979</u>	<u>\$ 73,801,979</u>	<u>\$ 74,667,283</u>	<u>\$ 75,886,904</u>	<u>\$ 75,828,648</u>	<u>\$ 75,798,908</u>	<u>\$ 77,592,072</u>
Contributions as a percentage of covered payroll	7.73%	7.57%	8.39%	8.87%	9.89%	11.75%	11.19%	13.57%	13.35%	9.97%
<u>Investment Returns</u>										
Annual money-weighted rate of return, net of investment expense	(4.70)%	15.07%	8.10%	1.10%	8.00%	n/a	n/a	n/a	n/a	n/a

*n/a - information not available as 2014 was the first year of implementation*

**Notes to Schedule**

Valuation Date: January 1, 2018

Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry age

Amortization method: Level dollar

Remaining amortization period: 24 years

Asset valuation method: Market value adjusted for unrecognized gains and losses from prior years

Inflation: 3%

Salary increases: 4.5% average, including inflation

Investment rate of return: 7.25%, net of pension plan investment expense, including inflation

Retirement age: Age 60 or 55 with 20 years service

Mortality: 2013 RP Annuitant and Non-Annuity Mortality Table for males and females with no projected improvement

Changes in assumptions:

For the January 1, 2018 valuation, the County has elected to change the interest rate assumption from 7.5% to 7.25% and the salary assumption from 4.5% to 4.25%. The cost effect on the change in assumption for the interest rate and salary adjustments are an increase of \$964,231 and decrease of \$321,426, respectively in the actuarial accrued liability.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

YEARS ENDED DECEMBER 31

	<u>2018</u>
<b>Total OPEB Liability:</b>	
Service cost	\$ 682,402
Interest	887,301
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	(1,766,984)
Benefit payments	<u>(1,162,938)</u>
<b>Net Changes in Total OPEB Liability</b>	(1,360,219)
<b>Total OPEB Liability - Beginning</b>	<u>28,026,714</u>
<b>Total OPEB Liability - Ending (a)</b>	<u><u>\$ 26,666,495</u></u>

*Note: This schedule is present to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available is shown.*

# COUNTY OF DAUPHIN, PENNSYLVANIA

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL GENERAL FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 105,799,000	\$ 105,799,000	\$ 105,236,657	\$ (562,343)
Intergovernmental	30,393,116	31,731,526	30,081,588	(1,649,938)
Charges for services	18,171,105	18,355,759	18,827,483	471,724
License and permits	155,500	155,500	160,732	5,232
Court costs and fines	3,499,500	3,534,500	3,559,497	24,997
Interest and rents	656,345	656,345	1,149,571	493,226
Miscellaneous revenue	308,550	1,231,213	1,840,943	609,730
<b>Total revenues</b>	<b>158,983,116</b>	<b>161,463,843</b>	<b>160,856,471</b>	<b>(607,372)</b>
<b>Expenditures:</b>				
Current:				
General government	14,543,436	14,791,180	14,793,181	2,001
Judicial	61,268,833	61,485,667	56,683,411	(4,802,256)
Public safety	40,983,805	40,993,518	40,112,405	(881,113)
Public works	-	-	-	-
Human services	18,710,335	18,695,353	19,958,506	1,263,153
Culture and recreation	2,554,291	2,502,287	2,473,667	(28,620)
Conservation and development	6,586,597	7,648,996	6,221,675	(1,427,321)
Debt service:				
Principal	10,160,880	10,395,749	11,575,187	1,179,438
Interest	3,614,273	3,673,973	3,893,422	219,449
Bond issuance costs	500	500	-	(500)
<b>Total expenditures</b>	<b>158,422,950</b>	<b>160,187,223</b>	<b>155,711,454</b>	<b>(4,475,769)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>560,166</b>	<b>1,276,620</b>	<b>5,145,017</b>	<b>3,868,397</b>
<b>Other Financing Sources (Uses):</b>				
Transfers - in	4,075,125	4,374,694	4,459,760	85,066
Transfers - out	(16,910,440)	(17,926,463)	(15,374,136)	2,552,327
Capital lease proceeds	-	-	506,156	506,156
<b>Total other financing sources (uses)</b>	<b>(12,835,315)</b>	<b>(13,551,769)</b>	<b>(10,408,220)</b>	<b>3,143,549</b>
<b>Net Changes in Fund Balances</b>	<b>(12,275,149)</b>	<b>(12,275,149)</b>	<b>(5,263,203)</b>	<b>7,011,946</b>
<b>Fund Balance, Beginning</b>	<b>12,275,149</b>	<b>12,275,149</b>	<b>52,029,593</b>	<b>39,754,444</b>
<b>Fund Balance, Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 46,766,390</b>	<b>\$ 46,766,390</b>

The notes to financial statements are an integral part of this statement.

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL CHILDREN AND YOUTH FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 38,324,127	\$ 38,324,127	\$ 35,354,586	\$ (2,969,541)
Charges for services	1,147,518	1,147,518	1,232,080	84,562
Interest and rents	-	-	2	2
Total revenues	<u>39,471,645</u>	<u>39,471,645</u>	<u>36,586,668</u>	<u>(2,884,977)</u>
<b>Expenditures:</b>				
Current:				
Human services	49,602,142	49,602,142	44,942,893	(4,659,249)
Debt service:				
Principal	22,103	22,103	11,531	(10,572)
Interest	-	-	10,571	10,571
Total expenditures	<u>49,624,245</u>	<u>49,624,245</u>	<u>44,964,995</u>	<u>(4,659,250)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(10,152,600)</u>	<u>(10,152,600)</u>	<u>(8,378,327)</u>	<u>1,774,273</u>
<b>Other Financing Sources (Uses):</b>				
Transfers - in	10,152,600	10,152,600	8,455,431	(1,697,169)
Transfers - out	-	-	(77,104)	(77,104)
Total other financing sources (uses)	<u>10,152,600</u>	<u>10,152,600</u>	<u>8,378,327</u>	<u>(1,774,273)</u>
<b>Net Changes in Fund Balances</b>	-	-	-	-
<b>Fund Balance, Beginning</b>	-	-	-	-
<b>Fund Balance, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to financial statements are an integral part of this statement.

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL LOW INCOME HOUSING FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 125,000	\$ 125,000	\$ 139,850	\$ 14,850
Charges for services	357,000	357,000	389,557	32,557
Interest and rents	7,000	7,000	21,226	14,226
Total revenues	<u>489,000</u>	<u>489,000</u>	<u>550,633</u>	<u>61,633</u>
<b>Expenditures:</b>				
Current:				
Conservation and development	489,000	489,000	469,439	(19,561)
Total expenditures	<u>489,000</u>	<u>489,000</u>	<u>469,439</u>	<u>(19,561)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>-</u>	<u>81,194</u>	<u>81,194</u>
<b>Net Changes in Fund Balances</b>	-	-	81,194	81,194
<b>Fund Balance, Beginning</b>	-	-	<u>1,210,520</u>	<u>1,210,520</u>
<b>Fund Balance, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,291,714</u>	<u>\$ 1,291,714</u>

The notes to financial statements are an integral part of this statement.

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL GAMING FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 13,250,000	\$ 13,250,000	\$ 13,012,093	\$ (237,907)
Interest and rents	75,000	75,000	326,040	251,040
Total revenues	<u>13,325,000</u>	<u>13,325,000</u>	<u>13,338,133</u>	<u>13,133</u>
<b>Expenditures:</b>				
Current:				
Judicial	352,867	452,867	375,931	(76,936)
Conservation and development	9,322,487	9,222,487	6,253,273	(2,969,214)
Total expenditures	<u>9,675,354</u>	<u>9,675,354</u>	<u>6,629,204</u>	<u>(3,046,150)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>3,649,646</u>	<u>3,649,646</u>	<u>6,708,929</u>	<u>3,059,283</u>
<b>Other Financing Sources (Uses):</b>				
Transfers - out	(3,649,646)	(3,649,646)	(3,928,172)	(278,526)
Total other financing sources (uses)	<u>(3,649,646)</u>	<u>(3,649,646)</u>	<u>(3,928,172)</u>	<u>(278,526)</u>
<b>Net Changes in Fund Balances</b>	-	-	2,780,757	2,780,757
<b>Fund Balance, Beginning</b>	-	-	16,266,356	16,266,356
<b>Fund Balance, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,047,113</u>	<u>\$ 19,047,113</u>

The notes to financial statements are an integral part of this statement.

# COUNTY OF DAUPHIN

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2018

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### 1. Budgetary Data

#### County Budget Process

Formal budgetary accounting is employed as a management control for the General Fund, certain Special Revenue Funds, and the Capital Project Funds of the County on a calendar year basis. Additionally, formal budgetary accounting is employed by the County as a management control for certain Special Revenue Funds on a fiscal year basis with the fiscal year ending June 30th. Annual calendar year operating budgets are adopted each year through the passage of an annual budget ordinance; annual fiscal year operating budgets are adopted each year through the passage of a motion by the County Commissioners. Accounting principles generally accepted in the United States of America are used to complete budgets.

The County of Dauphin follows these procedures in establishing the budgetary data reflected in the financial statements:

In early July for the calendar year budgets and early April for the fiscal year budgets, the Budget Director supplies the department directors with a budget submission packet for the ensuing year. This packet contains the prior year actuals, the current year estimates, a workspace for the next year requests, and other forms to further detail the requests. This submission packet is due back to the budget office by late August for calendar year budgets and early May for the fiscal year budgets.

During September and October for calendar year budgets and May for fiscal year budgets, the Budget Director meets with each department to discuss their budget requests. At this meeting, requests are substantiated or revised as necessary.

Upon completion of the budget meetings, the Budget Director assembles work papers for the Public Budget Hearings that are held in mid-November for the calendar year budgets and late May for fiscal year budgets. At these hearings, the Commissioner review the budget requests with the various department directors, and finalize figures for the proposed budget that will be made available for the 20- day public inspection period.

The Budget Director then presents the proposed budget to the Commissioners. This budget presentation takes place in late November for the calendar year budgets and early June for the fiscal year budgets at an advertised date.

# COUNTY OF DAUPHIN

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2018

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After the 20-day inspection period but no later than December 31 for the calendar year budgets and June 30 for the fiscal year budgets, the Commissioners adopt the final budget.

As required by the Commonwealth of Pennsylvania County Code, subsequent to the calendar year budgets approval, the County Commissioners adopt the appropriation measures required to put the budget into effect and fix the rate of taxation. Within 15 days subsequent to the legal adoption of the calendar year budgets, the County Commissioners file a copy of the budget with the Department of Community and Economic Development of the Commonwealth of Pennsylvania.

### Legal Requirements

An annual budget is required to be legally adopted for the General Fund since real estate taxes are levied to finance its operations. Although not legally required, the County also adopts annual budgets for its Capital Projects Fund, and certain Special Revenue Funds (Children and Youth Fund, Aging Fund, Drug and Alcohol Fund, Mental Health/ Intellectual Disabilities Fund, State Grant Fund, Human Service Development Fund, Hazard Material Emergency Response Fund, Liquid Fuels Fund, Low Income Housing Fund, Hotel Tax Fund, Gaming Fund, Capital Projects Fund, Emergency 911 Operating & Act 56 Wireless Fund, and Domestic Relations Fund.) Budgetary data is presented on the basis of accounting principles generally accepted in the United States of America for all funds that adopt annual budgets.

### Level of Control

Commonwealth of Pennsylvania statute requires the County's legal level of budgetary control to be at the fund level and the County maintains budgetary control at the fund level.

### Lapsing of Appropriations

Unexpended appropriations lapse at year- end.

### Management Amendment Authority

During the course of the year, departmental needs may change, emergencies may occur, or additional revenue sources may arise. As a result, funds are occasionally 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 are approved by the County Commissioners.

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# COUNTY OF DAUPHIN

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2018

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Financial analysis is provided monthly to management showing spending levels in comparison to the current budget. The budget is also reviewed by management with operating departments.

## **OTHER SUPPLEMENTARY INFORMATION**

## **NONMAJOR GOVERNMENTAL FUNDS**

County of Dauphin, Pennsylvania

Combining and Individual Nonmajor Governmental Fund Financial Statements

For descriptions of the Nonmajor Special Revenue Funds, see page 176.

The Fort Hunter Permanent Fund is used to account for the resources required to be held in perpetuity to be used for park, recreational, and historical purposes in accordance with the Fort Hunter Indenture.

The Capital Projects fund is used to account for resources utilized in the acquisition and construction of capital assets.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2018

	Nonmajor Special Revenue Funds	Fort Hunter Permanent Fund	Capital Projects Fund	Total Other Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 16,012,501	\$ -	\$ 5,022,966	\$ 21,035,467
Investments	-	1,107,009	-	1,107,009
Receivables:				
Accounts, net	304,944	-	-	304,944
Loans	106,060	-	-	106,060
Due from other funds	272,306	-	-	272,306
Due from other governments	3,044,295	-	869,859	3,914,154
Prepaid items	24,433	-	-	24,433
Other assets	-	-	-	-
Restricted assets - cash	-	82,796	-	82,796
<b>Total Assets</b>	<b>\$ 19,764,539</b>	<b>\$ 1,189,805</b>	<b>\$ 5,892,825</b>	<b>\$ 26,847,169</b>
<b>Liabilities and Fund Balance</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 2,892,799	\$ -	\$ 984,801	\$ 3,877,600
Accrued liabilities	541,120	-	-	541,120
Unearned revenues - other	4,528,100	-	-	4,528,100
Due to other funds	155,109	-	-	155,109
Due to component units	221,788	-	-	221,788
<b>Total Liabilities</b>	<b>8,338,916</b>	<b>-</b>	<b>984,801</b>	<b>9,323,717</b>
<b>Fund Balance:</b>				
Nonspendable	-	1,189,805	-	1,189,805
Restricted	11,569,553	-	-	11,569,553
Assigned	-	-	4,908,024	4,908,024
Unassigned	(143,930)	-	-	(143,930)
<b>Total Fund Balance</b>	<b>11,425,623</b>	<b>1,189,805</b>	<b>4,908,024</b>	<b>17,523,452</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 19,764,539</b>	<b>\$ 1,189,805</b>	<b>\$ 5,892,825</b>	<b>\$ 26,847,169</b>

## COUNTY OF DAUPHIN, PENNSYLVANIA

### COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2018

	Nonmajor Special Revenue Funds	Fort Hunter Permanent Fund	Capital Projects Fund	Total Other Governmental Funds
<b>Revenues:</b>				
Hotel taxes	\$ 12,077,750	\$ -	\$ -	\$ 12,077,750
Intergovernmental	46,480,597	-	3,097,268	49,577,865
Charges for services	1,240,099	-	-	1,240,099
Court costs and fines	1,818,180	-	-	1,818,180
Interest and rents	274,013	(32,288)	106,133	347,858
Miscellaneous revenue	1,734,342	-	25,862	1,760,204
<b>Total revenues</b>	<b>63,624,981</b>	<b>(32,288)</b>	<b>3,229,263</b>	<b>66,821,956</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	29,260	29,260
Judicial	7,592,323	-	-	7,592,323
Public safety	7,589,930	-	-	7,589,930
Public works	1,017,556	-	200,000	1,217,556
Human services	37,915,186	-	-	37,915,186
Culture and recreation	12,100,443	-	2,195,790	14,296,233
Debt service:				
Principal	204,058	-	244,306	448,364
Interest	11,248	-	-	11,248
Capital outlay	141,796	-	1,280,909	1,422,705
<b>Total expenditures</b>	<b>66,572,540</b>	<b>-</b>	<b>3,950,265</b>	<b>70,522,805</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(2,947,559)</b>	<b>(32,288)</b>	<b>(721,002)</b>	<b>(3,700,849)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers - in	5,557,514	-	399,000	5,956,514
Transfers - out	(477,001)	-	(494,473)	(971,474)
Capital lease proceeds	-	-	-	-
Gain on asset disposal	133,750	-	-	133,750
<b>Total other financing sources (uses)</b>	<b>5,214,263</b>	<b>-</b>	<b>(95,473)</b>	<b>5,118,790</b>
<b>Net Changes in Fund Balances</b>	<b>2,266,704</b>	<b>(32,288)</b>	<b>(816,475)</b>	<b>1,417,941</b>
<b>Fund Balance, Beginning</b>	<b>9,158,919</b>	<b>1,222,093</b>	<b>5,724,499</b>	<b>16,105,511</b>
<b>Fund Balance, Ending</b>	<b>\$ 11,425,623</b>	<b>\$ 1,189,805</b>	<b>\$ 4,908,024</b>	<b>\$ 17,523,452</b>

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL CAPITAL PROJECTS FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 5,655,415	\$ 6,490,042	\$ 3,097,268	\$ (3,392,774)
Interest and rents	30,000	30,000	106,133	76,133
Miscellaneous revenue	15,862	15,862	25,862	10,000
<b>Total revenues</b>	<b>5,701,277</b>	<b>6,535,904</b>	<b>3,229,263</b>	<b>(3,306,641)</b>
<b>Expenditures:</b>				
Current:				
General government	30,000	30,000	29,260	(740)
Public works	-	-	200,000	200,000
Culture and recreation	6,250,932	7,089,559	2,195,790	(4,893,769)
Debt service:				
Principal	-	-	244,306	244,306
Capital outlay	1,050,000	1,345,000	1,280,909	(64,091)
<b>Total expenditures</b>	<b>7,330,932</b>	<b>8,464,559</b>	<b>3,950,265</b>	<b>(4,514,294)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(1,629,655)</b>	<b>(1,928,655)</b>	<b>(721,002)</b>	<b>1,207,653</b>
<b>Other Financing Sources (Uses):</b>				
Transfers - in	250,000	299,000	399,000	100,000
Transfers - out	(425,353)	(175,353)	(494,473)	(319,120)
<b>Total other financing sources (uses)</b>	<b>(175,353)</b>	<b>123,647</b>	<b>(95,473)</b>	<b>(219,120)</b>
<b>Net Changes in Fund Balances</b>	<b>(1,805,008)</b>	<b>(1,805,008)</b>	<b>(816,475)</b>	<b>988,533</b>
<b>Fund Balance, Beginning</b>	<b>1,325,008</b>	<b>1,325,008</b>	<b>5,724,499</b>	<b>4,399,491</b>
<b>Fund Balance, Ending</b>	<b>\$ (480,000)</b>	<b>\$ (480,000)</b>	<b>\$ 4,908,024</b>	<b>\$ 5,388,024</b>

## **NONMAJOR SPECIAL REVENUE FUNDS**

## County of Dauphin, Pennsylvania

### Combining and Individual Nonmajor Special Revenue Fund Financial Statements and Schedules

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted or committed to expenditures for specified purposes. The following are utilized to account for those financial activities.

The State Grant Fund is used to account the proceeds of various state grants programs, whose resources are restricted for those programs.

The Liquid Fuels Tax Fund accounts for state aid revenues used for building and improving bridges.

The Domestic Relations Fund accounts for expenditures and reimbursement revenue related to the operations of the County's Child Support Enforcement Program, which is funded with federal, state, and County funds.

The Hazard Material Emergency Response Fund is used to account for state grants and other various charges, whose resources are restricted for the response and cleanup of hazardous materials incidents.

The following funds are used to account for revenue received from various federal, state, and local sources. These funds, which are restricted for the provision of specified social services to eligible County residents, are as follows:

Aging Fund  
Drug and Alcohol Fund  
MH/ID Fund  
Human Services

The Emergency 911 Operating and Act 56 Wireless Fund is used to account for the emergency response communications network of the County.

The Fee For Local Use Fund is used to account for the proceeds of fees imposed by the County on the registration of vehicles to addresses located within the County. The funds provided by the fess are collected and remitted by the State, and are restricted for the construction, reconstruction, maintenance, and repair of bridges.

The Act 89 Bridge Maintenance Fund is used to account for proceeds received from the State to be used for bridge maintenance in accordance with the Pennsylvania General Assembly Act 44 of 2007, as amended by Act 89 of 2013.

The PENNDOT Act 44 SR Fund is used to account for proceeds received from the State to be used for bridge maintenance in accordance with the Pennsylvania General Assembly Act 44 of 2007, as amended by Act 89 of 2013.

The Bridge Bundle Project Fund is used for the accumulation of the proceeds from the County's vehicle registration fee to repair deficient bridges.

The Drug Act-Forfeited Federal Property Fund and the Drug Act-Forfeited State Property Fund are used to account for proceeds of property forfeited under federal and state criminal proceedings, respectively.

The Hotel Tax Fund is used to account for the proceeds of hotel taxes levied by the County.

**COUNTY OF DAUPHIN, PENNSYLVANIA**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2018

	State Grant	Liquid Fuels Fund	Domestic Relations Fund	Hazard Material Emergency Response	Human Services Development Fund	Emergency 911 Operating & Act 56 Wireless Fund	MH/ID	Fee for Local Use Fund
<b>Assets</b>								
Cash and cash equivalents	\$ 904,828	\$ 1,012,069	\$ 50	\$ 251,161	\$ 44,941	\$ 1,653,370	\$ 1,862,436	\$ 2,966,680
Receivables:								
Accounts, net	39,660	-	10,000	98	-	-	233,460	-
Loans	-	106,060	-	-	-	-	-	-
Due from other funds	4,821	-	100,490	-	-	65,127	37,875	-
Due from other governments	-	94,254	782,983	-	-	1,459,181	5,633	-
Prepaid items	-	-	-	1,346	-	3,150	16,146	-
Other assets	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 949,309</b>	<b>\$ 1,212,383</b>	<b>\$ 893,523</b>	<b>\$ 252,605</b>	<b>\$ 44,941</b>	<b>\$ 3,180,828</b>	<b>\$ 2,155,550</b>	<b>\$ 2,966,680</b>
<b>Liabilities and Fund Balance</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 32,165	\$ 352,992	\$ 3,344	\$ 10,006	\$ 7,529	\$ 185,443	\$ 627,324	\$ -
Accrued liabilities	8,102	-	145,607	-	-	163,877	100,162	-
Unearned revenues - other	-	-	-	-	902	-	1,386,760	-
Due to other funds	32	-	20,584	-	36,510	167	41,304	-
Due to component units	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>40,299</b>	<b>352,992</b>	<b>169,535</b>	<b>10,006</b>	<b>44,941</b>	<b>349,487</b>	<b>2,155,550</b>	<b>-</b>
<b>Fund Balance:</b>								
Restricted	909,010	859,391	723,988	242,599	-	2,831,341	-	2,966,680
Unassigned	-	-	-	-	-	-	-	-
<b>Total fund balance</b>	<b>909,010</b>	<b>859,391</b>	<b>723,988</b>	<b>242,599</b>	<b>-</b>	<b>2,831,341</b>	<b>-</b>	<b>2,966,680</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 949,309</b>	<b>\$ 1,212,383</b>	<b>\$ 893,523</b>	<b>\$ 252,605</b>	<b>\$ 44,941</b>	<b>\$ 3,180,828</b>	<b>\$ 2,155,550</b>	<b>\$ 2,966,680</b>

**COUNTY OF DAUPHIN, PENNSYLVANIA**

COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2018

	Aging Fund	Drug and Alcohol Fund	Drug Act- Forfeited State Property	Drug Act- Forfeited Federal Property	Hotel Tax Fund	Act 89 Bridge Maintenance Fund	PENNDOT Act 44 SR Fund	Bridge Bundle Project Fund	Total
<b>Assets</b>									
Cash and cash equivalents	\$ 2,021,549	\$ 1,411,439	\$ 107,023	\$ 889,307	\$ 939,533	\$ 902,457	\$ 1,045,658	\$ -	\$ 16,012,501
Receivables:									
Accounts, net	240	17,086	4,400	-	-	-	-	-	304,944
Loans	-	-	-	-	-	-	-	-	106,060
Due from other funds	34,656	23,110	2,171	986	3,070	-	-	-	272,306
Due from other governments	-	702,244	-	-	-	-	-	-	3,044,295
Prepaid items	1,485	100	2,206	-	-	-	-	-	24,433
Other assets	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,057,930</b>	<b>\$ 2,153,979</b>	<b>\$ 115,800</b>	<b>\$ 890,293</b>	<b>\$ 942,603</b>	<b>\$ 902,457</b>	<b>\$ 1,045,658</b>	<b>\$ -</b>	<b>\$ 19,764,539</b>
<b>Liabilities and Fund Balance</b>									
<b>Liabilities:</b>									
Accounts payable	\$ 213,551	\$ 546,577	\$ 54,833	\$ -	\$ 715,105	\$ -	\$ -	\$ 143,930	\$ 2,892,799
Accrued liabilities	76,705	38,551	2,411	-	5,705	-	-	-	541,120
Unearned revenues - other	1,600,514	1,539,924	-	-	-	-	-	-	4,528,100
Due to other funds	26,264	28,927	157	1,159	5	-	-	-	155,109
Due to component units	-	-	-	-	221,788	-	-	-	221,788
<b>Total Liabilities</b>	<b>1,917,034</b>	<b>2,153,979</b>	<b>57,401</b>	<b>1,159</b>	<b>942,603</b>	<b>-</b>	<b>-</b>	<b>143,930</b>	<b>8,338,916</b>
<b>Fund Balance:</b>									
Restricted	140,896	-	58,399	889,134	-	902,457	1,045,658	-	11,569,553
Unassigned	-	-	-	-	-	-	-	(143,930)	(143,930)
<b>Total fund balance</b>	<b>140,896</b>	<b>-</b>	<b>58,399</b>	<b>889,134</b>	<b>-</b>	<b>902,457</b>	<b>1,045,658</b>	<b>(143,930)</b>	<b>11,425,623</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 2,057,930</b>	<b>\$ 2,153,979</b>	<b>\$ 115,800</b>	<b>\$ 890,293</b>	<b>\$ 942,603</b>	<b>\$ 902,457</b>	<b>\$ 1,045,658</b>	<b>\$ -</b>	<b>\$ 19,764,539</b>

**COUNTY OF DAUPHIN, PENNSYLVANIA**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED DECEMBER 31, 2018

	State Grant	Liquid Fuels Fund	Domestic Relations Fund	Hazard Material Emergency Response	Human Services Development Fund	Emergency 911 Operating & Act 56 Wireless Fund	MH/ID	Fee For Local Use Fund
<b>Revenues:</b>								
Hotel taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	746,089	4,268,473	45,404	248,531	5,887,889	23,995,243	1,142,650
Charges for services	-	-	32,325	59,016	-	-	1,124,439	-
Court costs and fines	634,146	-	-	-	-	-	-	-
Interest and rents	18,952	14,172	-	5,663	2,481	17,688	42,068	44,121
Miscellaneous revenue	-	-	19,817	-	11,979	-	-	-
<b>Total revenues</b>	<b>653,098</b>	<b>760,261</b>	<b>4,320,615</b>	<b>110,083</b>	<b>262,991</b>	<b>5,905,577</b>	<b>25,161,750</b>	<b>1,186,771</b>
<b>Expenditures:</b>								
Current:								
Judicial	605,881	-	6,420,354	-	-	-	-	-
Public safety	-	-	-	72,159	-	7,517,771	-	-
Public works	-	556,430	-	-	-	-	-	-
Human services	-	-	-	-	307,404	-	25,756,941	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	53,308	150,750	-
Interest	-	-	-	-	-	6,123	5,125	-
Capital outlay	74,663	-	-	67,133	-	-	-	-
<b>Total expenditures</b>	<b>680,544</b>	<b>556,430</b>	<b>6,420,354</b>	<b>139,292</b>	<b>307,404</b>	<b>7,577,202</b>	<b>25,912,816</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(27,446)</b>	<b>203,831</b>	<b>(2,099,739)</b>	<b>(29,209)</b>	<b>(44,413)</b>	<b>(1,671,625)</b>	<b>(751,066)</b>	<b>1,186,771</b>
<b>Other Financing Sources (Uses):</b>								
Transfers - in	-	-	2,200,063	-	44,413	1,602,836	1,065,021	-
Transfers - out	-	-	-	-	-	-	(313,955)	(59,700)
Capital lease proceeds	-	-	-	-	-	-	-	-
Gain on asset disposal	-	-	-	-	-	133,750	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>2,200,063</b>	<b>-</b>	<b>44,413</b>	<b>1,736,586</b>	<b>751,066</b>	<b>(59,700)</b>
<b>Net Changes in Fund Balances</b>	<b>(27,446)</b>	<b>203,831</b>	<b>100,324</b>	<b>(29,209)</b>	<b>-</b>	<b>64,961</b>	<b>-</b>	<b>1,127,071</b>
<b>Fund Balance, Beginning</b>	<b>936,456</b>	<b>655,560</b>	<b>623,664</b>	<b>271,808</b>	<b>-</b>	<b>2,766,380</b>	<b>-</b>	<b>1,839,609</b>
<b>Fund Balance, Ending</b>	<b>\$ 909,010</b>	<b>\$ 859,391</b>	<b>\$ 723,988</b>	<b>\$ 242,599</b>	<b>\$ -</b>	<b>\$ 2,831,341</b>	<b>\$ -</b>	<b>\$ 2,966,680</b>

**COUNTY OF DAUPHIN, PENNSYLVANIA**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED DECEMBER 31, 2018

	Aging Fund	Drug and Alcohol Fund	Drug Act- Forfeited State Fund	Drug Act- Forfeited Federal Fund	Hotel Tax Fund	Act 89 Bridge Maintenance Fund	PENNDOT Act 44 SR Fund	Bridge Bundle Project Fund	Totals
<b>Revenues:</b>									
Hotel taxes	\$ -	\$ -	\$ -	\$ -	\$ 12,077,750	\$ -	\$ -	\$ -	\$ 12,077,750
Intergovernmental	5,446,991	4,381,438	-	-	-	213,337	104,552	-	46,480,597
Charges for services	19,982	4,337	-	-	-	-	-	-	1,240,099
Court costs and fines	-	-	577,740	606,294	-	-	-	-	1,818,180
Interest and rents	34,244	26,877	1,818	9,162	22,693	15,658	18,416	-	274,013
Miscellaneous revenue	1,702,546	-	-	-	-	-	-	-	1,734,342
<b>Total revenues</b>	<b>7,203,763</b>	<b>4,412,652</b>	<b>579,558</b>	<b>615,456</b>	<b>12,100,443</b>	<b>228,995</b>	<b>122,968</b>	<b>-</b>	<b>63,624,981</b>
<b>Expenditures:</b>									
Current:									
Judicial	-	-	523,573	42,515	-	-	-	-	7,592,323
Public safety	-	-	-	-	-	-	-	-	7,589,930
Public works	-	-	-	-	-	-	-	461,126	1,017,556
Human services	7,225,204	4,625,637	-	-	-	-	-	-	37,915,186
Culture and recreation	-	-	-	-	12,100,443	-	-	-	12,100,443
Debt service:									
Principal	-	-	-	-	-	-	-	-	204,058
Interest	-	-	-	-	-	-	-	-	11,248
Capital outlay	-	-	-	-	-	-	-	-	141,796
<b>Total expenditures</b>	<b>7,225,204</b>	<b>4,625,637</b>	<b>523,573</b>	<b>42,515</b>	<b>12,100,443</b>	<b>-</b>	<b>-</b>	<b>461,126</b>	<b>66,572,540</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(21,441)</b>	<b>(212,985)</b>	<b>55,985</b>	<b>572,941</b>	<b>-</b>	<b>228,995</b>	<b>122,968</b>	<b>(461,126)</b>	<b>(2,947,559)</b>
<b>Other Financing Sources (Uses):</b>									
Transfers - in	100,000	227,985	-	-	-	-	-	317,196	5,557,514
Transfers - out	(39,471)	(15,000)	-	-	-	(48,875)	-	-	(477,001)
Capital lease proceeds	-	-	-	-	-	-	-	-	-
Gain on asset disposal	-	-	-	-	-	-	-	-	133,750
<b>Total other financing sources (uses)</b>	<b>60,529</b>	<b>212,985</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(48,875)</b>	<b>-</b>	<b>317,196</b>	<b>5,214,263</b>
<b>Net Changes in Fund Balances</b>	<b>39,088</b>	<b>-</b>	<b>55,985</b>	<b>572,941</b>	<b>-</b>	<b>180,120</b>	<b>122,968</b>	<b>(143,930)</b>	<b>2,266,704</b>
<b>Fund Balance, Beginning</b>	<b>101,808</b>	<b>-</b>	<b>2,414</b>	<b>316,193</b>	<b>-</b>	<b>722,337</b>	<b>922,690</b>	<b>-</b>	<b>9,158,919</b>
<b>Fund Balance, Ending</b>	<b>\$ 140,896</b>	<b>\$ -</b>	<b>\$ 58,399</b>	<b>\$ 889,134</b>	<b>\$ -</b>	<b>\$ 902,457</b>	<b>\$ 1,045,658</b>	<b>\$ (143,930)</b>	<b>\$ 11,425,623</b>

# COUNTY OF DAUPHIN, PENNSYLVANIA

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL STATE GRANT FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 175,150	\$ 191,958	\$ -	\$ (191,958)
Court costs and fines	630,000	630,000	634,146	4,146
Interest and rents	6,500	6,500	18,952	12,452
Miscellaneous revenue	1,000	1,000	-	(1,000)
Total revenues	<u>812,650</u>	<u>829,458</u>	<u>653,098</u>	<u>(176,360)</u>
<b>Expenditures:</b>				
Current:				
Judicial	655,150	686,958	605,881	(81,077)
Capital outlay	157,500	142,500	74,663	(67,837)
Total expenditures	<u>812,650</u>	<u>829,458</u>	<u>680,544</u>	<u>(148,914)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>-</u>	<u>(27,446)</u>	<u>(27,446)</u>
<b>Net Changes in Fund Balances</b>	<u>-</u>	<u>-</u>	<u>(27,446)</u>	<u>(27,446)</u>
<b>Fund Balance, Beginning</b>	<u>-</u>	<u>-</u>	<u>936,456</u>	<u>936,456</u>
<b>Fund Balance, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 909,010</u>	<u>\$ 909,010</u>

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL LIQUID FUELS FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 936,508	\$ 936,508	\$ 746,089	\$ (190,419)
Interest and rents	2,000	2,000	14,172	12,172
Total revenues	938,508	938,508	760,261	(178,247)
<b>Expenditures:</b>				
Current:				
Public works	938,508	938,508	556,430	(382,078)
Total expenditures	938,508	938,508	556,430	(382,078)
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	-	203,831	203,831
<b>Net Changes in Fund Balances</b>	-	-	203,831	203,831
<b>Fund Balance, Beginning</b>	-	-	655,560	655,560
<b>Fund Balance, Ending</b>	\$ -	\$ -	\$ 859,391	\$ 859,391

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL DOMESTIC RELATIONS FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 4,908,081	\$ 4,908,081	\$ 4,268,473	\$ (639,608)
Charges for services	33,600	33,600	32,325	(1,275)
Interest and rents	200	200	-	(200)
Miscellaneous revenue	24,000	24,000	19,817	(4,183)
<b>Total revenues</b>	<b>4,965,881</b>	<b>4,965,881</b>	<b>4,320,615</b>	<b>(645,266)</b>
<b>Expenditures:</b>				
Current:				
Judicial	7,191,243	7,191,243	6,420,354	(770,889)
<b>Total expenditures</b>	<b>7,191,243</b>	<b>7,191,243</b>	<b>6,420,354</b>	<b>(770,889)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(2,225,362)</b>	<b>(2,225,362)</b>	<b>(2,099,739)</b>	<b>125,623</b>
<b>Other Financing Sources (Uses):</b>				
Transfers - in	2,225,362	2,225,362	2,200,063	(25,299)
<b>Total other financing sources (uses)</b>	<b>2,225,362</b>	<b>2,225,362</b>	<b>2,200,063</b>	<b>(25,299)</b>
<b>Net Changes in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>100,324</b>	<b>100,324</b>
<b>Fund Balance, Beginning</b>	<b>-</b>	<b>-</b>	<b>623,664</b>	<b>623,664</b>
<b>Fund Balance, Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 723,988</b>	<b>\$ 723,988</b>

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL HAZARD MATERIAL EMERGENCY RESPONSE FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 67,000	\$ 75,500	\$ 45,404	\$ (30,096)
Charges for services	70,375	460,375	59,016	(401,359)
Interest and rents	-	-	5,663	5,663
<b>Total revenues</b>	<b>137,375</b>	<b>535,875</b>	<b>110,083</b>	<b>(425,792)</b>
<b>Expenditures:</b>				
Current:				
Public safety	91,375	423,715	72,159	(351,556)
Capital outlay	46,000	112,160	67,133	(45,027)
<b>Total expenditures</b>	<b>137,375</b>	<b>535,875</b>	<b>139,292</b>	<b>(396,583)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>(29,209)</b>	<b>(29,209)</b>
<b>Net Changes in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>(29,209)</b>	<b>(29,209)</b>
<b>Fund Balance, Beginning</b>	<b>-</b>	<b>-</b>	<b>271,808</b>	<b>271,808</b>
<b>Fund Balance, Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 242,599</b>	<b>\$ 242,599</b>

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL HUMAN SERVICES DEVELOPMENT FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 248,531	\$ 248,531	\$ 248,531	\$ -
Interest and rents	594	594	2,481	1,887
Miscellaneous revenue	14,500	14,500	11,979	(2,521)
Total revenues	263,625	263,625	262,991	(634)
<b>Expenditures:</b>				
Current:				
Human services	327,314	327,314	307,404	(19,910)
Total expenditures	327,314	327,314	307,404	(19,910)
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(63,689)	(63,689)	(44,413)	19,276
<b>Other Financing Sources (Uses):</b>				
Transfers - in	63,689	63,689	44,413	(19,276)
Total other financing sources (uses)	63,689	63,689	44,413	(19,276)
<b>Net Changes in Fund Balances</b>	-	-	-	-
<b>Fund Balance, Beginning</b>	-	-	-	-
<b>Fund Balance, Ending</b>	\$ -	\$ -	\$ -	\$ -

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL MH/ID FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 24,477,236	\$ 24,827,236	\$ 23,995,243	\$ (831,993)
Charges for services	897,786	997,786	1,124,439	126,653
Interest and rents	5,000	5,000	42,068	37,068
<b>Total revenues</b>	<b>25,380,022</b>	<b>25,830,022</b>	<b>25,161,750</b>	<b>(668,272)</b>
<b>Expenditures:</b>				
Current:				
Human services	26,300,722	26,500,722	25,756,941	(743,781)
Principal	-	-	150,750	150,750
Interest	-	-	5,125	5,125
<b>Total expenditures</b>	<b>26,300,722</b>	<b>26,500,722</b>	<b>25,912,816</b>	<b>(587,906)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(920,700)</b>	<b>(670,700)</b>	<b>(751,066)</b>	<b>(80,366)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers - in	920,700	920,700	1,065,021	144,321
Transfers - out	-	(250,000)	(313,955)	(63,955)
<b>Total other financing sources (uses)</b>	<b>920,700</b>	<b>670,700</b>	<b>751,066</b>	<b>80,366</b>
<b>Net Changes in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, Beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL AGING FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 5,593,552	\$ 5,593,552	\$ 5,446,991	\$ (146,561)
Charges for services	33,656	33,656	19,982	(13,674)
Interest and rents	8,047	8,047	34,244	26,197
Miscellaneous revenue	1,702,925	1,702,925	1,702,546	(379)
Total revenues	7,338,180	7,338,180	7,203,763	(134,417)
<b>Expenditures:</b>				
Current:				
Human services	7,413,561	7,413,561	7,225,204	(188,357)
Total expenditures	7,413,561	7,413,561	7,225,204	(188,357)
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(75,381)	(75,381)	(21,441)	53,940
<b>Other Financing Sources (Uses):</b>				
Transfers - in	143,257	143,257	100,000	(43,257)
Transfers - out	(67,876)	(67,876)	(39,471)	28,405
Total other financing sources (uses)	75,381	75,381	60,529	(14,852)
<b>Net Changes in Fund Balances</b>	-	-	39,088	39,088
<b>Fund Balance, Beginning</b>	-	-	101,808	101,808
<b>Fund Balance, Ending</b>	\$ -	\$ -	\$ 140,896	\$ 140,896

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL DRUG AND ALCOHOL FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 3,603,646	\$ 4,977,915	\$ 4,381,438	\$ (596,477)
Charges for services	4,050	4,050	4,337	287
Interest and rents	3,700	3,700	26,877	23,177
Total revenues	3,611,396	4,985,665	4,412,652	(573,013)
<b>Expenditures:</b>				
Current:				
Human services	3,854,767	5,229,036	4,625,637	(603,399)
Total expenditures	3,854,767	5,229,036	4,625,637	(603,399)
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(243,371)	(243,371)	(212,985)	30,386
<b>Other Financing Sources (Uses):</b>				
Transfers - in	243,371	243,371	227,985	(15,386)
Transfers - out	-	-	(15,000)	(15,000)
Total other financing sources (uses)	243,371	243,371	212,985	(30,386)
<b>Net Changes in Fund Balances</b>	-	-	-	-
<b>Fund Balance, Beginning</b>	-	-	-	-
<b>Fund Balance, Ending</b>	\$ -	\$ -	\$ -	\$ -

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL HOTEL TAX FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Hotel taxes	\$ 11,596,976	\$ 11,596,976	\$ 12,077,750	\$ 480,774
Interest and rents	7,000	7,000	22,693	15,693
Total revenues	<u>11,603,976</u>	<u>11,603,976</u>	<u>12,100,443</u>	<u>496,467</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	11,603,976	11,603,976	12,100,443	496,467
Total expenditures	<u>11,603,976</u>	<u>11,603,976</u>	<u>12,100,443</u>	<u>496,467</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Changes in Fund Balances</b>	-	-	-	-
<b>Fund Balance, Beginning</b>	-	-	-	-
<b>Fund Balance, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL EMERGENCY 911 OPERATING & ACT 56 WIRELESS FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 5,942,107	\$ 6,250,767	\$ 5,887,889	\$ (362,878)
Interest and rents	1,000	1,000	17,688	16,688
Total revenues	<u>5,943,107</u>	<u>6,251,767</u>	<u>5,905,577</u>	<u>(346,190)</u>
<b>Expenditures:</b>				
Current:				
Public safety	8,036,606	8,479,016	7,517,771	(961,245)
Principal	-	-	53,308	53,308
Interest	-	-	6,123	6,123
Total expenditures	<u>8,036,606</u>	<u>8,479,016</u>	<u>7,577,202</u>	<u>(901,814)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(2,093,499)</u>	<u>(2,227,249)</u>	<u>(1,671,625)</u>	<u>555,624</u>
<b>Other Financing Sources (Uses):</b>				
Transfers - in	2,093,499	2,093,499	1,602,836	(490,663)
Gain on asset disposal	-	133,750	133,750	-
Total other financing sources (uses)	<u>2,093,499</u>	<u>2,227,249</u>	<u>1,736,586</u>	<u>(490,663)</u>
<b>Net Changes in Fund Balances</b>	-	-	64,961	64,961
<b>Fund Balance, Beginning</b>	-	-	2,766,380	2,766,380
<b>Fund Balance, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,831,341</u>	<u>\$ 2,831,341</u>

**COUNTY OF DAUPHIN, PENNSYLVANIA**

SCHEDULE OF DEPARTMENTAL EXPENDITURES  
BUDGET AND ACTUAL  
GENERAL FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>General Government</b>				
<b>Commissioners - Governing Body</b>				
Personnel services	\$ 1,388,022	\$ 1,388,022	\$ 2,127,050	\$ (739,028)
Supplies and services	2,032,990	1,892,125	1,634,521	257,604
	<u>3,421,012</u>	<u>3,280,147</u>	<u>3,761,571</u>	<u>(481,424)</u>
<b>Finance</b>				
Personnel services	\$ 261,928	\$ 261,928	\$ 253,390	\$ 8,538
Supplies and services	11,590	11,438	11,426	12
	<u>273,518</u>	<u>273,366</u>	<u>264,816</u>	<u>8,550</u>
<b>Purchasing</b>				
Personnel services	\$ 412,509	\$ 412,509	\$ 406,394	\$ 6,115
Supplies and services	442,144	450,670	426,408	24,262
	<u>854,653</u>	<u>863,179</u>	<u>832,802</u>	<u>30,377</u>
<b>Voter's Registration</b>				
Personnel services	\$ 441,459	\$ 437,979	\$ 374,318	\$ 63,661
Supplies and services	813,804	824,781	784,046	40,735
	<u>1,255,263</u>	<u>1,262,760</u>	<u>1,158,364</u>	<u>104,396</u>
<b>Tax Assessment</b>				
Personnel services	\$ 1,654,241	\$ 1,654,241	\$ 1,573,459	\$ 80,782
Supplies and services	1,886,487	1,824,496	1,595,595	228,901
	<u>3,540,728</u>	<u>3,478,737</u>	<u>3,169,054</u>	<u>309,683</u>
<b>Treasurer</b>				
Personnel services	\$ 272,418	\$ 272,418	\$ 248,840	\$ 23,578
Supplies and services	23,394	23,394	19,494	3,900
	<u>295,812</u>	<u>295,812</u>	<u>268,334</u>	<u>27,478</u>
<b>Tax Collectors</b>				
Personnel services	\$ 188,388	\$ 188,388	\$ 172,238	\$ 16,150
Supplies and services	82,600	82,018	75,192	6,826
	<u>270,988</u>	<u>270,406</u>	<u>247,430</u>	<u>22,976</u>
<b>Personnel</b>				
Personnel services	\$ 1,981,583	\$ 1,981,574	\$ 1,917,800	\$ 63,774
Supplies and services	55,924	55,933	60,303	(4,370)
	<u>2,037,507</u>	<u>2,037,507</u>	<u>1,978,103</u>	<u>59,404</u>

**COUNTY OF DAUPHIN, PENNSYLVANIA**

SCHEDULE OF DEPARTMENTAL EXPENDITURES (CONTINUED)  
BUDGET AND ACTUAL  
GENERAL FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>General Government (Continued)</b>				
Controller				
Personnel services	\$ 1,035,611	\$ 1,035,611	\$ 982,626	\$ 52,985
Supplies and services	288,928	288,928	209,235	79,693
	<u>1,324,539</u>	<u>1,324,539</u>	<u>1,191,861</u>	<u>132,678</u>
Solicitor				
Personnel services	\$ 427,476	\$ 427,476	\$ 373,659	\$ 53,817
Supplies and services	218,160	218,160	408,773	(190,613)
	<u>645,636</u>	<u>645,636</u>	<u>782,432</u>	<u>(136,796)</u>
Public Defender				
Personnel services	\$ 3,314,915	\$ 3,314,915	\$ 3,211,236	\$ 103,679
Supplies and services	819,684	779,730	691,044	88,686
	<u>4,134,599</u>	<u>4,094,645</u>	<u>3,902,280</u>	<u>192,365</u>
Recorder of Deeds				
Personnel services	\$ 502,300	\$ 502,300	\$ 465,445	\$ 36,855
Supplies and services	635,050	608,896	387,515	221,381
	<u>1,137,350</u>	<u>1,111,196</u>	<u>852,960</u>	<u>258,236</u>
Facilities Management				
Personnel services	\$ 3,311,110	\$ 3,311,110	\$ 2,996,083	\$ 315,027
Supplies and services	2,195,162	2,209,652	2,075,759	133,893
	<u>5,506,272</u>	<u>5,520,762</u>	<u>5,071,842</u>	<u>448,920</u>
Data Processing				
Personnel services	\$ 2,087,528	\$ 2,087,528	\$ 2,040,737	\$ 46,791
Supplies and services	1,849,836	1,849,836	1,747,962	101,874
	<u>3,937,364</u>	<u>3,937,364</u>	<u>3,788,699</u>	<u>148,665</u>
Veterans' Affairs				
Personnel services	\$ 161,125	\$ 161,125	\$ 138,163	\$ 22,962
Supplies and services	143,220	131,593	99,746	31,847
	<u>304,345</u>	<u>292,718</u>	<u>237,909</u>	<u>54,809</u>

**COUNTY OF DAUPHIN, PENNSYLVANIA**

SCHEDULE OF DEPARTMENTAL EXPENDITURES (CONTINUED)

BUDGET AND ACTUAL

GENERAL FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>General Government (Continued)</b>				
Gasoline Center				
Supplies and services	\$ 15,950	\$ 29,541	\$ 32,782	\$ (3,241)
	<u>15,950</u>	<u>29,541</u>	<u>32,782</u>	<u>(3,241)</u>
Less: Indirect Cost Reimbursement	<u>(13,900,000)</u>	<u>(13,415,035)</u>	<u>(12,748,058)</u>	<u>(666,977)</u>
Total General Government	<u>\$ 15,055,536</u>	<u>\$ 15,303,280</u>	<u>\$ 14,793,181</u>	<u>\$ 510,099</u>

## COUNTY OF DAUPHIN, PENNSYLVANIA

### SCHEDULE OF DEPARTMENTAL EXPENDITURES (CONTINUED) BUDGET AND ACTUAL GENERAL FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Judicial</b>				
<b>Courts</b>				
Personnel services	\$ 3,033,450	\$ 3,033,450	\$ 2,771,664	\$ 261,786
Supplies and services	3,746,283	3,614,685	3,683,977	(69,292)
	<u>6,779,733</u>	<u>6,648,135</u>	<u>6,455,641</u>	<u>192,494</u>
<b>Court Reporters</b>				
Personnel services	\$ 1,402,160	1,400,660	\$ 1,301,424	\$ 99,236
Supplies and services	48,858	50,358	42,223	8,135
	<u>1,451,018</u>	<u>1,451,018</u>	<u>1,343,647</u>	<u>107,371</u>
<b>Judicial Center</b>				
Personnel services	\$ 2,001,816	\$ 2,001,816	\$ 1,026,110	\$ 975,706
Supplies and services	459,790	453,356	380,153	73,203
	<u>2,461,606</u>	<u>2,455,172</u>	<u>1,406,263</u>	<u>1,048,909</u>
<b>District Justices</b>				
Personnel services	\$ 5,286,756	\$ 5,286,756	\$ 4,711,847	\$ 574,909
Supplies and services	1,508,051	1,795,685	1,463,406	332,279
	<u>6,794,807</u>	<u>7,082,441</u>	<u>6,175,253</u>	<u>907,188</u>
<b>Law Library</b>				
Personnel services	\$ 101,654	\$ 101,654	\$ 88,024	\$ 13,630
Supplies and services	383,683	365,491	350,339	15,152
	<u>485,337</u>	<u>467,145</u>	<u>438,363</u>	<u>28,782</u>
<b>Night Court</b>				
Personnel services	\$ 161,979	\$ 161,979	\$ 192,411	\$ (30,432)
Supplies and services	13,300	10,500	7,523	2,977
	<u>175,279</u>	<u>172,479</u>	<u>199,934</u>	<u>(27,455)</u>
<b>Clerk of Courts</b>				
Personnel services	\$ 1,597,169	\$ 1,597,169	\$ 1,504,637	\$ 92,532
Supplies and services	412,358	438,889	387,725	51,164
	<u>2,009,527</u>	<u>2,036,058</u>	<u>1,892,362</u>	<u>143,696</u>

**COUNTY OF DAUPHIN, PENNSYLVANIA**

SCHEDULE OF DEPARTMENTAL EXPENDITURES (CONTINUED)

BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2018

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Judicial (continued)</b>				
Coroner				
Personnel services	\$ 799,015	\$ 799,015	\$ 789,965	\$ 9,050
Supplies and services	690,015	706,437	659,134	47,303
	<u>1,489,030</u>	<u>1,505,452</u>	<u>1,449,099</u>	<u>56,353</u>
District Attorney				
Personnel services	\$ 4,382,053	\$ 4,382,053	\$ 3,895,489	\$ 486,564
Supplies and services	1,239,344	1,404,022	1,172,617	231,405
	<u>5,621,397</u>	<u>5,786,075</u>	<u>5,068,106</u>	<u>717,969</u>
Criminal Investigation				
Personnel services	\$ 1,493,524	\$ 1,493,524	\$ 1,354,273	\$ 139,251
Supplies and services	627,835	596,500	541,793	54,707
	<u>2,121,359</u>	<u>2,090,024</u>	<u>1,896,066</u>	<u>193,958</u>
Prothonotary				
Personnel services	\$ 1,132,902	\$ 1,124,102	\$ 998,958	\$ 125,144
Supplies and services	407,555	393,095	348,753	44,342
	<u>1,540,457</u>	<u>1,517,197</u>	<u>1,347,711</u>	<u>169,486</u>
Register of Wills				
Personnel services	\$ 562,611	\$ 562,611	\$ 599,312	\$ (36,701)
Supplies and services	347,238	437,189	352,086	85,103
	<u>909,849</u>	<u>999,800</u>	<u>951,398</u>	<u>48,402</u>
Sheriff				
Personnel services	\$ 3,294,455	\$ 3,294,455	\$ 3,081,032	\$ 213,423
Supplies and services	853,954	876,295	873,823	2,472
	<u>4,148,409</u>	<u>4,170,750</u>	<u>3,954,855</u>	<u>215,895</u>
Cost & Fines				
Personnel services	\$ 346,196	\$ 346,196	\$ 336,512	\$ 9,684
Supplies and services	37,666	32,029	31,067	962
	<u>383,862</u>	<u>378,225</u>	<u>367,579</u>	<u>10,646</u>

**COUNTY OF DAUPHIN, PENNSYLVANIA**

SCHEDULE OF DEPARTMENTAL EXPENDITURES (CONTINUED)  
BUDGET AND ACTUAL  
GENERAL FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Judicial (continued)</b>				
Adult Probation				
Personnel services	\$ 14,415,633	\$ 14,420,633	\$ 13,570,979	\$ 849,654
Supplies and services	3,399,097	2,844,939	3,008,905	(163,966)
	<u>17,814,730</u>	<u>17,265,572</u>	<u>16,579,884</u>	<u>685,688</u>
Juvenile Probation				
Personnel services	\$ 5,114,372	\$ 5,114,372	\$ 4,686,972	\$ 427,400
Supplies and services	-	637,033	637,033	-
	<u>5,114,372</u>	<u>5,751,405</u>	<u>5,324,005</u>	<u>427,400</u>
Victim Witness				
Supplies and services	\$ 1,220,073	\$ 1,195,600	\$ 1,175,348	\$ 20,252
	<u>1,220,073</u>	<u>1,195,600</u>	<u>1,175,348</u>	<u>20,252</u>
Pretrial				
Supplies and services	\$ 657,268	\$ 657,268	\$ 606,683	\$ 50,585
	<u>657,268</u>	<u>657,268</u>	<u>606,683</u>	<u>50,585</u>
RO County Records Improvement				
Supplies and services	\$ 161,000	\$ 161,000	\$ 51,214	\$ 109,786
	<u>161,000</u>	<u>161,000</u>	<u>51,214</u>	<u>109,786</u>
Total Judicial	<u>\$ 61,339,113</u>	<u>\$ 61,790,816</u>	<u>\$ 56,683,411</u>	<u>\$ 5,107,405</u>

**COUNTY OF DAUPHIN, PENNSYLVANIA**

SCHEDULE OF DEPARTMENTAL EXPENDITURES (CONTINUED)  
BUDGET AND ACTUAL  
GENERAL FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Safety</b>				
Prison				
Personnel services	\$ 28,683,045	\$ 28,681,762	\$ 28,022,758	\$ 659,004
Supplies and services	9,436,077	9,495,577	9,491,027	4,550
	<u>38,119,122</u>	<u>38,177,339</u>	<u>37,513,785</u>	<u>663,554</u>
Emergency Services				
Personnel services	\$ 730,673	\$ 730,673	\$ 730,528	\$ 145
Supplies and services	2,334,010	2,285,506	1,868,092	417,414
	<u>3,064,683</u>	<u>3,016,179</u>	<u>2,598,620</u>	<u>417,559</u>
 Total Public Safety	 <u>\$ 41,183,805</u>	 <u>\$ 41,193,518</u>	 <u>\$ 40,112,405</u>	 <u>\$ 1,081,113</u>

**COUNTY OF DAUPHIN, PENNSYLVANIA**

SCHEDULE OF DEPARTMENTAL EXPENDITURES (CONTINUED)  
BUDGET AND ACTUAL  
GENERAL FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Human Services</b>				
Personnel services	\$ 391,497	\$ 389,944	\$ 265,191	\$ 124,753
Supplies and services	18,318,838	18,305,409	19,693,315	(1,387,906)
Total Human Services	<u>\$ 18,710,335</u>	<u>\$ 18,695,353</u>	<u>\$ 19,958,506</u>	<u>\$ (1,263,153)</u>
<b>Culture and Recreation</b>				
Parks				
Personnel services	\$ 1,432,841	\$ 1,371,841	\$ 1,379,600	\$ (7,759)
Supplies and services	1,121,450	1,130,446	1,094,067	36,379
Total Culture and Recreation	<u>\$ 2,554,291</u>	<u>\$ 2,502,287</u>	<u>\$ 2,473,667</u>	<u>\$ 28,620</u>
<b>Conservation and Development</b>				
Cooperative Extension				
Personnel services	\$ 307,646	\$ 307,646	\$ 295,384	\$ 12,262
Supplies and services	236,585	234,143	234,001	142
	<u>544,231</u>	<u>541,789</u>	<u>529,385</u>	<u>12,404</u>
Conservation Programs				
Personnel services	1,161,574	1,161,574	974,207	187,367
Supplies and services	694,142	719,910	692,913	26,997
	<u>1,855,716</u>	<u>1,881,484</u>	<u>1,667,120</u>	<u>214,364</u>
Economic Development				
Personnel services	496,339	496,339	488,275	8,064
Supplies and services	3,690,311	4,729,384	3,536,895	1,192,489
	<u>4,186,650</u>	<u>5,225,723</u>	<u>4,025,170</u>	<u>1,200,553</u>
Total Conservation and Development	<u>\$ 6,586,597</u>	<u>\$ 7,648,996</u>	<u>\$ 6,221,675</u>	<u>\$ 1,427,321</u>

**COUNTY OF DAUPHIN, PENNSYLVANIA**

SCHEDULE OF DEPARTMENTAL EXPENDITURES (CONTINUED)  
BUDGET AND ACTUAL  
GENERAL FUND

YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Debt Service</b>				
Principal	\$ 9,379,000	\$ 9,379,000	\$ 11,575,187	\$ (2,196,187)
Interest	3,614,273	3,673,973	3,893,071	(219,098)
Bond issuance costs	500	500	351	149
Total Debt Service	<u>\$ 12,993,773</u>	<u>\$ 13,053,473</u>	<u>\$ 15,468,609</u>	<u>\$ (2,415,136)</u>
<b>Capital Outlay</b>				
General Government	\$ -	\$ -	\$ -	\$ -
Judicial	-	-	-	-
Public Safety	-	-	-	-
Conservation and Development	-	-	-	-
Total Capital Outlay	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Other Financing Uses</b>				
Interfund transfers to:				
Domestic Relations Fund	\$ 2,225,362	\$ 2,225,362	\$ 2,200,063	\$ 25,299
MH/ID Fund	928,500	928,500	1,010,550	(82,050)
Drug and Alcohol Fund	223,016	223,016	225,019	(2,003)
Children, Youth, and Families Fund	10,500,000	10,500,000	8,381,891	2,118,109
Human Services Development Fund	72,250	72,250	44,413	27,837
911 - EMA Communications Fund	2,093,499	2,093,499	1,602,836	490,663
Capital Projects Fund	-	49,000	49,000	-
Solid Waste	612,603	1,535,266	1,555,688	(20,422)
Human Service Building Fund	31,754	31,754	-	31,754
General Fund	222,956	267,316	304,676	(37,360)
Total Interfund Transfers	<u>16,909,940</u>	<u>17,925,963</u>	<u>15,374,136</u>	<u>2,551,827</u>
Total Other Financing Uses	<u>\$ 16,909,940</u>	<u>\$ 17,925,963</u>	<u>\$ 15,374,136</u>	<u>\$ 2,551,827</u>

## **NONMAJOR ENTERPRISE FUNDS**

## County of Dauphin, Pennsylvania

### Combining and Individual Nonmajor Enterprise Fund Financial Statements

Proprietary funds are used to account for activities where the intent of the governing body is that costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges and cost reimbursement plans.

The Solid Waste Fund is used to account for the activities of the Dauphin County Solid Waste Management & Recycling department, and is expected to be financed through dumping and recycling fees.

The Fort Hunter Operating Fund is used to account for operating of Fort Hunter Park, and is expected to be financed through various rental and other charges.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## COMBINING STATEMENT OF NET POSITION NONMAJOR ENTERPRISE FUNDS

DECEMBER 31, 2018

	Solid Waste Fund	Fort Hunter Operating Fund	Totals
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 1,358,066	\$ 21,310	\$ 1,379,376
Accounts receivable	8,005	-	8,005
Due from other funds	7,608	-	7,608
Due from other governments	3,693	-	3,693
	1,377,372	21,310	1,398,682
Noncurrent assets:			
Capital assets, not being depreciated	-	112,492	112,492
Capital assets, being depreciated, (net)	1,262,653	315,606	1,578,259
	1,262,653	428,098	1,690,751
<b>Total Assets</b>	<b>\$ 2,640,025</b>	<b>\$ 449,408</b>	<b>\$ 3,089,433</b>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	\$ 20,878	\$ -	\$ 20,878
Accrued liabilities	10,325	-	10,325
Accrued compensated absences	1,426	-	1,426
Due to other funds	11	-	11
	32,640	-	32,640
Noncurrent liabilities:			
Accrued compensated absences	20,596	-	20,596
	20,596	-	20,596
<b>Total liabilities</b>	<b>\$ 53,236</b>	<b>\$ -</b>	<b>\$ 53,236</b>
<b>Net Position</b>			
Net investment in capital assets	\$ 1,262,653	\$ 428,098	\$ 1,690,751
Unrestricted	1,324,136	21,310	1,345,446
	\$ 2,586,789	\$ 449,408	\$ 3,036,197

# COUNTY OF DAUPHIN, PENNSYLVANIA

## COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

### NONMAJOR ENTERPRISE FUNDS

YEAR ENDED DECEMBER 31, 2018

	Solid Waste Fund	Fort Hunter Operating Funds	Total
<b>Operating Revenues:</b>			
Charges for services	\$ 99,051	\$ 46,337	\$ 145,388
Total operating revenues	99,051	46,337	145,388
<b>Operating Expenses:</b>			
Personnel services	412,895	-	412,895
Contracted services	138,507	-	138,507
Supplies and materials	1,882	-	1,882
Repairs and maintenance	75,138	7,801	82,939
Utilities	17,043	10,619	27,662
Other services and charges	110,362	10,009	120,371
Depreciation and amortization	85,639	43,693	129,332
Total operating expenses	841,466	72,122	913,588
<b>Operating Loss</b>	(742,415)	(25,785)	(768,200)
<b>Nonoperating Revenues (Expenses):</b>			
Interest income	1,810	-	1,810
Grants	41,254	-	41,254
Total nonoperating revenues (expenses), net	43,064	-	43,064
Loss before transfers	(699,351)	(25,785)	(725,136)
Transfers in	1,555,688	-	1,555,688
Transfers out	-	-	-
Transfers, net	1,555,688	-	1,555,688
<b>Changes in Net Position</b>	856,337	(25,785)	830,552
<b>Net Position, Beginning</b>	1,730,452	475,193	2,205,645
<b>Net Position, Ending</b>	\$ 2,586,789	\$ 449,408	\$ 3,036,197

# COUNTY OF DAUPHIN, PENNSYLVANIA

## COMBINING STATEMENT OF CASH FLOWS NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2018

	Solid Waste Fund	Fort Hunter Operating Fund	Total
<b>Cash Flows from Operating Activities</b>			
Receipts from recycling services	\$ 106,745	\$ -	\$ 106,745
Receipts from recreational activities	-	46,337	46,337
Payments to employees	(422,464)	-	(422,464)
Payments to suppliers	(387,904)	(28,429)	(416,333)
Net cash provided by (used in) operating activities	(703,623)	17,908	(685,715)
<b>Cash Flows from Noncapital Financing Activities</b>			
Grants	41,254	-	41,254
Operating transfers in (out)	1,537,316	-	1,537,316
Net cash provided by (used in) noncapital financing activities	1,578,570	-	1,578,570
<b>Cash Flows from Capital and Related Financing Activities</b>			
Purchase of capital assets	(10,895)	(10,821)	(21,716)
Interest paid	-	-	-
Principal payments on general obligation debt	-	-	-
Net cash provided by (used in) capital and related financing activities	(10,895)	(10,821)	(21,716)
<b>Cash flows from Investing Activities</b>			
Interest income	1,810	-	1,810
Net cash provided by (used in) investing activities	1,810	-	1,810
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	865,862	7,087	872,949
<b>Cash and Cash Equivalents, Beginning of Year</b>	492,204	14,223	506,427
<b>Cash and Cash Equivalents, End of Year</b>	\$ 1,358,066	\$ 21,310	\$ 1,379,376

**COUNTY OF DAUPHIN, PENNSYLVANIA**

COMBINING STATEMENT OF CASH FLOWS (CONTINUED)  
NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2018

	Solid Waste Fund	Fort Hunter Operating Fund	Total
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Reconciliation of Operating income (loss) to net cash Provided by (used in) operating activities</b>			
Operating Income (loss)	\$ (742,415)	\$ (25,785)	\$ (768,200)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Depreciation and amortization expense	85,639	43,693	129,332
Change in assets and liabilities			
Accounts receivable	7,694	-	7,694
Accounts payable	(44,972)	-	(44,972)
Accrued expenses	(232)	-	(232)
Accrued vacation and sick pay	(9,337)	-	(9,337)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (703,623)</u>	<u>\$ 17,908</u>	<u>\$ (685,715)</u>

## **AGENCY FUNDS**

## County of Dauphin, Pennsylvania

### Combining Agency Fund Statements

#### **Agency Funds**

Funds used to report resources held by the primary government in a purely custodial capacity.

**Tax Claim** – Used to account for the collection of delinquent taxes for the County and on behalf of school districts and municipalities.

**Prison, Probation, and Parole Funds** – Used to account for work release earnings and disbursements and the personal funds held by individuals incarcerated at the County prison.

**Agency Funds** – Used to account for the fees, fines, taxes, grants, and other monies collected by elected row officers that are subsequently disbursed to the County, other governments, or other not-for-profit entities or citizens for whom they were collected. These funds are as follows:

- Sheriff
- Treasurer
- Prothonotary
- Recorder of Deeds
- Clerk of Court
- Register of Wills
- Coroner

**Domestic Relations** – Used to account for child support payments collected by the County on behalf of the parents within the County's child support enforcement program.

**Payroll Advance** – Used to account for funds earned, but not yet received by employees.

**Children and Youth** – Used to account for child support and other various receipts collected by the County on behalf of children within the County's custody.

**Flexible Spending Account** – Used to account for funds set aside pre-tax by employees in the County's flexible spending plan to pay eligible daycare costs of dependent children or parents.

**Night Court Account** – Used to account for funds collected for fines and restitutions.

# COUNTY OF DAUPHIN , PENNSYLVANIA

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS

YEAR ENDED DECEMBER 31, 2018

	<b>Balance January 1, 2018</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance December 31, 2018</b>
<b>Tax Claim Bureau</b>				
Assets:				
Cash and Cash Equivalents	\$ 4,612,165	\$ 29,095,632	\$ 32,048,673	\$ 1,659,124
<b>Total Assets</b>	<b>\$ 4,612,165</b>	<b>\$ 29,095,632</b>	<b>\$ 32,048,673</b>	<b>\$ 1,659,124</b>
Liabilities:				
Accounts Payable	\$ 959,820	\$ 22,063,388	\$ 22,252,863	\$ 770,345
Funds Held in Escrow	3,652,345	29,860,359	32,623,926	888,779
Due To Other Governments	-	18,792,733	18,792,733	-
<b>Total Liabilities</b>	<b>\$ 4,612,165</b>	<b>\$ 70,716,481</b>	<b>\$ 73,669,522</b>	<b>\$ 1,659,124</b>
<b>Sheriff Agency Fund</b>				
Assets:				
Cash and Cash Equivalents	\$ 604,876	\$ 8,664,825	\$ 8,310,952	\$ 958,749
<b>Total Assets</b>	<b>\$ 604,876</b>	<b>\$ 8,664,825</b>	<b>\$ 8,310,952</b>	<b>\$ 958,749</b>
Liabilities:				
Funds Held in Escrow	\$ 604,876	\$ 8,664,825	\$ 8,310,952	\$ 958,749
<b>Total Liabilities</b>	<b>\$ 604,876</b>	<b>\$ 8,664,825</b>	<b>\$ 8,310,952</b>	<b>\$ 958,749</b>
<b>Probation and Parole Agency Fund</b>				
Assets:				
Cash and Cash Equivalents	\$ 427,969	\$ 2,745,476	\$ 2,779,654	\$ 393,791
<b>Total Assets</b>	<b>\$ 427,969</b>	<b>\$ 2,745,476</b>	<b>\$ 2,779,654</b>	<b>\$ 393,791</b>
Liabilities:				
Funds Held in Escrow	\$ 427,969	\$ 2,745,476	\$ 2,779,654	\$ 393,791
<b>Total Liabilities</b>	<b>\$ 427,969</b>	<b>\$ 2,745,476</b>	<b>\$ 2,779,654</b>	<b>\$ 393,791</b>
<b>Treasurer Agency Fund</b>				
Assets:				
Cash and Cash Equivalents	\$ 14,831	\$ 247,411	\$ 239,871	\$ 22,371
<b>Total Assets</b>	<b>\$ 14,831</b>	<b>\$ 247,411</b>	<b>\$ 239,871</b>	<b>\$ 22,371</b>
Liabilities:				
Funds Held in Escrow	\$ 14,831	\$ 247,411	\$ 239,871	\$ 22,371
<b>Total Liabilities</b>	<b>\$ 14,831</b>	<b>\$ 247,411</b>	<b>\$ 239,871</b>	<b>\$ 22,371</b>

**COUNTY OF DAUPHIN , PENNSYLVANIA**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS**

YEAR ENDED DECEMBER 31, 2018

	<b>Balance January 1, 2018</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance December 31, 2018</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Prothonotary Agency Fund</b>				
Assets:				
Cash and Cash Equivalents	\$ 147,494	\$ 1,940,727	\$ 1,932,118	\$ 156,103
Total Assets	<u>\$ 147,494</u>	<u>\$ 1,940,727</u>	<u>\$ 1,932,118</u>	<u>\$ 156,103</u>
Liabilities:				
Funds Held in Escrow	147,494	\$ 1,940,727	\$ 1,932,118	\$ 156,103
Total Liabilities	<u>\$ 147,494</u>	<u>\$ 1,940,727</u>	<u>\$ 1,932,118</u>	<u>\$ 156,103</u>
<b>Recorder of Deeds Agency Fund</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,042,821	\$ 30,055,421	\$ 29,380,374	\$ 1,717,868
Total Assets	<u>\$ 1,042,821</u>	<u>\$ 30,055,421</u>	<u>\$ 29,380,374</u>	<u>\$ 1,717,868</u>
Liabilities:				
Due To Other Governments	\$ 1,042,821	\$ 30,055,421	\$ 29,380,374	\$ 1,717,868
Total Liabilities	<u>\$ 1,042,821</u>	<u>\$ 30,055,421</u>	<u>\$ 29,380,374</u>	<u>\$ 1,717,868</u>
<b>Clerk of Courts Agency Fund</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,061,036	\$ 11,339,940	\$ 11,099,898	\$ 1,301,078
Total Assets	<u>\$ 1,061,036</u>	<u>\$ 11,339,940</u>	<u>\$ 11,099,898</u>	<u>\$ 1,301,078</u>
Liabilities:				
Due To Other Governments	\$ 1,061,036	\$ 11,339,940	\$ 11,099,898	\$ 1,301,078
Total Liabilities	<u>\$ 1,061,036</u>	<u>\$ 11,339,940</u>	<u>\$ 11,099,898</u>	<u>\$ 1,301,078</u>
<b>Prison Agency Fund</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,361,394	\$ 2,284,130	\$ 2,027,615	\$ 1,617,910
Total Assets	<u>\$ 1,361,394</u>	<u>\$ 2,284,130</u>	<u>\$ 2,027,615</u>	<u>\$ 1,617,910</u>
Liabilities:				
Funds Held in Escrow	\$ 1,361,394	\$ 2,284,130	\$ 2,027,615	\$ 1,617,910
Total Liabilities	<u>\$ 1,361,394</u>	<u>\$ 2,284,130</u>	<u>\$ 2,027,615</u>	<u>\$ 1,617,910</u>

# COUNTY OF DAUPHIN , PENNSYLVANIA

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS

YEAR ENDED DECEMBER 31, 2018

	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
<b>Domestic Relations Agency Fund</b>				
Assets:				
Cash and Cash Equivalents	\$ 33,611	\$ 2,443,849	\$ 2,435,146	\$ 42,314
Total Assets	\$ 33,611	\$ 2,443,849	\$ 2,435,146	\$ 42,314
Liabilities:				
Funds Held in Escrow	\$ 33,611	\$ 2,443,849	\$ 2,435,146	\$ 42,314
Total Liabilities	\$ 33,611	\$ 2,443,849	\$ 2,435,146	\$ 42,314
<b>Register of Wills Agency Fund</b>				
Assets:				
Cash and Cash Equivalents	\$ 69,034	\$ 785,762	\$ 791,535	\$ 63,261
Total Assets	\$ 69,034	\$ 785,762	\$ 791,535	\$ 63,261
Liabilities:				
Due To Other Governments	\$ 69,034	\$ 785,762	\$ 791,535	\$ 63,261
Total Liabilities	\$ 69,034	\$ 785,762	\$ 791,535	\$ 63,261
<b>Coroner's Agency Fund</b>				
Assets:				
Cash and Cash Equivalents	\$ 11,742	\$ 94,390	\$ 105,600	\$ 532
Total Assets	\$ 11,742	\$ 94,390	\$ 105,600	\$ 532
Liabilities:				
Funds Held in Escrow	\$ 11,742	\$ 94,390	\$ 105,600	\$ 532
Total Liabilities	\$ 11,742	\$ 94,390	\$ 105,600	\$ 532
<b>Payroll Advance Fund</b>				
Assets:				
Cash and Cash Equivalents	\$ 6,045	\$ 8,976	\$ 9,538	\$ 5,483
Total Assets	\$ 6,045	\$ 8,976	\$ 9,538	\$ 5,483
Liabilities:				
Funds Held in Escrow	\$ 6,045	\$ 8,976	\$ 9,538	\$ 5,483
Total Liabilities	\$ 6,045	\$ 8,976	\$ 9,538	\$ 5,483

# COUNTY OF DAUPHIN , PENNSYLVANIA

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS

YEAR ENDED DECEMBER 31, 2018

	<b>Balance January 1, 2018</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance December 31, 2018</b>
<b>Children &amp; Youth Agency Fund</b>				
Assets:				
Cash and Cash Equivalents	\$ 148,935	\$ 1,148,499	\$ 1,080,742	\$ 216,692
<b>Total Assets</b>	<b>\$ 148,935</b>	<b>\$ 1,148,499</b>	<b>\$ 1,080,742</b>	<b>\$ 216,692</b>
Liabilities:				
Funds Held in Escrow	\$ 148,935	\$ 1,148,499	\$ 1,080,742	\$ 216,692
<b>Total Liabilities</b>	<b>\$ 148,935</b>	<b>\$ 1,148,499</b>	<b>\$ 1,080,742</b>	<b>\$ 216,692</b>
<b>Flexible Spending Fund</b>				
Assets:				
Cash and Cash Equivalents	\$ 106,824	\$ 517,497	\$ 517,970	\$ 106,351
<b>Total Assets</b>	<b>\$ 106,824</b>	<b>\$ 517,497</b>	<b>\$ 517,970</b>	<b>\$ 106,351</b>
Liabilities:				
Funds Held in Escrow	\$ 106,824	\$ 517,497	\$ 517,970	\$ 106,351
<b>Total Liabilities</b>	<b>\$ 106,824</b>	<b>\$ 517,497</b>	<b>\$ 517,970</b>	<b>\$ 106,351</b>
<b>Night Court</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,340	\$ 66,158	\$ 65,804	\$ 1,694
<b>Total Assets</b>	<b>\$ 1,340</b>	<b>\$ 66,158</b>	<b>\$ 65,804</b>	<b>\$ 1,694</b>
Liabilities:				
Funds Held in Escrow	\$ 1,340	\$ 66,158	\$ 65,804	\$ 1,694
<b>Total Liabilities</b>	<b>\$ 1,340</b>	<b>\$ 66,158</b>	<b>\$ 65,804</b>	<b>\$ 1,694</b>

The statistical section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information reflect about the County's overall financial health.

## **Contents**

### **Financial Trends**

These schedules on pages 210 through 217 contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

### **Revenue Capacity**

These schedules on pages 218 through 225 contain information to help the reader assess the County's most significant local revenue source, the property tax.

### **Debt Capacity**

These schedules on pages 226 through 230 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**

These schedules on pages 231 through 234 offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

### **Operating Information**

These schedules on pages 235 through 241 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.

**COUNTY OF DAUPHIN, PENNSYLVANIA**

Net Position by Component - Last Ten Years

(Accrual basis of accounting)

(Unaudited)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>Governmental activities</b>										
Net investment in capital assets	\$ (13,684,780)	\$ (6,154,912)	\$ (2,074,093)	\$ (695,268)	\$ 5,955,867	\$ 10,755,684	\$ 12,456,056	\$ 20,736,715	\$ 26,951,861	\$ 45,789,044
Restricted	24,943,553	25,666,745	34,245,154	28,776,237	18,862,587	19,445,884	23,273,811	23,112,169	24,737,862	22,307,689
Unrestricted	<u>53,181,629</u>	<u>49,279,916</u>	<u>35,253,948</u>	<u>23,407,540</u>	<u>29,584,587</u>	<u>19,056,396</u>	<u>2,307,926</u>	<u>12,358,231</u>	<u>9,892,045</u>	<u>(22,983,005)</u>
Total governmental activities net position	<u>\$ 64,440,402</u>	<u>\$ 68,791,749</u>	<u>\$ 67,425,009</u>	<u>\$ 51,488,509</u>	<u>\$ 54,402,845</u>	<u>\$ 49,257,964</u>	<u>\$ 38,037,793</u>	<u>\$ 56,207,115</u>	<u>\$ 61,581,768</u>	<u>\$ 45,113,728</u>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 1,944,288	\$ 2,876,629	\$ 2,824,091	\$ 2,252,981	\$ 2,223,121	\$ 1,950,577	\$ 1,224,578	\$ 1,100,645	\$ 893,369	\$ 1,299,058
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	<u>5,912,991</u>	<u>5,305,422</u>	<u>2,534,040</u>	<u>1,179,423</u>	<u>672,357</u>	<u>1,489,455</u>	<u>931,611</u>	<u>864,516</u>	<u>1,123,726</u>	<u>1,652,645</u>
Total business-type activities net position	<u>\$ 7,857,279</u>	<u>\$ 8,182,051</u>	<u>\$ 5,358,131</u>	<u>\$ 3,432,404</u>	<u>\$ 2,895,478</u>	<u>\$ 3,440,032</u>	<u>\$ 2,156,189</u>	<u>\$ 1,965,161</u>	<u>\$ 2,017,095</u>	<u>\$ 2,951,703</u>
<b>Primary government</b>										
Net investment in capital assets	\$ (11,740,492)	\$ (3,278,283)	\$ 749,998	\$ 1,557,713	\$ 8,178,988	\$ 12,706,261	\$ 13,680,634	\$ 21,837,360	\$ 27,845,230	\$ 47,088,102
Restricted	24,943,553	25,666,745	34,245,154	28,776,237	18,862,587	19,445,884	23,273,811	23,112,169	24,737,862	22,307,689
Unrestricted	<u>59,094,620</u>	<u>54,585,338</u>	<u>37,787,988</u>	<u>24,586,963</u>	<u>30,256,748</u>	<u>20,545,851</u>	<u>3,239,537</u>	<u>13,222,747</u>	<u>11,015,771</u>	<u>(21,330,360)</u>
Total primary government net position	<u>\$ 72,297,681</u>	<u>\$ 76,973,800</u>	<u>\$ 72,783,140</u>	<u>\$ 54,920,913</u>	<u>\$ 57,298,323</u>	<u>\$ 52,697,996</u>	<u>\$ 40,193,982</u>	<u>\$ 58,172,276</u>	<u>\$ 63,598,863</u>	<u>\$ 48,065,431</u>

NOTE 1: The County implemented GASB Statements 51 and 53 beginning in 2010, 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 2: This schedule is being prepared prospectively in accordance with GASB 63. The next schedule has been included to provide prior years' information as it was originally presented in the prior years' reports.

**COUNTY OF DAUPHIN, PENNSYLVANIA**

Changes in Net Position - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses:</b>										
Governmental activities:										
General government	\$ 25,676,531	\$ 25,943,187	\$ 25,450,965	\$ 24,629,938	\$ 24,284,573	\$ 24,417,463	\$ 23,881,297	\$ 25,256,595	\$ 26,020,252	\$ 16,935,084
Judicial	48,312,938	51,966,818	53,005,426	53,584,526	54,700,457	54,993,262	58,057,097	59,916,415	61,198,204	66,653,315
Public safety	38,933,598	43,343,970	41,926,883	44,663,848	38,621,432	39,036,174	45,627,099	48,356,487	48,406,025	50,692,732
Public works	714,493	419,047	1,620,843	1,558,538	1,544,044	6,982,260	1,910,552	1,482,959	1,747,568	1,755,369
Human services	133,374,047	114,091,581	112,461,597	106,417,603	104,780,861	103,694,696	105,755,168	112,562,042	114,896,098	103,618,358
Culture and recreation	9,411,019	9,788,893	10,020,111	10,334,029	11,709,200	12,354,951	12,893,509	13,342,145	13,762,985	16,789,417
Conservation and development	10,295,203	14,018,932	17,992,444	13,184,384	18,515,635	14,900,958	11,625,331	15,653,091	13,435,965	12,988,612
Interest and fiscal charges on long-term debt	5,581,014	5,865,430	4,187,999	5,574,564	3,456,514	6,991,197	4,736,404	4,002,741	3,834,082	3,185,232
Indirect Expenses	(758,937)	(791,468)	(838,866)	(801,629)	(718,511)	(736,948)	(534,651)	(506,437)	(534,516)	-
<b>Total governmental activities expenses</b>	<b>271,539,906</b>	<b>264,646,390</b>	<b>265,827,402</b>	<b>259,145,801</b>	<b>256,894,205</b>	<b>262,634,013</b>	<b>263,951,806</b>	<b>280,066,038</b>	<b>282,766,663</b>	<b>272,618,119</b>
Business-type activities:										
Human Services - Health Choices Fund	70,648,977	70,242,714	68,091,896	67,066,573	67,323,365	67,936,230	68,502,487	78,709,782	86,139,886	93,152,224
Public Works - Human Service Building	1,414,489	1,107,110	861,411	847,667	847,297	877,526	854,111	945,478	842,357	1,314,452
Public Works - Solid Waste Fund	1,457,505	1,422,164	1,610,431	1,332,335	1,516,202	794,468	783,465	806,608	798,628	841,466
Public Safety - Emergency 911	5,507,407	5,842,220	7,340,029	7,092,262	6,831,369	6,661,578	-	-	-	-
Culture and Recreation - Fort Hunter	89,028	96,620	116,774	87,970	83,363	87,979	91,639	105,028	80,648	72,122
Indirect Expenses	758,937	791,468	838,866	801,629	718,511	736,948	534,651	506,437	534,516	-
<b>Total business-type activities expenses</b>	<b>79,876,343</b>	<b>79,502,296</b>	<b>78,859,407</b>	<b>77,228,436</b>	<b>77,320,107</b>	<b>77,094,729</b>	<b>70,766,353</b>	<b>81,073,333</b>	<b>88,396,035</b>	<b>95,380,264</b>
<b>Total primary government expenses</b>	<b>\$ 351,416,249</b>	<b>\$ 344,148,686</b>	<b>\$ 344,686,809</b>	<b>\$ 336,374,237</b>	<b>\$ 334,214,312</b>	<b>\$ 339,728,742</b>	<b>\$ 334,718,159</b>	<b>\$ 361,139,371</b>	<b>\$ 371,162,698</b>	<b>\$ 367,998,383</b>
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services:										
General government	\$ 6,381,052	\$ 6,228,703	\$ 5,911,259	\$ 5,874,147	\$ 6,700,196	\$ 5,856,365	\$ 6,166,936	\$ 6,283,231	\$ 6,189,074	\$ 5,921,763.00
Judicial	9,789,809	10,058,758	10,172,292	10,719,624	11,861,657	12,038,691	12,892,768	12,494,767	12,467,022	13,570,965
Public safety	7,785,758	9,871,150	7,541,430	6,730,187	5,619,650	4,108,454	3,477,601	3,479,940	4,033,103	4,076,182
Human services	2,403,398	2,727,557	2,202,963	2,093,552	2,243,607	1,956,182	2,276,056	1,967,261	2,451,320	2,380,838
Culture and recreation	119,914	130,532	130,904	186,806	225,749	261,016	257,882	226,913	233,438	234,514
Conservation and development	702,966	454,381	560,871	540,016	384,293	495,880	974,891	1,061,199	1,052,446	1,043,366
Operating grants and contributions										
General government	81,580	1,579,222	298,946	137,438	94,598	10,351	-	21,500	-	2,820,269
Judicial	9,186,367	9,033,896	8,830,390	6,298,018	9,515,106	8,557,665	6,314,794	8,903,901	9,055,033	8,188,763
Public safety	1,848,508	2,809,990	2,134,950	2,024,115	2,252,880	2,931,595	7,358,620	8,079,581	7,788,677	6,943,151
Public works	809,066	1,472,385	782,389	846,997	1,020,925	7,462,593	1,177,199	631,147	678,266	-
Human services	119,866,570	102,627,850	100,248,912	96,089,660	93,124,678	93,579,940	92,394,086	99,674,375	101,497,099	87,367,669
Culture and recreation	384,525	301,837	341,857	733,262	1,140,022	1,005,810	302,671	271,094	195,982	243,764
Conservation and development	18,174,744	16,610,189	16,214,856	16,637,881	14,883,136	15,720,657	18,673,389	18,892,272	17,472,716	16,254,154
Capital grants and contributions										
Public works	-	-	-	-	-	-	1,307,572	4,844,784	3,160,135	2,815,436
Human services	-	-	-	-	-	-	-	-	-	1,044,316
Culture and recreation	-	-	-	-	-	-	-	2,020,878	527,164	2,488,460
<b>Total governmental activities revenues</b>	<b>177,534,257</b>	<b>163,906,450</b>	<b>155,372,019</b>	<b>148,911,703</b>	<b>149,066,497</b>	<b>153,985,199</b>	<b>153,574,465</b>	<b>168,852,843</b>	<b>166,801,475</b>	<b>155,393,610</b>
Business-type Activities:										
Charges for services:										
Human Services - Health Choices Fund	70,735,914	70,346,629	68,171,492	67,156,734	67,407,409	68,012,606	68,599,898	78,812,900	86,270,929	93,253,713
Public Works - Human Service Building	1,651,157	1,507,035	1,233,260	1,491,423	1,408,740	1,368,655	1,372,156	1,358,321	1,366,488	1,346,726
Public Works - Solid Waste Fund	901,257	895,602	861,306	1,200,381	1,027,329	195,323	203,690	97,752	109,607	99,051
Public Safety - Emergency 911	5,750,486	5,505,946	4,965,596	4,133,262	3,941,635	4,422,486	-	-	-	-
Culture and Recreation - Fort Hunter	46,161	41,150	44,835	48,414	38,461	48,672	44,514	44,554	51,435	46,337
Operating Grants and Contributions										
Human Services - Health Choices Fund	-	-	-	67,993	231,482	5,229	95,831	54,268	90,310	-
Public Works - Solid Waste Fund	40,469	72,630	67,596	-	-	-	-	-	-	41,254
Public Safety - Emergency 911	-	-	-	-	-	-	-	-	-	-
Culture and Recreation - Fort Hunter	70,000	-	-	-	52,061	-	-	-	-	-
<b>Total Business-type Activities Revenues</b>	<b>79,195,444</b>	<b>78,368,992</b>	<b>75,344,085</b>	<b>74,098,207</b>	<b>74,107,117</b>	<b>74,052,971</b>	<b>70,316,089</b>	<b>80,367,795</b>	<b>87,888,229</b>	<b>94,787,081</b>
<b>Total Primary Government Revenues</b>	<b>\$ 256,729,701</b>	<b>\$ 242,275,442</b>	<b>\$ 230,716,104</b>	<b>\$ 223,009,910</b>	<b>\$ 223,173,614</b>	<b>\$ 228,038,170</b>	<b>\$ 223,890,554</b>	<b>\$ 249,220,638</b>	<b>\$ 254,689,704</b>	<b>\$ 250,180,691</b>

(continued)

**COUNTY OF DAUPHIN, PENNSYLVANIA**

Changes in Net Position - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

**Net Expenses**

Governmental activities	\$ (94,005,649)	\$ (100,739,940)	\$ (110,455,383)	\$ (110,234,098)	\$ (107,827,708)	\$ (108,648,814)	\$ (110,377,341)	\$ (111,213,195)	\$ (115,965,188)	\$ (117,224,509)
Business-type activities	(680,899)	(1,133,304)	(3,515,322)	(3,130,229)	(3,212,990)	(3,041,758)	(450,264)	(705,538)	(507,806)	(593,183)
<b>Total Primary Government Net Expenses</b>	<b>\$ (94,686,548)</b>	<b>\$ (101,873,244)</b>	<b>\$ (113,970,705)</b>	<b>\$ (113,364,327)</b>	<b>\$ (111,040,698)</b>	<b>\$ (111,690,572)</b>	<b>\$ (110,827,605)</b>	<b>\$ (111,918,733)</b>	<b>\$ (116,472,994)</b>	<b>\$ (117,817,692)</b>

**General Revenue and Other**

**Changes In Net Position**

Governmental activities:

Taxes:

Property taxes, levied for general purpose	\$ 99,687,242	\$ 98,914,846	\$ 98,588,435	\$ 99,828,373	\$ 100,484,797	\$ 101,557,300	\$ 102,381,207	\$ 103,874,126	\$ 104,379,322	103,088,831
Hotel taxes	8,222,770	8,458,641	8,900,896	9,074,534	9,725,114	10,680,070	10,957,914	11,359,510	11,717,786	12,077,750
In-lieu of Taxes	1,628,168	1,700,024	1,261,808	1,900,267	1,772,152	1,793,658	2,813,934	2,184,946	2,157,821	2,225,269
Unrestricted Investment Income	1,288,331	517,651	353,772	239,826	170,979	267,267	(317,957)	122,676	1,046,462	1,844,697
Appreciation (Depreciation) in Fair Market Value of Instruments	91,754	64,132	4,339	60,535	90,003	58,978	(24,964)	-	-	-
Miscellaneous	-	-	-	-	-	-	2,286,775	1,551,190	2,565,544	3,734,897
Gain/(Loss) on Asset Disposal	(18,789)	6,713	6,900	11,311	(36,738)	-	(441,830)	3,320,275	-	-
Loss on Guaranteed Debt Payments	(635,707)	-	-	(17,139,378)	-	-	-	-	-	-
Swap Proceeds	1,668,000	-	-	505,000	-	-	-	-	-	-
Swap Option Termination Payments/Swap Termination Fees	-	(2,363,500)	-	-	-	-	-	-	-	-
Transfers from Component Unit	637,361	635,589	637,609	619,624	-	-	-	-	-	-
Transfers from/(to) Primary Government	-	-	-	-	1,100,606	1,677,955	(363,745)	-	-	-
Transfers in/(out) of Capital Assets and Long-Term Liabilities	-	-	-	-	-	-	242,026	-	-	-
Transfers in/(out)	(743,735)	(1,411,552)	(665,116)	(802,494)	(2,669,177)	(3,577,026)	594,404	(504,741)	(527,094)	(1,479,181)
Special Items	-	-	-	-	7,045,600	-	-	-	-	-
Proceeds from Incinerator Settlement	-	-	-	-	(6,043,741)	-	-	-	-	-
Allowance for Ince=incinerator Debt Payments	-	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities</b>	<b>111,825,395</b>	<b>106,522,544</b>	<b>109,088,643</b>	<b>94,297,598</b>	<b>111,639,595</b>	<b>112,458,202</b>	<b>118,127,764</b>	<b>121,907,982</b>	<b>121,339,841</b>	<b>121,492,263</b>

Business-type Activities:

Unrestricted Investment Income	111,791	46,524	26,286	12,582	6,887	9,286	2,851	9,769	27,754	48,610
Gain/(Loss) on Asset Disposal	213,814	-	-	389,426	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	4,892	-	-
Transfers in/(out) of Capital Assets and Long-Term Liabilities	-	-	-	-	-	-	(242,026)	-	-	-
Transfers in/(out)	743,735	1,411,552	665,116	802,494	2,669,177	3,577,026	(594,404)	504,741	527,094	1,479,181
<b>Total Business-type Activities</b>	<b>1,069,340</b>	<b>1,458,076</b>	<b>691,402</b>	<b>1,204,502</b>	<b>2,676,064</b>	<b>3,586,312</b>	<b>(833,579)</b>	<b>514,510</b>	<b>559,740</b>	<b>1,527,791</b>
<b>Total Primary Government</b>	<b>\$ 112,894,735</b>	<b>\$ 107,980,620</b>	<b>\$ 109,780,045</b>	<b>\$ 95,502,100</b>	<b>\$ 114,315,659</b>	<b>\$ 116,044,514</b>	<b>\$ 117,294,185</b>	<b>\$ 122,422,492</b>	<b>\$ 121,899,581</b>	<b>\$ 123,020,054</b>

Change In Net Position

Governmental Activities	\$ 17,819,746	\$ 5,782,604	\$ (1,366,740)	\$ (15,936,500)	\$ 3,811,887	\$ 3,809,388	\$ 7,750,423	\$ 10,694,787	\$ 5,374,653	\$ 4,267,754
Business-type Activities	388,441	324,772	(2,823,920)	(1,925,727)	(536,926)	544,554	(1,283,843)	(191,028)	51,934	934,608
<b>Total Change in Net Position</b>	<b>\$ 18,208,187</b>	<b>\$ 6,107,376</b>	<b>\$ (4,190,660)</b>	<b>\$ (17,862,227)</b>	<b>\$ 3,274,961</b>	<b>\$ 4,353,942</b>	<b>\$ 6,466,580</b>	<b>\$ 10,503,759</b>	<b>\$ 5,426,587</b>	<b>\$ 5,202,362</b>

(concluded)

Note 1: This schedule is being prepared prospectively in accordance with GASB 63. The next schedule has been included to provide prior years' information as it was originally presented in the prior years' reports.

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.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Governmental Activities Tax Revenues by Source - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

<u>Year</u>	<u>Real Estate Tax</u>	<u>Hotel Room Tax</u>	<u>Total</u>
2009	\$ 99,687,242	\$ 8,222,770	\$ 107,910,012
2010	98,914,846	8,458,641	107,373,487
2011	98,588,435	8,900,896	107,489,331
2012	99,628,373	9,074,534	108,702,907
2013	100,484,797	9,725,114	110,209,911
2014	101,577,300	10,680,070	112,257,370
2015	102,381,207	10,957,914	113,339,121
2016	103,874,126	11,359,510	115,233,636
2017	104,379,322	11,717,786	116,097,108
2018	103,088,831	12,077,750	115,166,581



# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Changes in Governmental Fund Balances - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>Revenues:</b>										
Property Taxes	\$ 99,139,719	\$ 98,928,619	\$ 98,746,079	\$ 99,745,703	\$ 100,610,002	\$ 101,593,952	\$ 102,161,789	\$ 104,430,716	\$ 104,674,431	\$ 105,236,657
Hotel Taxes	8,222,770	8,458,641	8,900,896	9,074,534	9,725,114	10,580,070	10,957,914	11,359,510	11,717,786	12,077,750
Intergovernmental	149,947,426	135,810,438	128,516,500	123,054,965	121,467,341	128,946,120	130,342,265	145,524,478	142,532,893	128,165,982
Charges for services	21,746,731	24,209,696	20,900,323	20,586,292	21,465,080	19,112,027	20,816,043	20,365,325	21,904,835	21,689,219
License and Permits	98,232	81,145	79,916	111,168	110,694	105,213	107,491	129,273	165,921	160,732
Court Costs and Fines	5,343,825	5,195,912	5,271,488	5,117,532	5,438,374	5,596,484	5,122,600	5,018,713	4,355,647	5,377,677
Interests and Rents	1,831,040	679,636	432,195	380,933	324,158	294,008	220,956	479,552	1,046,462	1,844,697
Miscellaneous Revenue	1,599,415	211,430	1,791,516	1,861,441	2,293,984	2,051,250	2,286,775	1,551,190	2,565,544	3,601,147
Total revenues	<u>287,929,158</u>	<u>273,575,517</u>	<u>264,638,913</u>	<u>259,932,568</u>	<u>261,434,747</u>	<u>268,279,124</u>	<u>272,015,833</u>	<u>288,858,757</u>	<u>288,963,519</u>	<u>278,153,861</u>
<b>Expenditures:</b>										
Current:										
General government:	15,799,802	15,246,114	13,310,093	13,632,054	20,606,693	12,568,616	13,795,509	12,546,041	12,774,602	14,822,441
Judicial	52,924,790	56,732,643	57,423,430	58,345,058	59,453,828	60,991,551	62,896,565	62,834,027	63,825,449	64,651,665
Public safety	40,386,605	11,964,637	40,787,150	43,495,804	39,311,668	37,522,009	44,593,238	45,091,034	45,991,418	47,702,335
Public works	1,524,277	4,683,407	1,578,056	1,179,281	1,194,333	6,855,353	1,761,453	1,078,435	1,339,098	1,217,556
Human services	134,252,651	115,854,754	113,897,014	107,793,163	105,885,655	104,690,413	106,878,569	113,039,405	115,871,738	102,816,585
Culture and recreation	9,865,376	10,088,173	10,585,517	10,766,861	12,131,061	12,822,560	13,377,664	13,807,651	14,215,710	16,769,900
Conservation and development	10,447,932	14,388,173	18,137,502	13,489,492	18,761,162	16,583,950	11,730,470	20,715,865	13,548,786	12,944,387
Debt service:										
Principal	5,621,657	5,571,115	8,607,154	7,571,138	43,660,909	19,088,532	29,655,798	26,047,302	15,917,222	12,035,082
Interest	5,224,873	5,456,580	5,284,554	5,045,163	5,508,225	5,661,010	4,965,306	4,401,171	4,064,872	3,915,241
Bond Issuance Costs	-	-	-	-	184,383	269,393	238,546	204,773	424,625	-
Capital outlay	8,513,873	8,376,398	7,827,806	7,331,881	1,087,821	1,396,911	1,210,603	9,216,502	7,875,070	1,422,705
Total expenditures	<u>284,561,836</u>	<u>248,361,994</u>	<u>277,438,276</u>	<u>268,649,895</u>	<u>307,785,738</u>	<u>278,450,298</u>	<u>291,103,721</u>	<u>308,982,206</u>	<u>295,848,590</u>	<u>278,297,897</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,367,322</u>	<u>25,213,523</u>	<u>(12,799,363)</u>	<u>(8,717,327)</u>	<u>(46,350,991)</u>	<u>(10,171,174)</u>	<u>(19,087,888)</u>	<u>(20,123,449)</u>	<u>(6,885,071)</u>	<u>(144,036)</u>

(Continued)

## COUNTY OF DAUPHIN, PENNSYLVANIA

### Schedule of Changes in Governmental Fund Balances - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Other financing sources (uses):</b>										
Transfers in	52,234,218	16,546,130	15,286,068	20,788,649	16,116,304	15,006,095	19,094,348	20,139,834	17,312,738	18,871,705
Transfers out	(52,977,953)	(17,957,682)	(15,951,184)	(21,591,143)	(18,785,481)	(18,583,121)	(18,499,944)	(20,644,575)	(17,839,832)	(20,350,886)
Transfer from Component Unit	637,361	635,589	637,609	619,624	1,100,606	1,677,955	104,544	-	-	-
Transfer to Component Unit	-	-	-	-	-	-	(468,289)	-	-	-
Gain (loss) from Asset Disposal	275	6,713	6,900	11,311	(36,738)	-	27,437	3,321,471	-	133,750
Swap Termination transactions/fees	-	(2,363,500)	-	-	-	-	(1,146,000)	(1,076,900)	-	-
Swap Proceeds	1,668,000	-	-	505,000	-	-	-	-	-	-
Payment to Bond Escrow Agent	-	(23,610,000)	(16,465,000)	-	(14,955,000)	(8,080,000)	-	-	(18,645,431)	-
Bond premium	238,427	560,109	1,091,219	-	-	116,368	2,595,006	1,357,680	2,104,367	-
Bond discount	-	-	-	-	-	(33,164)	-	-	-	-
Rent Recoupment	(635,707)	-	-	-	-	-	-	-	-	-
Loss on Guaranteed Debt Payments	-	-	-	(17,139,378)	-	-	-	-	-	-
Proceeds of General Obligation Debt	21,965,000	34,746,500	-	-	-	-	-	-	4,355,000	-
Issuance of Refunding Bonds	-	23,380,000	15,655,000	-	15,905,000	18,080,000	19,425,000	14,690,000	16,775,000	-
Note Proceeds	-	-	-	-	-	4,272,723	7,034,518	1,279,250	-	-
Capital Lease Proceeds	523,041	318,850	378,741	817,977	9,010,129	1,412,634	521,199	1,128,900	8,685,348	506,156
Total other financing sources (uses)	<u>23,652,662</u>	<u>32,262,709</u>	<u>639,353</u>	<u>(15,987,960)</u>	<u>8,354,820</u>	<u>13,869,490</u>	<u>28,687,819</u>	<u>20,195,660</u>	<u>12,747,190</u>	<u>(839,275)</u>
<b>Special Items</b>										
Proceeds from Incinerator Settlement	-	-	-	-	7,045,600	-	-	-	-	-
Allowance for Incinerator Debt Payments	-	-	-	-	(6,043,741)	-	-	-	-	-
Total Special Items	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,001,859</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	27,037,984	24,476,232	(12,160,010)	(24,705,287)	(36,994,312)	3,798,316	9,599,931	72,211	5,862,119	(983,311)
Fund Balances - Beginning of Year	<u>88,624,796</u>	<u>115,662,780</u>	<u>140,139,012</u>	<u>127,979,002</u>	<u>103,273,715</u>	<u>66,279,403</u>	<u>70,077,719</u>	<u>79,677,650</u>	<u>79,749,861</u>	<u>85,611,980</u>
Fund Balances - End of Year	<u><u>115,662,780</u></u>	<u><u>140,139,012</u></u>	<u><u>127,979,002</u></u>	<u><u>103,273,715</u></u>	<u><u>66,279,403</u></u>	<u><u>70,077,719</u></u>	<u><u>79,677,650</u></u>	<u><u>79,749,861</u></u>	<u><u>85,611,980</u></u>	<u><u>84,628,669</u></u>
Debt service as a percentage of noncapital expenditures	3.9%	4.0%	5.2%	4.8%	16.1%	9.0%	12.0%	10.2%	7.1%	5.8%

## COUNTY OF DAUPHIN, PENNSYLVANIA

### General Government Expenditures by Function (1)

(modified-accrual basis of accounting)

Year	General Government	Judicial	Public Safety	Public Works	Human Services	Culture and Recreation	Conservation and Development	Capital Projects	(2) (3) Debt Service	Totals
2009	\$ 15,799,802	\$ 52,924,790	\$ 40,368,605	\$ 1,524,277	\$ 134,252,651	\$ 9,865,376	\$ 10,447,932	\$ 8,513,873	\$ 10,846,530	\$ 284,543,836
2010	15,246,114	56,732,643	44,964,637	4,683,407	115,854,754	10,088,173	14,388,173	8,376,398	11,027,695	281,361,994
2011	13,310,093	57,423,430	40,787,150	1,578,056	113,897,014	10,585,517	18,137,502	7,827,806	13,891,708	277,438,276
2012	13,632,054	58,345,058	43,495,804	1,179,281	107,793,163	10,766,861	13,489,492	7,331,881	12,616,301	268,649,895
2013	20,606,693	59,453,828	39,311,668	1,194,333	105,885,655	12,131,061	18,761,162	1,087,821	49,353,517	307,785,738
2014	12,568,616	60,991,551	37,522,009	6,855,353	104,690,413	12,822,560	16,583,950	1,396,911	25,018,935	278,450,298
2015	13,795,509	62,896,565	44,593,238	1,761,453	106,878,569	13,377,664	11,730,470	1,210,603	34,859,650	291,103,721
2016	12,546,041	62,834,027	45,091,034	1,078,435	113,039,405	13,807,651	20,715,865	9,216,502	30,653,246	308,982,206
2017	12,774,602	63,825,449	45,991,418	1,339,098	115,871,738	14,215,710	13,548,786	7,875,070	20,406,719	295,848,590
2018	14,822,441	64,651,665	47,702,335	1,217,556	102,816,585	16,769,900	12,944,387	1,422,705	15,950,323	278,297,897

NOTES:

- (1) Includes General, Special Revenue, Permanent, and Capital Projects Funds.
- (2) Includes interest and bond issuance costs on general obligation debt.
- (3) Does not include Enterprise Funds debt.

## COUNTY OF DAUPHIN, PENNSYLVANIA

### Schedule of General Governmental Revenues by Source (1) - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

Year	Property and Hotel Tax	Intergovernmental	Charges for Services	License, Permits, Court Costs, and Fines	Interest, Rents, and Investments	Miscellaneous	(1) Totals
2009	\$ 107,362,489	\$ 149,947,426	\$ 21,746,731	\$ 5,442,057	\$ 1,831,040	\$ 1,599,415	\$ 287,929,158
2010	107,387,260	135,810,438	24,209,696	5,277,057	679,636	211,430	273,575,517
2011	107,646,975	128,516,500	20,900,323	5,351,404	432,195	1,791,516	264,638,913
2012	108,820,237	123,054,965	20,586,292	5,228,700	380,933	1,861,441	259,932,568
2013	110,335,116	121,467,341	21,465,080	5,549,068	324,158	2,293,984	261,434,747
2014	112,274,022	128,946,120	19,112,027	5,701,697	294,008	2,051,250	268,379,124
2015	113,119,703	130,342,265	20,816,043	5,230,091	220,956	2,286,775	272,015,833
2016	115,790,226	145,524,478	20,365,325	5,147,986	479,552	1,551,190	288,858,757
2017	116,392,217	142,532,893	21,904,835	4,521,568	1,046,462	2,565,544	288,963,519
2018	117,314,407	128,165,982	21,689,219	5,538,409	1,844,697	3,601,147	278,153,861

NOTES:

(1) Includes General, Special Revenue, and Capital Projects Funds.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Government Funds Tax Revenues by Source - Last 10 Years

(Accrual Basis of Accounting)

(Unaudited)

<u>Year</u>	<u>Real Estate Tax</u>	<u>Hotel Room Tax</u>	<u>Total</u>
2009	\$ 99,139,719	\$ 8,222,770	\$ 107,362,489
2010	98,928,619	8,458,641	107,387,260
2011	98,746,079	8,900,896	107,646,975
2012	99,745,703	9,074,534	108,820,237
2013	100,610,002	9,725,114	110,335,116
2014	101,593,952	10,680,070	112,274,022
2015	102,161,789	10,957,914	113,119,703
2016	104,430,713	11,359,510	115,790,223
2017	104,674,431	11,717,786	116,392,217
2018	105,236,657	12,077,750	117,314,407

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Property Values - Last 10 Years

(Accrual Basis of Accounting)

(Unaudited)

Year	(1) Residential Property	(1) Commercial Property	(1) Agricultural Property	(1) Industrial Property	(3) Other	Total	(2) Exempt	Total Direct Tax Rate	(1) Estimated Market Value	Assessed Value as a Percentage of Market Value
2009	\$ 8,655,376,300	\$ 4,125,311,050	\$ 312,730,600	\$ 731,394,700	\$ 306,682,500	\$ 14,131,495,150	\$ 4,045,825,200	7.226	\$ 20,712,927,226	68.2%
2010	8,790,639,500	4,320,013,750	310,311,900	748,251,100	301,244,000	14,470,460,250	4,108,566,150	7.226	21,146,516,861	68.4%
2011	8,890,294,923	4,338,908,450	313,365,500	730,916,300	295,648,400	14,569,133,573	4,107,421,300	7.226	20,669,325,991	70.5%
2012	8,963,647,300	4,331,973,550	286,507,500	733,711,500	324,170,700	14,640,010,550	4,144,296,920	7.226	19,953,769,047	73.4%
2013	9,420,281,350	4,005,908,800	283,588,100	699,856,700	325,655,700	14,735,290,650	4,030,420,000	7.226	20,262,690,702	72.7%
2014	9,581,558,650	3,936,089,200	281,767,300	684,724,800	316,865,300	14,801,005,250	4,025,899,196	7.226	19,398,434,141	76.3%
2015	9,642,380,250	3,882,252,800	280,645,400	698,184,600	282,003,600	14,785,466,650	4,033,739,400	7.226	20,118,761,927	73.5%
2016	9,721,601,400	4,106,159,450	277,855,700	717,676,400	352,739,700	15,176,032,650	4,157,065,650	7.226	20,252,831,208	74.9%
2017	10,534,967,600	3,494,135,100	314,980,900	709,749,000	485,227,900	15,539,060,500	4,144,214,950	7.226	21,257,264,705	73.1%
2018	10,675,772,800	3,157,567,447	323,096,800	1,155,326,198	388,659,957	15,700,423,202	4,187,161,350	7.226	22,144,461,497	70.9%

**Sources:**

(1) PA State Tax Equalization Board

(2) Dauphin County Tax Assessment - Includes utilities and exempt properties

**Notes:**

(3) Category includes Lots, Trailers, Land, Seasonal, etc.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Real Estate Millage Rates - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

(1) Year	County Direct Rates			Overlapping Rates		Total
	Basic Rate	Library Tax	Total Rate	(2) Municipalities	(2) School District	
2009	6.876	0.35	7.226	3.823	18.185	29.233
2010	6.876	0.35	7.226	3.948	18.650	29.824
2011	6.876	0.35	7.226	3.928	18.944	30.098
2012	6.876	0.35	7.226	4.260	19.111	30.596
2013	6.876	0.35	7.226	4.327	19.344	30.897
2014	6.876	0.35	7.226	4.362	19.632	31.221
2015	6.876	0.35	7.226	4.610	19.999	31.835
2016	6.876	0.35	7.226	4.673	20.427	32.326
2017	6.876	0.35	7.226	4.843	20.502	32.571
2018	6.876	0.35	7.226	4.923	20.976	33.125

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 rate shown are an average.

Source: Tax Assessment Office

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Direct and Overlapping Property Tax Rates - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>County Direct Rates:</b>										
General	6.876	6.876	6.876	6.876	6.876	6.876	6.876	6.876	6.876	6.876
Debt	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350
Total direct rate	7.226	7.226	7.226	7.226	7.226	7.226	7.226	7.226	7.226	7.226
<b>School District Rates</b>										
Central Dauphin	13.860	13.860	13.860	14.3170	14.3173	14.6008	14.8622	15.2188	16.1160	16.5672
Derry Township	16.520	16.990	16.990	17.5510	17.5541	17.9227	18.1019	18.1019	18.1019	18.5363
Halifax Area	18.530	19.750	20.450	20.4500	20.4500	20.4500	21.9600	22.4870	22.4870	22.4870
Harrisburg City	25.199	26.307	26.307	26.9650	27.9156	27.9156	27.9156	27.8000	27.8000	28.8008
Lower Dauphin	18.100	18.100	18.420	18.4200	18.4200	18.4200	18.4200	18.4200	18.4200	18.4200
Middle Town Area	19.948	20.660	20.990	21.4000	21.8100	22.1500	22.1500	22.1500	22.1500	22.1500
Millersburg Area	16.575	17.221	17.221	17.6170	18.0221	18.5267	18.9898	19.5974	19.5974	20.8109
Steelton-Highspire	23.337	24.337	24.337	24.8370	25.4770	25.4770	25.4770	26.2770	26.2770	27.4770
Susquehanna Township	15.970	16.430	16.430	16.4300	16.8400	17.0200	17.0200	17.5306	17.5306	18.5977
Susquenita	20.765	20.374	20.374	19.5550	19.5320	20.3540	21.6660	22.8100	22.8100	22.5260
Upper Dauphin	15.400	15.400	15.400	16.7566	16.7566	17.2425	17.6908	18.2745	18.2745	18.8775
Williams Valley	14.010	14.370	14.370	15.0300	15.0300	15.5100	15.7300	16.4600	16.4600	16.4600
<b>City</b>										
Harrisburg - Land	28.6700	28.6700	28.6700	30.9700	30.9700	30.9700	30.9700	30.9700	30.9700	30.9700
Harrisburg - Building	4.7800	4.7800	4.7800	5.1600	5.1600	5.1600	5.1600	5.1600	5.1600	5.1600
<b>Borough Rates</b>										
Berrysburg	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500
Dauphin	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000
Elizabethville	4.4000	4.4000	4.4000	4.4300	4.9000	4.9000	5.6500	5.6500	5.6500	5.6500
Gratz	0.8025	0.8025	0.8025	0.8025	0.8025	0.8025	0.8025	0.8025	0.8025	0.8025
Halifax	2.5280	2.5280	2.5280	3.5280	3.5280	3.5280	4.0280	4.0280	4.0280	4.0280
Highspire	11.3500	12.3500	12.3500	14.3000	14.9500	15.8000	17.5000	18.5000	18.5000	18.5000
Hummelstown	2.0000	2.0000	2.0000	2.3500	2.3500	2.3500	2.3500	2.3500	2.8500	2.8500
Lykens	3.9200	3.9200	3.9200	4.4200	4.4200	4.4200	4.4200	4.4200	4.4200	4.6700
Middletown	5.6310	5.6310	5.6310	5.6310	5.6310	5.6310	5.6310	5.6310	5.6310	5.6310
Millersburg	4.7780	4.8780	4.8780	5.1180	5.1180	5.1180	5.2680	5.4180	5.9500	6.2000
Paxtang	10.0000	10.7300	10.7300	10.7300	10.7300	11.2300	11.2300	11.2300	11.2300	11.2300
Penbrook	8.7500	9.0000	9.0000	9.4500	9.4500	9.7000	9.9500	10.4500	10.9500	11.2000
Pillow	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	1.1000
Royalton	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.2000	3.3250	3.5750	4.0000
Steelton - Land	12.0000	14.0000	14.0000	15.0000	15.0000	15.0000	17.0000	17.0000	17.0000	17.0000
Steelton - Building	14.0000	14.0000	14.0000	15.0000	15.0000	15.0000	17.0000	17.0000	17.0000	17.0000
Williamstown	6.6500	6.6500	6.6500	6.6500	6.6500	6.6500	6.6500	6.6500	6.0500	6.6500
<b>Townships</b>										
Conewago	N/A									
Derry	1.0966	1.0966	1.0966	1.4466	1.4466	1.4466	1.4466	1.4466	1.9881	1.9881
East Hanover	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600
Halifax	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300
Jackson	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200
Jefferson	0.7800	0.7800	0.7800	0.7800	0.7800	0.7800	0.7800	0.7800	0.7800	0.7800
Londonderry	1.0700	1.0700	1.0700	3.0000	3.0000	3.0000	5.0000	5.0000	5.0000	5.0000
Lower Paxton	0.8750	0.8750	0.8750	1.3000	1.3000	1.3000	1.7000	1.9500	1.9500	1.9500
Lower Swatara	3.2700	3.2700	3.2700	3.2700	4.2400	4.2400	4.2800	4.2800	4.2800	4.3760
Lykens	0.2500	0.2500	0.2500	0.2500	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
Middle Paxton	2.0000	2.0000	1.1700	1.1700	1.1700	1.0000	1.1700	1.1700	N/A	N/A
Mifflin	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
Reed	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
Rush	0.3500	0.3500	0.3500	0.3500	0.3500	0.3500	0.3500	0.3500	0.3500	0.4200
South Hanover	0.4611	0.4611	0.4611	0.4611	0.4611	0.4611	0.4611	0.4611	0.4611	0.4611
Susquehanna	1.7980	2.5980	2.5980	3.0980	3.0980	3.0980	3.0980	3.0980	3.4000	3.4000
Swatara	1.9400	2.1900	2.1900	3.3957	3.7639	3.7639	3.7639	3.7639	3.7639	3.7639
Upper Paxton	0.4780	0.4780	0.4780	0.4780	0.4780	0.4780	0.4780	0.4780	0.4780	0.7725
Washington	1.4400	1.4400	1.4400	1.4400	1.4400	1.4400	1.4400	1.4400	1.4400	2.2100
Wayne	0.5174	0.5174	0.5174	0.5174	0.5174	0.5174	0.5174	0.5174	0.5174	0.5174
West Hanover	1.1857	1.1857	1.1857	1.1857	1.2534	1.2534	1.2534	1.2534	1.2534	1.2534
Wiconisco	4.3340	4.3400	4.3400	4.3400	4.3400	4.3400	5.3400	5.3400	5.3400	5.3400
Williams	1.4600	1.4600	1.4600	1.4600	1.4600	1.4600	1.4600	2.0000	2.0000	2.0000

Source: Tax Assessment Office

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Principal Real Estate Tax Payers - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

	2018			2009		
	Taxable Assessed Value	Rank	(1) Percentage of Total Assessed Value	Taxable Assessed Value	Rank	(2) Percentage of Total Assessed Value
<b>Taxpayer:</b>						
GLP Capital LP	\$ 191,800,000	1	1.25%			
HERCO	170,800,100	2	1.12%	186,385,500	1	1.34%
Harristown Dev Corp	155,435,100	3	1.02%	137,874,600	2	0.99%
Hershey Foods	149,494,150	4	0.98%	120,672,200	3	0.86%
Boyd and Mahoney Partners	73,409,600	5	0.48%	44,816,900 *	7	0.32%
Milton Hershey School	52,876,300	6	0.35%	59,584,400	5	0.43%
Prologis	49,721,100	7	0.33%			
Keystone	42,379,100	8	0.28%			
Tyco Electronics Corp	38,111,700	9	0.25%	54,493,500 *	6	0.39%
Clabell Management	33,721,300	10	0.22%	41,682,600 *	8	0.30%
Fledman Lubert Alder Harrisburgh LP				66,495,300	4	0.48%
M & T				28,008,500 *	9	0.20%
AmerGen Energy Co.				22,773,700 *	10	0.16%
<b>Total</b>	\$ 957,748,450		6%	\$ 762,787,200		5%

**Source :** Tax Assessment Office

(1) Percentage based on total County taxable assessed valuation for 2018

(2) Percentage based on total County taxable assessed valuation for 2009

\* 2009 Taxable Assessed Value unable to be located. Used the 2007 Taxable Assessed Value.

## COUNTY OF DAUPHIN, PENNSYLVANIA

### Schedule of County Real Estate Tax Levies and Collections - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

Year Ended December 31	Taxes Levied for the Year	Collected within the fiscal year of the Levy		Collections in Subsequent Years	Total Collected to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2009	\$ 100,156,951	\$ 95,446,890	95.30%	\$ 4,528,264	\$ 99,975,154	99.82%
2010	100,310,788	95,661,211	95.36%	4,443,908	100,105,119	99.79%
2011	100,581,807	96,079,271	95.52%	4,301,159	100,380,430	99.80%
2012	101,091,307	96,542,384	95.50%	4,329,161	100,871,545	99.78%
2013	101,808,655	97,238,430	95.51%	4,341,281	101,579,711	99.78%
2014	102,447,585	97,977,268	95.64%	4,220,779	102,198,047	99.76%
2015	103,317,837	98,957,498	95.78%	4,055,495	103,012,993	99.70%
2016	104,875,872	100,582,872	95.91%	3,881,634	104,464,506	99.61%
2017	105,445,153	101,346,382	96.11%	2,017,396	103,363,778	98.03%
2018	106,170,633	102,015,877	96.09%	-	102,015,877	96.09%

Source : Budget & Finance

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of County Library Tax Levies and Collections - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

<u>Year Ended December 31</u>	<u>Taxes Levied for the Year</u>	<u>Collected within the fiscal year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collected to Date</u>	
		<u>Amount</u>	<u>Percent of Levy</u>		<u>Amount</u>	<u>Percent of Levy</u>
2009	\$ 4,343,128	\$ 4,121,149	94.89%	\$ 212,566	\$ 4,333,715	99.78%
2010	4,343,207	4,125,061	94.98%	207,728	4,332,789	99.76%
2011	4,348,072	4,137,582	95.16%	200,217	4,337,799	99.76%
2012	4,368,905	4,154,506	95.09%	203,548	4,358,054	99.75%
2013	4,401,998	4,186,429	95.10%	203,916	4,390,345	99.74%
2014	4,428,413	4,215,732	95.20%	200,104	4,415,836	99.72%
2015	4,465,023	4,258,360	95.37%	191,298	4,449,658	99.66%
2016	4,532,022	4,330,918	95.56%	180,444	4,511,362	99.54%
2017	4,554,797	4,359,896	95.72%	95,260	4,455,156	97.81%
2018	4,587,929	4,389,873	95.68%	-	4,389,873	95.68%

**Source :** Budget & Finance

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Ratios of Outstanding Debt by Type - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

Fiscal Year	Government Activities			Business-type Activities		Total Primary Government	Percentage of Total Personal Income	Per Capita
	General Obligation Bonds (c)	Pennsylvania Infrastructure Bank (PIB) Loans	Capital Lease	General Obligation Bonds	Capital Lease			
2009	\$ 133,249,116	\$ -	\$ 5,959,663	\$ 1,558,280	\$ 5,405,320	\$ 146,172,379	1.40%	\$ 547.28
2010	163,315,200	-	5,452,397	441,388	4,936,910	174,145,895	1.62%	649.56
2011	155,457,980	-	5,078,985	-	4,529,546	165,066,511	1.46%	613.36
2012	148,377,283	-	4,985,824	-	4,120,470	157,483,577	1.35%	583.40
2013	105,968,117	-	13,145,044	-	3,831,049	122,944,210	1.04%	452.97
2014	97,751,563	4,272,723	13,305,646	-	3,690,546	119,020,478	0.97%	437.22
2015	92,484,215	10,908,917	12,690,069	-	2,995,000	119,078,201	0.93%	435.90
2016	85,252,312	10,822,351	12,452,238	5,699,665	-	114,226,566	0.87%	416.70
2017	80,409,740	9,631,767	15,495,948	5,444,713	-	110,982,168	*	402.53
2018	70,224,590	8,411,113	14,427,676	5,195,360	-	98,258,739	*	354.60

\* Information not yet available

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Ratios of General Debt to Assessed Value of Real Estate and General Obligation Debt per Capita - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

<b>Fiscal Year</b>	<b>(1) Population</b>	<b>(2)(3) Assessed Value</b>	<b>(4) General Debt Obligation</b>	<b>Ratio of General Obligation Debt to Assessed Value</b>	<b>General Obligation Debt Per Capita</b>
2009	267,090	\$ 14,131,495,150	\$ 134,807,396	0.95%	\$ 504.73
2010	268,100	14,470,460,250	163,756,588	1.13%	610.80
2011	269,119	14,569,133,573	155,457,980	1.07%	577.66
2012	269,940	14,640,010,550	148,377,283	1.01%	549.67
2013	271,420	14,735,290,650	105,968,117	0.72%	390.42
2014	272,219	14,801,005,250	97,751,563	0.66%	359.09
2015	273,176	14,785,466,650	92,484,215	0.63%	338.55
2016	274,121	15,176,032,650	90,951,977	0.60%	331.79
2017	275,710	15,293,578,050	85,854,453	0.56%	311.39
2018	277,097	15,386,611,200	75,419,950	0.49%	272.18

Notes:

- (1) U.S. Census Bureau, American Factfinder
- (2) PA State Tax Equalization Board
- (3) Does not include Exempt and Utility assessments.
- (4) Annual financial statements of Dauphin County

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Direct and Overlapping Governmental Activities Debt

(Accrual Basis of Accounting)

(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
<b>School District</b>			
Central Dauphin School District	\$ 158,192,845	100%	\$ 158,192,845
Derry Township School District	32,962,118	100%	32,962,118
Halifax Area School District	27,350,562	100%	27,350,562
Harrisburg City School District	240,114,000	100%	240,114,000
Lower Dauphin School District	22,985,000	100%	22,985,000
Middle Town Area School District	53,767,476	100%	53,767,476
Millersburg Area School District	9,200,000	100%	9,200,000
Steelton-Highspire School District	22,365,847	100%	22,365,847
Susquehanna Township School District	N/A	N/A	N/A
Upper Dauphin Area School District	38,043,562	100%	38,043,562
Dauphin County Technical School	18,145,000	100%	18,145,000
<b>Boroughs</b>			
Berrysburg Borough	-	100%	-
Dauphin Borough	2,017,000	100%	2,017,000
Elizabethville Borough	-	100%	-
Gratz Borough	N/A	N/A	N/A
Halifax Borough	-	100%	-
Highspire Borough	4,699,724	100%	4,699,724
Hummelstown Borough	N/A	N/A	N/A
Lykens Borough	-	100%	-
Middletown Borough	N/A	N/A	N/A
Millersburg Borough	68,915	100%	68,915
Paxtang Borough	-	100%	-
Penbrook Borough	1,187,069	100%	1,187,069
Pillow Borough	N/A	N/A	N/A
Royalton Borough	369,475	100%	369,475
Steelton Borough	8,898,744	100%	8,898,744
Williamstown Borough	N/A	N/A	N/A
<b>City</b>			
City of Harrisburg	74,887,594	100%	74,887,594

(Continued)

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Direct and Overlapping Governmental Activities Debt

(Accrual Basis of Accounting)

(Unaudited)

**Townships**

Conewago Township	1,042,000	100%	1,042,000
Derry Township	N/A	N/A	N/A
East Hanover Township	1,173,105	100%	1,173,105
Halifax Township	-	100%	-
Jackson Township	-	100%	-
Jefferson Township	37,114	100%	37,114
Londonderry Township	1,961,732	100%	1,961,732
Lower Paxton Township	19,745,959	100%	19,745,959
Lower Swatara Township	5,729,396	100%	5,729,396
Lykens Township	N/A	N/A	N/A
Middle Paxton Township	N/A	N/A	N/A
Mifflin Township	-	100%	-
Reed Township	-	100%	-
Rush Township	N/A	N/A	N/A
South Hanover Township	3,091,072	100%	3,091,072
Susquehanna Township	N/A	N/A	N/A
Swatara Township	15,913,853	100%	15,913,853
Upper Paxton Township	-	100%	-
Washington Township	-	100%	-
Wayne Township	-	100%	-
West Hanover Township	N/A	N/A	N/A
Wiconisco Township	N/A	N/A	N/A
Williams Township	-	100%	-

Subtotal, overlapping debt \$ 763,949,161

County of Dauphin direct Debt 93,063,379

Total direct and overlapping debt \$ 857,012,540

**Source:** Each Individual governmental unit

**N/A** - Information Unavailable

Note 1 - Method to calculate overlapping debt is the percentage applicable multiplied by the total debt report by each governmental unit.

(Concluded)

**COUNTY OF DAUPHIN, PENNSYLVANIA**

Schedule of Computation of Legal Debt Margin - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Borrowing Base Revenues</b>										
Two Years Prior	\$ 360,201,050	\$ 361,385,555	\$ 369,624,436	\$ 351,871,879	\$ 339,915,402	\$ 335,651,388	\$ 343,533,014	\$ 342,426,866	\$ 342,236,091	\$ 369,172,284
Prior Year	361,385,555	369,624,436	351,871,879	339,915,402	335,651,388	343,533,014	342,426,866	342,236,091	368,692,656	376,761,438
Current Year	<u>369,624,436</u>	<u>351,871,879</u>	<u>339,915,402</u>	<u>335,651,388</u>	<u>343,533,014</u>	<u>342,426,866</u>	<u>342,236,091</u>	<u>369,172,284</u>	<u>376,914,421</u>	<u>372,899,688</u>
<b>Total Revenues</b>	<u>\$ 1,091,211,041</u>	<u>\$ 1,082,881,870</u>	<u>\$ 1,061,411,717</u>	<u>\$ 1,027,438,669</u>	<u>\$ 1,019,099,804</u>	<u>\$ 1,021,611,268</u>	<u>\$ 1,028,195,971</u>	<u>\$ 1,053,835,241</u>	<u>\$ 1,087,843,168</u>	<u>\$ 1,118,833,410</u>
<b>Debt Limit for General Obligation Bonds</b>										
Average borrowing base revenues	\$ 363,737,014	\$ 360,960,623	\$ 353,803,906	\$ 342,479,556	\$ 339,699,935	\$ 340,537,089	\$ 342,731,990	\$ 351,278,414	\$ 362,723,271	\$ 372,944,470
Debt Limit Percentage	x 300%									
Debt Limit	<u>1,091,211,042</u>	<u>1,082,881,869</u>	<u>1,061,411,718</u>	<u>1,027,438,668</u>	<u>1,019,099,805</u>	<u>1,021,611,267</u>	<u>1,028,195,970</u>	<u>1,053,835,242</u>	<u>1,088,169,813</u>	<u>1,118,833,410</u>
Total outstanding bonded debt	<u>132,955,000</u>	<u>161,616,500</u>	<u>152,511,500</u>	<u>145,851,500</u>	<u>103,991,500</u>	<u>96,155,000</u>	<u>89,275,000</u>	<u>87,180,000</u>	<u>81,220,000</u>	<u>71,745,000</u>
<b>Legal Debt Margin</b>	<u>\$ 958,256,042</u>	<u>\$ 921,265,369</u>	<u>\$ 908,900,218</u>	<u>\$ 881,587,168</u>	<u>\$ 915,108,305</u>	<u>\$ 925,456,267</u>	<u>\$ 938,920,970</u>	<u>\$ 966,655,242</u>	<u>\$ 1,006,949,813</u>	<u>\$ 1,047,088,410</u>
Total outstanding bonded debt as a percent of debt limit	12.18%	14.92%	14.37%	14.20%	10.20%	9.41%	8.68%	8.27%	7.46%	6.41%
<b>Debt limit for general obligation bonds and lease rental debt</b>										
Average borrowing base revenues	\$ 363,737,014	\$ 360,960,623	\$ 353,803,906	\$ 342,479,556	\$ 339,699,935	\$ 340,537,089	\$ 342,731,990	\$ 351,278,414	\$ 362,723,271	\$ 372,944,470
Debt Limit Percentage	x 400%									
Debt Limit	<u>1,454,948,056</u>	<u>1,443,842,492</u>	<u>1,415,215,624</u>	<u>1,369,918,224</u>	<u>1,358,799,740</u>	<u>1,362,148,356</u>	<u>1,370,927,960</u>	<u>1,405,113,656</u>	<u>1,450,893,084</u>	<u>1,491,777,880</u>
Total amount of debt applicable to debt limit	<u>132,955,000</u>	<u>161,616,500</u>	<u>152,511,500</u>	<u>145,851,500</u>	<u>103,991,500</u>	<u>100,427,723</u>	<u>100,183,917</u>	<u>98,002,351</u>	<u>90,851,767</u>	<u>80,156,113</u>
<b>Legal Debt Margin</b>	<u>\$ 1,321,993,056</u>	<u>\$ 1,282,225,992</u>	<u>\$ 1,262,704,124</u>	<u>\$ 1,224,066,724</u>	<u>\$ 1,254,808,240</u>	<u>\$ 1,261,720,633</u>	<u>\$ 1,270,744,043</u>	<u>\$ 1,307,111,305</u>	<u>\$ 1,360,041,317</u>	<u>\$ 1,411,621,767</u>
Total amount of debt applicable to debt limit as a percentage of debt limit	9.14%	11.19%	10.78%	10.65%	7.65%	7.37%	7.31%	6.97%	6.26%	5.37%

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Demographic and Economic Statistics - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

Year	Population	Total Personal Income (in thousands)	Per Capita Personal Income	Median Household Income	School Enrollment (1)	Annual Average Unemployment Rate (2)
2009	\$ 267,090 (A)	\$ 10,441,063 (B)	39,092 (B)	\$ 52,177 (A)	\$ 38,105	7.5
2010	268,100 (C)	10,768,929 (B)	40,144 (B)	51,871 (A)	41,105	8.0
2011	269,119 (A)	11,311,459 (B)	42,031 (B)	52,228 (A)	41,541	7.6
2012	269,940 (A)	11,651,602 (B)	43,157 (B)	53,816 (A)	41,510	7.4
2013	271,420 (A)	11,802,266 (B)	43,502 (B)	52,975 (A)	42,369	6.8
2014	272,219 (A)	12,236,308 (B)	44,974 (B)	54,232 (A)	43,881	5.4
2015	273,176 (A)	12,789,632 (B)	46,851 (B)	53,754 (A)	44,604	4.5
2016	274,121 (A)	13,100,657 (B)	47,864 (B)	54,968 (A)	45,166	4.8
2017	275,710 (A)	13,426,791 (B)	48,699 (B)	57,071 (A)	45,964	4.5
2018	277,097	*	*	*	47,394	4.0

Notes: \* - Information not yet available

Sources: (1) Pennsylvania Department of Education  
 (2) Annual, not seasonally adjusted from Pennsylvania Department of Labor & Industry, Labor Market Information, Center for workforce Information & Analysis  
 (A) U.S. Census Bureau, American Factfinder  
 (B) Bureau of Economic Analysis, U.S. Department of Commerce  
 (C) U.S. Census 2010 Data

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Principle Employers

(Accrual Basis of Accounting)

(Unaudited)

Employer (1)	2018			2009		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
PA State Gov't	15,282	1	11.17%	17,529	1	13.82%
Milton S Hershey Medical Center	N/A	2	N/A	N/A	2	N/A
Hershey Entertainment & Resorts Co	N/A	3	N/A	N/A	4	N/A
The Hershey Company	2,327	4	1.70%	2,066	3	1.63%
UPMC Pinnacle Health Hospitals	N/A	5	N/A	N/A	5	N/A
Federal Government *	2,557	6	1.87%	1,021	6	N/A
United Parcel Service	N/A	7	N/A	N/A	9	N/A
PHEAA	N/A	8	N/A	N/A	N/A	N/A
Pennsylvania State University	N/A	9	N/A	N/A	8	N/A
Tyco Electronics Corporation	N/A	10	N/A	N/A	7	N/A
Central Dauphin School District	N/A		N/A	2,225	10	1.75%
<b>Total Employees in County (1)</b>	<b>136,800</b>			<b>126,800</b>		

Sources:

(1) Pennsylvania Department of Labor & Industry, Labor Market Information, Center for workforce Information & Analysis

\* Excludes United States Postal data for 2009

N/A - Information not available

## COUNTY OF DAUPHIN, PENNSYLVANIA

### Schedule of Full Time Employees by Function/Program - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund Departments:										
Adult Probation and Parole	78	81	81	82	84	84	89	92	93	94
Adult Prob Work Release Center	58	55	64	65	66	65	66	66	66	67
Affordable Housing Admin	1	1	0	0	0	0	0	0	0	0
Budget and Finance	4	4	4	4	3	3	3	2	2	2
Chesapeake Bay Project	3	3	3	3	2	2	3	2	2	2
Clerk of Courts	13	14	13	14	14	12	13	13	14	14
Commissioners Office	12	11	11	12	12	12	12	12	12	12
Conservation District	5	5	5	5	5	5	5	5	4	5
Controllers Office	12	12	12	12	12	10	10	10	12	11
Cooperative Extension Svc	5	5	5	5	5	5	5	5	5	5
Coroner	6	7	7	8	8	7	7	7	7	8
Cost and Fines	3	3	3	3	3	3	4	4	5	5
County Solicitor	4	4	4	4	4	1	2	0	0	0
Court Administrators Office	8	8	7	6	5	6	7	9	9	10
Court Cryers	6	9	9	8	8	10	9	8	8	10
Court-Related Support Staff	0	0	0	0	0	0	0	0	0	0
Court Reporters	10	13	13	13	13	13	13	12	12	11
Criminal Investigation Division	15	15	15	14	12	12	12	12	12	12
District Attorney's Office	36	38	42	42	44	46	51	50	49	54
District Attorney-Drug Forf	1	1	1	1	1	1	0	1	1	1
Erosion & Sediment Control	3	3	3	3	3	3	3	3	3	3
District Court Judges	79	81	75	76	78	75	78	73	75	73
District Engineer	1	1	1	1	1	1	1	1	1	1
D J Court Administrator	2	2	2	2	2	2	2	2	2	2
Economic Development Office	4	4	4	5	5	6	5	5	6	6
Emergency Management Agency	9	9	9	9	8	7	8	8	8	7
Fed Forfeiture Jury Investigat	0	0	0	0	0	0	0	1	1	0
Fort Hunter Operations	0	0	0	0	0	0	0	0	0	0
Human Services Director Office	9	9	8	9	9	7	10	9	9	10
Information Technology	23	23	22	22	22	20	20	21	21	23
Judicial Center	0	0	0	0	23	23	23	22	23	0
Judicial Law Clerks	7	10	10	10	10	10	9	10	8	11
Judicial Secretaries	8	10	10	10	10	10	10	9	8	10
Juvenile Probation	63	64	62	58	50	49	59	59	58	57
Juv Prob Community Base Unit	15	16	16	14	12	10	0	0	0	0
Juvenile Accountability Grant	3	3	3	2	2	2	0	0	0	0
Juvenile Expansion Grant	1	2	1	0	0	0	0	0	0	0
PD Juvenile Unit Enhancement	0	0	1	1	0	0	0	0	0	0
Law Library	3	3	1	1	1	1	1	1	1	1
Manor Post Divestiture	1	1	0	0	0	0	0	0	0	0
Night Court	3	3	2	2	2	1	1	1	1	1
North County Government Center	1	1	2	1	1	1	1	1	1	1
Park and Recreation	17	17	17	17	15	15	15	16	16	15
Personnel Office	13	13	13	13	11	10	10	10	11	11
Postal Department	1	1	1	1	1	1	1	1	1	1
Printing Department	0	0	0	0	0	0	0	0	0	0
Prison	299	293	283	289	279	276	281	282	275	286
Prothonotary	16	16	16	16	16	14	14	14	14	13
Public Defender	35	35	34	35	34	38	36	36	35	36
Purchasing - Central Office	2	2	2	2	2	2	2	2	2	2
Purchasing Warehouse	3	3	3	2	2	2	2	2	2	2
Rapid Response	1	0	0	0	0	0	0	0	0	0
Recorded of Deeds	11	10	9	9	8	6	6	6	5	6
Register of Wills	8	8	8	7	8	7	7	7	7	9
Risk Management	2	2	2	1	0	0	0	0	0	0

(Continued)

## COUNTY OF DAUPHIN, PENNSYLVANIA

### Schedule of Full Time Employees by Function/Program - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Schaffner Center Detention	37	21	1	0	0	0	0	0	0	0
Schaffner Center Shelter	14	28	26	26	0	0	0	0	0	0
Sheriff	44	41	44	47	43	41	40	40	38	38
Sheriff Licensing Division	2	2	2	2	2	1	2	2	2	2
Security Department	28	26	23	25	24	24	23	24	24	24
Storm Water Projects	1	0	0	0	0	0	0	0	0	0
Suburban School Based Prob Unt	6	6	6	6	4	3	2	3	3	3
Tax Assessment	22	22	22	21	19	19	19	18	17	19
Tax Assessment Board of Appeals	2	1	1	1	1	0	0	0	0	0
Tax Collector's	0	0	0	0	0	0	0	0	0	0
Treasurers' Office	4	4	4	2	2	1	1	0	0	0
Veteran Affairs Office	1	1	1	2	2	2	2	2	2	2
Voter Registration/Election	5	5	5	6	5	5	5	5	3	3
Water Resource Specialist	1	1	1	1	1	1	1	1	1	1
West Nile Project	2	2	2	2	2	2	1	2	2	1
Wildwood Lake Nature Center	0	0	0	0	0	0	0	0	0	0
Community Gun Violence Grant	1	0	0	0	0	0	0	0	0	0
DA D & A RIP Grant	1	1	0	0	0	0	0	0	0	0
Gaming Board Grant	1	1	0	0	0	0	0	0	0	0
PFA Enforcement Grant	2	2	0	0	0	0	0	0	0	0
PSP Auto Theft Grant	0	0	0	0	0	1	1	1	1	1
Victim Witness State Grant	1	1	1	1	0	0	0	0	0	0
<b>Non General Fund Departments</b>										
Adoption Foster Care Analyst	0	0	2	1	1	1	1	1	1	0
Adult Prob Supervision Fee	4	3	3	3	3	3	3	4	4	4
Agency on Aging	44	43	43	40	39	36	35	39	38	34
Aging Kitchen	16	12	12	12	12	12	0	0	0	0
Alternative Activities	3	3	3	3	2	5	5	6	6	5
C & Y Administration Dep	10	9	9	8	9	14	14	16	18	22
C & Y Adoption Assistance	31	27	29	30	34	35	67	79	69	65
C & Y Family Svce System Ref	34	28	35	32	31	15	2	1	2	3
C & Y Foster Family Care	31	33	33	33	26	44	17	12	20	20
C & Y Protective Child Abuse	9	9	8	9	13	11	14	15	16	17
C & Y Service Planning	14	16	18	19	26	15	8	9	8	11
C & Y System of Care Grant	0	0	0	0	0	0	0	0	0	0
C & Y Independent Living Specialist	5	6	6	6	6	1	1	1	1	1
Criminal Justice Enhancement Grant	0	0	0	0	0	0	0	0	0	0
Special FGC Grant	0	2	3	3	0	6	6	6	6	5
D & A Administration	7	6	5	7	7	7	5	5	4	5
D & A Case Management Services	6	6	6	5	6	6	6	7	8	8
D & A Community Based Process	0	0	0	0	0	0	0	0	0	0
D & A CRS Case Manage ODAP	0	1	0	0	0	0	0	0	0	0
Department of Buildings & Grounds	16	16	16	16	16	15	15	16	16	14
DOJ-PFA Enforcement Grant	2	2	0	0	0	0	0	0	0	0
Domestic Relations Office	85	82	89	87	86	87	87	86	86	80
EMA 911 Communications	54	57	60	60	60	59	57	59	56	53
Hotel Tax	2	2	2	3	3	3	3	4	4	4
MH Administration	16	15	15	15	15	14	15	15	15	14
MH/MR Emergency Care Services	19	17	18	18	18	15	16	20	18	22
MR Administration	5	5	5	5	5	5	5	5	5	5
Prison Education Program	0	0	0	0	0	0	0	0	0	0
Solid Waste Authority	6	6	6	6	6	7	7	6	7	7
Weatherization	7	7	7	8	7	0	0	0	0	0
Weatherization Arra Program	1	2	2	0	0	0	0	0	0	0

(Concluded)

Source: Human Resources

**COUNTY OF DAUPHIN, PENNSYLVANIA**

Schedule of Operating Indicators by Function - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Government - Administrative</b>										
Fiscal Affairs										
Deed Transfers	6,849	6,375	5,957	6,256	6,854	6,865	7,258	7,765	7,805	8,032
Mortgages Recorded	14,091	12,444	11,072	11,924	11,702	9,042	9,492	9,717	8,972	8,732
Subdivision plans filed	131	104	122	88	90	111	118	92	90	105
<b>Administration:</b>										
General Election Information										
Registered Voters at time of Primary Election	186,851	187,760	170,965	173,429	175,862	175,478	173,845	180,020	181,339	181,371
Registered Voters at time of General Election	186,866	189,520	172,063	178,936	174,482	176,352	174,991	190,301	181,371	185,856
Votes Cast										
Primary Election	42,031	48,825	31,710	43,193	34,094	30,947	26,544	74,802	38,463	48,339
General Election	50,169	89,210	38,705	124,443	44,072	80,226	44,350	133,740	48,339	109,781
Percent of Votes Cast - Primary	-	-	-	-	-	-	-	-	-	-
Percent of Votes Cast - General	-	-	-	1	-	-	-	1	-	-
<b>Coroner</b>										
Cases Referred	518	569	604	540	606	600	698	606	688	603
Autopsies	140	147	141	151	158	153	161	157	125	117
<b>General Government - Judicial</b>										
<b>Court Services</b>										
Criminal Cases Filed	5,936	6,128	5,232	6,357	6,324	6,785	7,329	7,002	6,875	6,811
Summary Appeals Filed	290	317	258	243	275	291	269	248	258	331
Juvenile Delinquency Cases Filed	1,624	1,654	1,303	1,254	1,030	1,077	1,052	999	1,015	1,000
Juvenile Dependency Cases Filed	230	198	123	116	164	241	332	317	245	219
Marriage Applications	1,995	2,037	2,104	2,107	2,001	2,255	2,296	2,148	2,174	2,038
Estates and Wills Probated	1,190	1,259	1,249	1,241	1,241	1,190	1,217	1,153	1,217	1,165
Petitions for Termination or Relinquishment	159	124	125	158	72	116	112	124	208	153
Petitions for Adoption	188	134	134	142	88	125	108	129	128	122
Civil Cases Filed	4,876	4,767	3,661	3,064	3,128	2,950	2,781	2,687	2,484	2,483
Family Cases Filed	2,256	2,442	2,459	2,560	2,501	2,294	2,359	2,337	2,935	2,654
Municipal Tax Liens Filed	855	1,005	661	806	835	484	405	484	172	308
Notes Filed	10,467	7,179	4,888	4,063	4,449	5,217	4,506	3,741	3,011	3,035
Miscellaneous Criminal Cases Filed	1,526	1,407	1,422	1,600	1,706	1,897	1,805	1,727	1,892	1,943
Domestic Relations Active Cases	16,830	15,965	15,467	14,853	14,255	13,702	13,056	12,488	12,056	11,181
Sheriff:										
Firearm Permits Issued	2,642	2,115	2,396	3,973	3,971	3,251	3,297	4,335	4,560	3,774
Prison Transports	6,791	6,492	6,069	5,182	7,509	7,869	7,023	7,083	6,794	6,742
<b>Public Safety</b>										
County Prison: (1)										
Average Daily Population										
In-house	949	943	943	999	998	1,055	1,028	1,036	1,037	1,065
Work Release	218	177	203	185	228	249	253	235	234	227
Total Average Daily Population	1,167	1,120	1,146	1,194	1,226	1,304	1,281	1,271	1,271	1,292
Commitments to Prison	5,952	5,918	5,869	5,909	6,165	6,353	6,076	6,082	6,421	6,242
Release from Prison	5,986	5,976	5,848	5,815	6,128	6,265	6,109	6,137	6,360	6,230
Adult Probation:										
Adult Caseload	4,975	5,199	5,407	5,298	6,845	6,767	7,051	7,451	6,912	6,729
Juvenile Referrals	1,360	1,255	1,091	1,057	937	937	911	911	850	911
Intermediate Punishment Program	970	1,021	941	1,272	1,158	1,158	1,488	1,279	1,453	954
Accelerated Rehabilitative Disposition/DUI Program	630	516	535	729	1,221	1,221	1,585	903	918	901

(Continued)

**COUNTY OF DAUPHIN, PENNSYLVANIA**

Schedule of Operating Indicators by Function - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Human Services</b>										
Adult Services:										
Emergency Shelter	279	196	23	20	16	10	10	8	3	3
Information/Referral/Cage Mgmt	16,547	12,658	8,773	7,557	6,472	6,767	7,112	1,497	2,565	2,510
Transportation	2	1	1	-	-	-	-	-	-	-
Counselling	152	163	158	-	-	-	-	-	-	-
In Home Personal Care	32	28	19	-	-	-	-	-	-	-
Employment/Job Coach	186	162	155	-	-	-	-	-	-	-
Adult/Children Services:										
Case Management	1,214	1,199	1,173	237	216	202	170	170	269	282
Food Assistance	10,004	10,338	46,756	56,014	50,477	49,105	50,633	41,459	52,570	56,941
Child Care	6,763	6,951	6,992	6,551	6,113	6,141	6,678	8,706	8,845	9,031
Homeless Assistance Program:										
Bridge housing consumers	102	103	88	79	95	97	80	74	88	107
Rental Assistance consumers	1,432	1,192	1,014	731	861	527	502	626	809	933
Emergency Shelter consumers	1,503	1,432	1,469	1,401	770	911	739	716	637	694
Individual Shelter nights	31,177	26,914	29,224	51,013	25,993	26,527	14,250	18,295	14,544	21,095
Case Management	N/A	N/A	N/A	N/A	N/A	1,350	1,368	1,909	2,007	1,567
Medical Transportation:										
Consumers	4,744	4,816	5,672	5,099	5,302	5,558	5,856	6,579	3,611	3,242
Trips	120,533	126,819	124,448	125,132	131,451	135,447	136,089	142,693	97,718	121,156
Area Agency on Aging										
Home Delivered Meals										
Meal Served	N/A	N/A	155,767	129,717	126,565	108,188	106,399	123,978	145,775	166,104
Persons Served	N/A	N/A	980	933	832	720	737	779	923	1,084
Congregate Meals Served										
Meal Served	N/A	N/A	23,801	22,047	22,834	18,352	20,970	43,873	46,821	47,083
Persons Served	N/A	N/A	554	526	504	388	552	682	661	618
Transportation										
Trips	N/A	N/A	25,144	25,001	25,944	20,326	17,595	17,007	18,618	17,267
Persons Served	N/A	N/A	561	515	594	508	520	534	587	461
Information and Assistance Contracts	N/A	N/A	711	827	616	517	867	1,022	800	2,022
Adult day care days provided	N/A	N/A	1,041	1,189	1,040	828	439	82	733	227
Maintenance/Modification of homes	N/A	N/A	33	24	13	39	43	20	10	1
Children & Youth										
Number of Referrals	4,198	4,847	4,806	5,373	4,585	4,639	6,462	6,267	7,367	7,291
Clients receiving in-home services	381	433	388	311	309	301	327	277	609	370
Clients requiring placement	1,019	936	825	703	558	365	405	516	527	479
Services provided										
Rental Assistance	N/A	N/A	25	63	42	56	117	97	88	60
Emergency Shelter										
Hotel Stays	N/A	N/A	4	2	3	14	23	35	30	32
Drug & Alcohol Services *										
Inpatient NH Detox	166	155	116	118	159	189	226	129	146	195
Inpatient NH Rehab (Short/Long)	139	114	112	83	126	158	262	262	233	268
Halfway House	38	19	11	1	6	8	10	10	10	11
Inpatient Hospital Detox										-
Inpatient Hospital Treatment & Rehab	3					1				-
Partial Hospitalization	5	2	2	1	1				1	17
Outpatient Drug Free	1,506	2,370	1,478	1,042	1,258	1,366	1,921	1,446	1,864	1,887
Outpatient Maintenance	78	83	19	43	28	24	145	90	182	349
Intensive Outpatient	254	542	330	363	418	326	366	223	327	267
CM Assessments	1,512	1,617	1,296	796	963	1,080	829	689	1,269	544

(Continued)

**COUNTY OF DAUPHIN, PENNSYLVANIA**

Schedule of Operating Indicators by Function - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>HealthChoices</b>										
<b>In-patient psychiatric treatment</b>										
Number of in-patient consumers	690	802	869	935	840	843	902	1,137	1,162	1,094
Number of in-patient days	13,228	15,403	18,736	18,723	18,761	19,575	20,986	24,556	26,225	26,411
<b>Out-patient psychiatric treatment</b>										
Number of out-patient consumers	5,369	6,060	6,388	6,758	6,840	7,536	8,303	9,928	10,193	10,912
Number of out-patient days	159,675	157,457	150,313	161,394	147,036	19,575	177,477	202,379	157,132	155,400
<b>Psychiatric Partial Hospitalization</b>										
Number of Consumers	430	454	380	421	301	378	380	418	422	429
Number of Units	75,223	71,825	61,574	67,529	51,185	55,920	57,099	55,333	56,232	54,702
<b>Targeted Case Management</b>										
Number of Consumers	2,500	2,580	2,524	2,310	2,274	2,193	2,165	2,207	2,088	2,149
Number of Units	306,197	295,337	289,301	280,697	251,366	194,621	193,193	193,861	190,104	175,805
<b>Crisis Intervention</b>										
Number of Consumers	865	971	975	1,057	976	950	830	1,237	1,356	1,384
Number of Units	7,517	8,181	9,459	9,981	8,845	9,836	6,640	9,515	12,247	10,990
<b>BHRS</b>										
Members	1,789	1,850	1,953	2,040	2,118	1,942	1,891	1,844	1,720	1,675
Units	1,326,197	1,268,804	1,292,730	1,344,600	1,419,346	1,245,398	1,097,680	923,607	802,201	790,069
<b>Family Based Mental Health</b>										
Number of Consumers	386	325	322	296	213	198	203	236	255	303
Number of Units	182,963	146,802	140,314	123,052	83,669	76,198	77,444	97,581	11,048	130,965
<b>Peer Support</b>										
Number of Consumers	93	88	98	121	102	99	113	110	110	116
Number of Units	11,026	10,585	8,986	16,264	17,581	16,741	11,191	14,431	11,020	7,996
<b>In-patient drug &amp; alcohol</b>										
Members	19	18	12	25	19	18	19	34	16	22
Units	182	231	195	344	270	160	361	386	246	130
<b>Non-hospital drug &amp; alcohol</b>										
Members	342	448	510	592	476	585	605	960	1,055	1,104
Units	12,599	20,345	21,404	21,404	20,960	24,999	24,853	39,914	41,115	43,257
<b>Other Services</b>										
Members	249	305	307	320	470	515	417	381	1,812	1,837
Units	4,711	4,359	4,760	5,181	6,507	10,146	10,810	14,832	119,219	136,078
<b>RTF accredited</b>										
Members	147	108	95	76	47	38	32	32	44	34
Units	27,174	18,352	16,633	12,123	9,114	5,602	5,602	5,737	7,816	4,071
<b>RTF non-accredited</b>										
Members	19	8	9	8	8	8	6	6	9	8
Units	2,898	1,233	1,463	1,826	2,135	1,620	1,180	1,302	1,909	1,928
<b>Mental Health/Intellectual Disabilities</b>										
<b>Mental Health</b>										
Crisis Intervention Services	2,547	2,394	2,235	2,457	2,023	2,431	2,371	2,409	2,359	2,489
Emergency Services	1,601	1,115	1,026	1,052	1,321	1,731	1,574	1,623	1,815	1,692
Community treatment team consumers	N/A	N/A	N/A	N/A	N/A	25	19	19	15	13
Community residential team consumers	410	403	436	413	401	397	389	405	396	399
Community employment consumers	73	28	22	12	9	9	4	28	79	93
Community vocational rehab consumers	65	36	35	27	17	15	8	6	-	-
Administrative case management consumers	4,134	2,966	4,552	4,395	4,518	3,426	3,688	3,428	3,174	2,088
Partial Hospitalization consumers	78	70	74	67	67	55	38	38	41	33
Psychiatric outpatient consumers	912	993	970	800	800	734	572	282	197	192
Social rehab consumers	553	504	483	480	480	201	196	196	123	119
Family based consumers	6	-	-	-	1	1	-	-	-	-
Housing support consumers	7	9	8	8	5	234	253	234	201	219
Psychiatric inpatient consumers	9	6	7	5	15	17	10	6	1	1
Community Services	N/A	N/A	N/A	N/A	N/A	1	1	2,100	1,196	1,183
Targeted Case Management	N/A	N/A	N/A	N/A	N/A	903	823	752	748	901
Family Support Services	N/A	N/A	N/A	N/A	N/A	3	1	38	103	51
Psychiatric Rehabilitation	N/A	N/A	N/A	N/A	N/A	1	1	81	102	12
Peer Support Services	N/A	N/A	N/A	N/A	N/A	11	11	36	27	24
Consumer driven services	N/A	N/A	N/A	N/A	N/A	-	-	-	197	97
<b>Intellectual Disabilities</b>										
Community hab (ADT) consumers	448	-	70	68	285	71	71	64	57	57
Number of workshop/vocational consumers	185	-	2	3	-	-	-	-	-	-
Supported employment consumers	94	-	47	51	55	70	54	47	25	18
Respite service consumers	207	-	19	22	23	-	-	-	-	-
Behavioral Specialist consumers	99	-	8	4	2	-	-	-	-	-
Number of transportation consumers	149	-	3	4	7	18	25	16	10	9
Family support consumers	97	-	111	110	85	90	97	86	84	88
Residential consumers	375	-	40	28	18	33	26	17	10	11
Case Management services	N/A	N/A	N/A	N/A	N/A	217	233	227	333	563
Early intervention Program consumers	569	526	573	707	705	677	659	730	794	853

(Concluded)

Source: By reporting data.

N/A - Information not available

\* Drug and Alcohol Services - Data based on fiscal year.

(1) County Prison - Prior to 2011, Work Release figures did not include males sent directly to Work Release from the Courts nor did the figures include Work Release males who were from another County. Since mid-March 2011, all inmates at Male Work Release have been processed through DCP before being transferred to Work Release and are, therefore, captured in the Work Release.

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Capital Asset Statistics by Function - Fleet - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

Function:	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Government Fund										
Corrections										
Motor Vehicles										
Juvenile Probation	N/A	17	17	20	20	19	16	15	23	22
Adult Probation	N/A	45	37	34	33	30	26	25	27	29
Youth Detention Center	N/A	3	2	3	-	-	-	-	-	-
Prison	N/A	10	9	9	10	10	9	10	10	11
Work Release Ctr.	N/A	12	14	12	18	18	13	13	13	13
Booking Center	-	-	-	-	-	-	-	-	1	-
Cultural and Recreations										
Motor Vehicles										
Parks	N/A	8	11	11	12	12	12	11	12	12
General Government										
Motor Vehicles										
Commissioners	N/A	3	3	3	4	4	3	3	3	3
Conservation District	N/A	6	7	6	9	9	9	12	9	10
Coroner	N/A	3	3	3	3	3	3	3	4	5
Information Technology	N/A	1	1	1	1	1	1	1	1	1
Maintenance	N/A	13	19	16	14	13	19	18	20	17
Purchasing	N/A	2	2	2	2	2	2	2	2	3
Solid Waste	N/A	6	9	8	13	12	12	11	13	13
Penn State Coop Extension	N/A	2	2	2	2	2	2	2	2	2
Tax Assessment	N/A	-	1	1	1	1	1	1	3	4
Weatherization	N/A	6	3	6	7	-	-	-	-	-

(Continued)

# COUNTY OF DAUPHIN, PENNSYLVANIA

## Schedule of Capital Asset Statistics by Function - Fleet - Last Ten Years

(Accrual Basis of Accounting)

(Unaudited)

Function:	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Human Services										
Motor Vehicles										
Aging	N/A	25	26	25	27	19	17	16	17	16
Children and Youth	N/A	-	-	-	1	2	1	2	3	3
MHID	N/A	2	2	2	2	2	2	2	2	2
Drug and Alcohol	N/A	-	1	-	1	1	1	2	2	2
Domestic Relations	N/A	1	1	1	1	1	1	1	1	1
Judicial										
Motor Vehicles										
District Attorney	N/A	-	-	-	-	-	27	25	26	-
CID	N/A	59	68	57	30	32	-	-	-	22
Drug Task Force	N/A	-	-	-	30	25	25	19	18	21
Pre Trial	N/A	-	-	-	1	1	1	1	-	-
Sheriff	N/A	27	27	27	33	22	21	20	19	21
Public Safety										
Motor Vehicles										
Emergency Management	N/A	12	13	15	17	16	16	14	14	14
Security	-	-	-	-	-	-	-	-	4	3

(Concluded)

Source: Commissioners Office

N/A: Information not available

**COUNTY OF DAUPHIN, PENNSYLVANIA**

Schedule of Capital Asset Statistics by Function - Square Footage

(Accrual Basis of Accounting)

(Unaudited)

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Square Footage of Buildings Owned by the County</b>										
Court House	161,866	161,866	161,866	161,866	161,866	161,866	161,866	161,866	161,866	161,866
Administration Building	126,170	126,170	126,170	126,170	126,170	126,170	126,170	126,170	126,170	126,170
Human Services & Parking Garage	-	-	-	-	-	-	-	214,169	214,169	214,169
Adult Probation Officers	11,286	11,286	11,286	11,286	11,286	11,286	11,286	11,286	11,286	11,286
Work Release Center	50,270	50,270	50,270	50,270	50,270	50,270	50,270	50,270	50,270	50,270
EMA/Schaffner	54,403	54,403	54,403	54,403	54,403	54,403	54,403	54,403	54,403	54,403
EMA/Storage	200	200	200	200	200	200	200	200	200	200
County Prison	223,838	223,838	223,838	223,838	223,838	223,838	223,838	223,838	223,838	223,838
Rutherford House	12,979	12,979	12,979	12,979	12,979	12,979	12,979	12,979	12,979	12,979
Coroners/Transportation Bulk Storage	31,247	31,247	31,247	31,247	31,247	31,247	31,247	31,247	31,247	31,247
AAA Kitchen	8,184	8,184	8,184	8,184	8,184	8,184	8,184	8,184	8,184	8,184
Detweiler Park Dwelling	-	-	-	-	-	-	-	1,768	1,768	-
Detweiler Park Pole Building	-	-	-	-	-	-	-	6,075	6,075	-
Detweiler Park Barn	-	-	-	-	-	-	-	3,376	3,376	-
Detweiler Park Garage	-	-	-	-	-	-	-	680	680	-
Detweiler Park w/ Garage	-	-	-	-	-	-	-	5,759	5,759	-
Detweiler Park Garage/Carport	-	-	-	-	-	-	-	1,992	1,992	-
Detweiler Park Pool House	-	-	-	-	-	-	-	664	664	-
Lykens Glan Park - shop	912	912	912	912	912	912	912	912	912	912
Lykens Glan Park - storage shed	288	288	288	288	288	288	288	288	288	288
Lykens Glan Park - Lg. Pavilion	3,136	3,136	3,136	3,136	3,136	3,136	3,136	3,136	3,136	3,136
Lykens Glan Park - Sm Pavilion	861	861	861	861	861	861	861	861	861	861
Henninger Bridge - Covered Bridge	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314
Wiconisco Park - maint. Garage 1	861	861	861	861	861	861	861	861	861	861
Wiconisco Park - maint. Garage 2	588	588	588	588	588	588	588	588	588	588
Wiconisco Park - pump house 1	132	132	132	132	132	132	132	132	132	132
Wiconisco Park - pump house 2	132	132	132	132	132	132	132	132	132	132
Wiconisco Park - irrigation house shed	80	80	80	80	80	80	80	80	80	80
Wiconisco Park - concession bldg.	840	840	840	840	840	840	840	840	840	840
Wiconisco Park - pavilion	512	512	512	512	512	512	512	512	512	512
Wiconisco Park - maint. Garage 3	960	960	960	960	960	960	960	960	960	960
Fort Hunter Complex - mansion	9,920	9,920	9,920	9,920	9,920	9,920	9,920	9,920	9,920	9,920
Fort Hunter Complex - dairy bldg.	408	408	408	408	408	408	408	408	408	408
Fort Hunter Complex - ice house	140	140	140	140	140	140	140	140	140	140
Fort Hunter Complex - barn	12,700	12,700	12,700	12,700	12,700	12,700	12,700	12,700	12,700	12,700
Fort Hunter Complex - corn crib	135	135	135	135	135	135	135	135	135	135
Fort Hunter Complex - maint. Storage	64	64	64	64	64	64	64	64	64	64
Fort Hunter Complex - station	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Fort Hunter Complex - bait shop	452	452	452	452	452	452	452	452	452	452
Fort Hunter Complex - maint. Bldg.	3,658	3,658	3,658	3,658	3,658	3,658	3,658	3,658	3,658	3,658
Fort Hunter Complex - closed storage	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104
Fort Hunter Complex - open storage	912	912	912	912	912	912	912	912	912	912
Fort Hunter Complex - farm house	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648

(Continued)

**COUNTY OF DAUPHIN, PENNSYLVANIA**

Schedule of Capital Asset Statistics by Function - Square Footage

(Accrual Basis of Accounting)

(Unaudited)

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Square Footage of Buildings Owned by the County</b>										
Fort Hunter Complex - tavern	3,432	3,432	3,432	3,432	3,432	3,432	3,432	3,432	3,432	3,432
Fort Hunter Complex - spring house	630	630	630	630	630	630	630	630	630	630
Fort Hunter Complex - smoke house	36	36	36	36	36	36	36	36	36	36
Fort Hunter Complex - stable	2,332	2,332	2,332	2,332	2,332	2,332	2,332	2,332	2,332	2,332
Fort Hunter Complex - east restroom	435	435	435	435	435	435	435	435	435	435
Fort Hunter Complex - west restrooms	112	112	112	112	112	112	112	112	112	112
Fort Hunter Complex - east pavilion	688	688	688	688	688	688	688	688	688	688
Fort Hunter Complex - west pavilion	704	704	704	704	704	704	704	704	704	704
Fort Hunter Complex - church	2,248	2,248	2,248	2,248	2,248	2,248	2,248	2,248	2,248	2,248
Fort Hunter Complex - covered bridge replica	795	795	795	795	795	795	795	795	795	796
Wildwood Lake Nature Center	13,094	13,094	13,094	13,094	13,094	13,094	13,094	13,094	13,094	13,094
Wildwood Park Teaching Pavilion	526	526	526	526	526	526	526	526	526	526
Pavilion	-	-	665	665	665	665	665	665	665	665
Restroom	121	121	121	121	121	121	121	121	121	121
Storage Building	1,064	1,064	1,064	1,064	1,064	1,064	1,064	1,064	1,064	1,064
Pavilion	880	880	880	880	880	880	880	880	880	880
Booking Center/Night Court	-	-	-	-	14,786	14,786	14,786	14,786	14,786	14,786
Magisterial District Court 12-1-04 O'Leary	6,085	6,085	6,085	6,085	6,085	6,085	6,085	6,085	6,085	6,085
Magisterial District Court 12-1-05 George Zo Zo	3,149	3,149	3,149	3,149	3,149	3,149	3,149	3,149	3,149	3,149
Magisterial District Court 12-2-01 Smith	2,392	2,392	2,392	2,392	2,392	2,392	2,392	2,392	2,392	2,392
<b>Square Footage of Buildings Leased by the County</b>										
Veterans Memorial Building	57,000	57,000	57,000	57,000	57,000	57,000	57,000	57,000	57,000	57,000
Children and Youth Services	18,959	18,959	18,959	18,959	18,959	18,959	18,959	18,959	18,959	36,504
Human Services-Hoffman St.	2,512	2,512	2,512	2,512	2,512	2,512	2,512	2,512	2,512	2,512
Chestnut Street	39,250	39,250	39,250	39,250	39,250	39,250	39,250	39,250	39,250	39,250
Northern Dauphin Government Ctr	10,292	10,292	10,292	10,292	10,292	10,292	10,292	10,292	10,292	11,050
1100 Cameron Street	41,415	41,415	41,415	41,415	41,415	41,415	41,415	41,415	41,415	41,415
Magisterial District Court 12-1-01 J. Lenker	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018
Magisterial District Court 12-1-02 Pianka	5,016	5,016	5,016	5,016	5,016	5,016	5,016	5,016	5,016	5,016
Magisterial District Court 12-1-06 Lindsey	2,455	2,455	2,455	2,455	2,455	2,455	2,455	2,455	4,955	4,955
Magisterial District Court 12-2-02 K. Lenker	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018
Magisterial District Court 12-2-03 Judy	5,016	5,016	5,016	5,016	5,016	5,016	5,016	5,016	5,016	5,016
Magisterial District Court 12-2-04 McKnight	3,160	3,160	3,160	3,160	3,160	3,160	3,160	3,160	3,160	3,160
Magisterial District Court 12-2-05 Paul Zo Zo	3,354	3,354	3,354	3,354	3,354	3,354	3,354	3,354	3,354	3,354
Magisterial District Court 12-3-01 Margerum	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545
Magisterial District Court 12-3-03 Johnson	2,064	2,064	2,064	2,064	2,064	2,064	2,064	2,064	2,064	2,064
Magisterial District Court 12-3-03 Wenner	20,480	20,480	20,480	20,480	20,480	20,480	20,480	20,480	20,480	20,480
Magisterial District Court 12-3-04 Pelino	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200

(Concluded)