COUNTY OF MONTGOMERY, PENNSYLVANIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2022

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Controller
KAREN M. SANCHEZ, ESQUIRE

1st Deputy Controller
THOMAS A. LANDAUER

Solicitor
MICHAEL L. BARBIERO, ESQUIRE

OFFICE OF THE CONTROLLER

COUNTY OF MONTGOMERY
COURT HOUSE
P.O. BOX 311
NORRISTOWN, PENNSYLVANIA
19404-0311
Phone: (610) 278-3072
Fax: (610) 278-3300

June 14, 2024

To the Citizens of Montgomery County, Pennsylvania:

I am pleased to provide the Annual Financial Report of the County of Montgomery, Pennsylvania, ("County"), for the fiscal year ended December 31, 2022.

The Office of the Controller has prepared this report with assistance from numerous County officials. The County's management assumes full responsibility for the completeness and reliability of the information contained in the report. I believe this enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the County in accordance with generally accepted accounting principles. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

An elected three-member Board of Commissioners performs all of the County's legislative and executive functions and is responsible for the management and administration of the County's fiscal affairs. The Controller is the elected financial officer of the County and, as such, supervises the County's fiscal affairs including the accounts, transactions, and official acts relating thereto of all officers and persons entrusted with the public monies of the County.

This report is designed to make the financial position of the County readily available to taxpayers, bond rating firms, underwriters, budget planners, government officials, investors, creditors, and the general public. The County's financial statements have been audited by the certified public accounting firm of Clifton, Larson, & Allen LLP to ensure that the financial reporting is of the highest quality and compliant with national standards. The information in this report gives a comprehensive picture of the County's financial position.

Long-Term Financial Planning

The Board of Commissioners and County staff are committed to providing value to the taxpayers by maintaining quality service levels and offering new benefits whenever the opportunity presents itself and the County's fiscal position permits. To accomplish this, the County regularly evaluates its revenue enhancement strategies and long-range financial forecast. The County has also developed and maintains multi-year financing plans for replacement of capital assets and infrastructure improvements.

Also, as a part of sound fiscal planning, the County has adopted a fund balance policy that is compliant with GASB 54 for determining fund balance categories and based on recommendations from the Government Finance Officers Association for maintaining an unrestricted budgetary fund balance in the general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.

Internal Controls

The management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled and maintained to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that the County's objectives are met. The concept of reasonable assurance recognized that:

1. The cost of a control should not exceed its benefits, and
2. The evaluation of cost and benefits requires estimates and judgments by management.

All internal accounting control evaluations occur within the above framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of transactions and maintenance of asset accountability.

Please see Management's Discussion and Analysis for additional information on the County.

I also wish to express my personal appreciation and respect to the County Controller's Office professional staff for their contribution to this report and their dedication to this office's mission.

Each of us continues to be committed to maintaining the highest professional standards and practices, and to monitoring the financial performance of the County in the best interest of the citizens of the County.

Sincerely,

Karen M. Sanchez

Karen M. Sanchez, Esq.
Controller, County of Montgomery

INTRODUCTION

Management's Discussion and Analysis (MD&A) includes an introduction to the basic financial statements for governments and an analytical overview of Montgomery County's financial activities for the year ended December 31, 2022. It is best understood if read in conjunction with the Letter of Transmittal, the basic financial statements, and the supplementary information.

Location and Character

The County of Montgomery (the "County" or "Montgomery County") is situated in the southeastern corner of the Commonwealth of Pennsylvania (the "Commonwealth"), bounded by Bucks County to the northeast, Lehigh and Berks Counties to the northwest, Chester and Delaware Counties to the southwest and the City of Philadelphia to the southeast. With a land area of 482.4 square miles, the County has 62 political subdivisions, including boroughs, first-class townships, second-class townships, and home-rule municipalities. The western section of the County contains significant farmland and rural landscapes with rapid growth occurring in the corridor between King of Prussia/Valley Forge and Pottstown. The remainder of the County is primarily residential, with numerous large employment centers of offices, high-tech, research, light industry, and service-oriented firms throughout. The County also contains numerous regional malls and major retail centers.

The County falls within the "Philadelphia Region," a region defined by the Delaware Valley Planning Commission to include Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties, in Pennsylvania, and Burlington, Camden, Gloucester and Mercer Counties in New Jersey. The population of the Philadelphia Region as a whole increased from 5,024,453 in 1980 to 5,182,705 in 1990, to 5,387,407 in 2000, and to 5,626,186 in 2010, as determined by the United States Department of Commerce, Bureau of the Census (the United States Census).

History of the County

The land which is now known as "Montgomery County" was originally inhabited by the Lenni-Lenape Indians. In the late 17th Century, Welsh and English immigrants became the first Europeans to settle in the region. The area is well known for George Washington's winter encampment of 1777-78 at Valley Forge, which is now a national park and a nationally known historic site and tourist attraction.

On September 10, 1784, an Act of the Pennsylvania Assembly formally created Montgomery County. The Municipality of Norristown became, and remains today, the county seat.

By the beginning of the 19th century, industry spread rapidly throughout the County, in particular along the Schuylkill River. Steel mills and heavy manufacturing industries eventually became the leading industries in the County. Since the end of World War II, the County has experienced a shift away from heavy industry towards high technology and service industries, including several world-wide pharmaceutical firms. It has a diverse mix of employers and is a major employment center in the Philadelphia area.

Government

The County is a County of the Second Class A, a classification established on the basis of population by the State Legislature on October 20, 1967. Counties of the Second Class A have populations between 500,000 and 999,999. Bucks County, Lancaster County and Delaware County are the only other Second Class A counties in the Commonwealth.

The County functions under the Second Class County Code which delegates various duties to the County Commissioners, including administration of elections and registration of voters; assessment of property for tax purposes; care of prisoners; maintenance of roads and bridges; care of the aged, dependent, and indigent ill; planning; civil defense; sewage disposal; parks and recreation. There are three Commissioners elected at-large for four-year terms, one of whom is elected to be chair by vote of the three Commissioners. Commissioners Arkoosh, Gale, and Lawrence are currently serving on the Board of Commissioners with terms that expire December 31, 2023. Provision is made for minority party representation through a statutory requirement that no party may place more than two candidates on the ballot for the three positions. Other elected officers in the County include Controller, Coroner, Clerk of Courts, District Attorney, Jury Commissioners, Prothonotary, Recorder of Deeds, Register of Wills, Sheriff, Treasurer and Court of Common Pleas Judgeships.

Population

The County's population has increased from 750,097 in 2000 to 799,874 in 2010, according to the United States Census. The County's population continued to rise to 864,683 in the most recent estimate by the US Census made for 2022.

The following tables summarize the population increases in the County, the Philadelphia Region and the Commonwealth, population by age group for the County and the Commonwealth and age characteristics, population density and persons per household for the County, the Philadelphia Region, and the Commonwealth.

Population Trends

	1990	2000	2010	2020	2022[2]
Montgomery County	678,111	750,097	799,874	856,553	864,683
Philadelphia Region[1]	4,856,881	5,100,931	5,626,186	5,893,110	5,876,299
Commonwealth of Pennsylvania	11,881,640	12,281,054	12,702,379	13,002,700	12,972,008

Source: U.S. Department of Commerce, Bureau of Census.

(1) Includes the nine counties in the Philadelphia Region as defined by the Delaware Valley Planning Commission.

(2) Estimated

Income

Based upon the most recent Bureau of Economic Administration figures (2020), the County is the 54th wealthiest as measured by personal income per capita of $86,340 among the more than 3,000 counties in the United States. Excluding counties having a population less than 25,000, the County's rank would improve and, if cost-of-living differentials were considered, the County would be ranked even higher since many of the top counties are located in the New York, Washington and San Francisco Bay areas with higher cost of living.

The percentage of residents in poverty in the County is 5.6% which is half of the statewide average. *(2020 American Community Survey Data)*. The County has the second highest percentage holding a bachelor's degree or higher in the state (Chester County is the highest) and is tied with Allegheny County for the lowest percentage of residents lacking a high school education (*Statistical Atlas, Census Bureau as of 2020).*

The following tables indicate that disposable income in the County has increased from $35.2 billion in 2020 to $41.1 billion in 2023. Additionally, disposable income per household has increased from $109,294 in 2020 to $123,393 in 2023.

Montgomery County Effective Buying Income (EBI) Per Household

	Disposable Personal Income (EBI) ($000)	No. of Households (Thousands)	Per Household (EBI)
2020	$35,153,403	321.6	$109,294
2021	34,465,396	322.9	106,749
2022	39,586,080	330.3	119,858
2023	41,092,592	333.0	123,393

Source: *Claritas*.

Comparative Income Statistics – 2023

	Disposable Personal Income ($000)	Income Per Capita	Income Per Household
Montgomery County	$41,092,592	$47,378	$123,393
Philadelphia Region	244,661,537	39,115	100,899
Commonwealth of Pennsylvania	442,015,097	34,054	84,790

Source: *Claritas*.

Land Use Characteristics

Over the last three decades, the County has transformed from primarily residential in the southeast and rural in the northwest to an area with a mixture of uses. It has stable and growing residential neighborhoods, many new employment centers, numerous malls and shopping centers, and supporting institutional and recreational uses. Overall, it can be characterized as a desirable and dynamic suburban and semi-rural environment. Generalized land use characteristics, as of 2015, are shown in the following table.

Residential	40.0%
Industrial	3.2%
Commercial	4.4%
Transportation	6.1%
Institutional	4.3%
Recreational	5.4%
Woodlands	18.3%
Agricultural/Vacant	16.3%
Other	2.0%
Total	100.0%

Employers

The following table shows the ten (10) largest employers in the County as of December 2022.

Company	Location	Industry
Merck & Co., Inc.	West Point	Pharmaceuticals
Abington Memorial Hospital	Abington	Health Care
Main Line Hospitals	Lower Merion	Health Care
PA State Government	Various	Government
Einstein Medical Center	Norristown	Health Care
Glaxo SmithKline	Swedeland	Pharmaceuticals
SEI Investments Company	Oaks	Finance and Insurance
Giant Stores LLC	Various	Retail Trade
Lockheed Martin Corp	Upper Merion	Aerospace
County of Montgomery	Norristown	Government

Source: PA Center for Workforce Information and Analysis, December 2022.

The County's work force consists of residents employed throughout the Philadelphia Region in virtually every category of employment. The workforce is highly skilled and educated, resulting in an average annual wage of $67,080, approximately 14.7% above the Commonwealth average of $51,340 (PA Department of Labor and Industry, as of May 2022).

Today, the County is a major regional employment center. Development and job growth has concentrated around the Pennsylvania Turnpike interchanges of King of Prussia, Plymouth Meeting, Fort Washington, and Willow Grove. In addition, significant new office development has occurred in Conshohocken and West Conshohocken Boroughs at the interchange of I-476 and the Schuylkill Expressway. Major pharmaceutical facilities and new residential construction has occurred along the Route 422 Expressway from King of Prussia to Pottstown. The County continues to maintain a diverse economic base, with the primary job growth coming from the expansion of small and mid-sized companies.

Economic Development

The County's economic and workforce development efforts focus on initiatives, partnerships, and programs designed to highlight Montgomery County as the place to live, work, learn, and invest. The Montgomery County Commerce Department coordinates these functions by strategic alignment of multiple entities engaged in critical work to strengthen the County and accentuate its competitive advantages. A variety of resources & assistance is provided and facilitated, including entrepreneurial technical assistance, County data & information, economic development & redevelopment financing, job-placement assistance, and job-training programs.

The Commerce Department is comprised of four entities: a redevelopment authority (MCRDA), an industrial development authority (MCIDA), a higher education and health authority (MCHEHA) and MontcoWorks (the workforce development board for Montgomery County). Support and assistance for individuals, businesses, institutions, and communities comes from one or more of these entities depending on the specific scope of work and need. Notably, the Commerce Department has engaged in a restructuring over the past 18 months that has added additional economic development programs to the redevelopment authority including a county supported economic development loan program, a Commonwealth of Pennsylvania supported economic development loan program, and the authorization of the C-PACE financing program. The Commerce Department has also begun to take on a greater role regional and is looking to be more forward facing to raise the County's profile nationally and internationally in the years to come.

> In 2022, the MCIDA approved approximately $38,844,501 million in financing for projects and also continued a co-investment initiative with the Ben Franklin Technology Partners of Southeast Pennsylvania that has thus far led to $450,000 in start-up funding.
>
> The MCRDA secured over $1,000,000 in loans and administered approximately $50,000,000 in grant funds for redevelopment and revitalization projects in 2022. The MCRDA also administered a MontcoForward Loan of $475,000.

Funding for the workforce development system during program year 2022 (07/01/2022 - 06/30/2023) was $4,538,143 for MontcoWorks with another $2,952,390 in workforce grant dollars administered as fiscal agent. The workforce development system supported 810 enrollments across multiple WIOA and related programs during program year 2022, assisting another 3,814 through onsite and virtual employment-related activities. Additionally, MontcoWorks was awarded American Rescue Plan Act funding through the Montgomery County Recovery Office to augment service delivery through 2026 and began plans to utilize that funding.

Long-Term Financial Planning

In years immediately following the Great Recession, the County experienced turbulence within the local economy; this negatively impacted the County's financial position. Under the current administration, prudent fiscal management principals have been implemented to provide a framework for planning proper service levels, funding those services, and providing accountability for achieving service goals. In 2018, the County received a Aaa bond credit rating from Moody's Investor Services that was reaffirmed in October 2023. Over the past six years, the County has built up unassigned General Fund reserves of $123.5 million to protect against economic downturns, unfunded legislated mandates, and unanticipated emergency events. The current reserve amount meets the County's budget practice of maintaining General Fund reserves at a minimum of 15% and target range of 18% to 20% of the current year General Fund Revenues. Although at healthy levels, this is still narrow compared to national medians for Aaa Counties around the United States.

The County's Five-Year Capital Improvement Program (CIP) is updated annually and provides the long-term outlook and projected funding needs to support capital construction of facilities, reconstruction of County owned roads and bridges, land acquisition, vehicle and equipment replacements and support economic development initiatives. The CIP is primarily funded with General Obligation bond proceeds, state and federal grant funding and other outside sources of funding. In recent years, the County has maintained relatively low total outstanding debt to assessed taxable property and total outstanding debt to state legal limit ratios.

Montgomery County 2022 Achievements and 2023 Goals (Implementation)

Montco 2040: A Shared Vision is Montgomery County's comprehensive plan. The long-range plan, required by state law, provides goals and implementation steps for managing the County's built environment. It is structured around three main themes:

- **Connected Communities**
  People want to be connected and part of a broader community. A key role for the County is to help these connections occur beyond local municipal boundaries.

- **Sustainable Places**
  The County is full of wonderful neighborhoods and communities. These places need to be sustained and enhanced in a long-lasting and effective way.

- **Vibrant Economy**
  A strong economy is critical for all places. With a vibrant economy, residents can earn and spend more, governing can make needed infrastructure improvements, and business can grow.

The plan also provides a vison for the County's future and includes overall transportation vision, a land use vision, and a strategic vision.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

CONNECTED COMMUNITIES

GOAL: Encourage collaboration and partnerships among governments, businesses, institutions, schools, higher education, and other stakeholders

2022 ACHIEVEMENTS

- Increased municipal planning contracts to a total of 36 with an additional 4 regional planning contracts–consisting of projects including comprehensive plan writing, zoning ordinance rewrites, open space plan updates, and downtown revitalization efforts.
- Continued the implementation of the county's GIS strategic plan.
- Completed year seven of the Montco 2040 Implementation Grant program, with funding for an additional 18 local projects. Projects from prior rounds continue to be completed.
- Began year two of an ongoing Racial Equity Learning Community for a new cohort of staff and board members from county departments and many row offices. Additional training continues to be offered to promote diversity, equity, and inclusion (Inclusive Leadership Training Series, DEI: What It Is and Why It Still Matters, Implicit Bias Training, Meeting the Needs of Employees with Disabilities in the Workplace, Supporting LGBTQ+ Employees, and others). Work continues toward a county-wide DEI plan, and in 2022, the county's DEI staff held numerous listening sessions (with internal staff and community leaders), reviewed several policies, and performed a SWOT analysis to move closer toward this goal.
- Partnered with the Coatesville Medical Center for a Veteran Response Team (VRT), the first of its kind in Pennsylvania. The VRT is comprised of military veteran police officers who are specially trained to respond to veterans in crisis to conduct wellness checks and respond to threats of self-harm using veteran affinity to gain trust and ensure public safety.
- Collaborated with public school districts and the Montgomery County Intermediate Unit to provide weekly superintendent calls for guidance and access to resources for COVID-19. Project ACE-IT continued, using rapid antigen tests to reduce the risk of spread of COVID-19 in schools.
- Provided guidance and support regarding COVID-19 through monthly meetings with Montgomery County colleges and private schools.
- Partnered with and provided support to the Montgomery County Immunization Coalition to develop a county vaccination stakeholder group connected with diverse organizations and community advisors to extend the reach of vaccine education and resources and increase vaccine confidence around the COVID-19 vaccines.
- Recruited and supported Medical Reserve Corps volunteers for COVID-19 vaccination clinics and other public health initiatives.
- Continued COVID-19 contact tracing partnerships.
- Collaborated with the Pennsylvania Department of Health and PA LTC RISE to provide support and guidance to long- term care facilities regarding COVID-19.
- Worked with internal partners to post accurate COVID-19 data to ensure that the public is sufficiently informed.
- Developed a cross-sector crisis system advisory group to help shape improvements to the mental health crisis system.
- Partnered with Montgomery County Community College through a state grant to develop a Wellness Center on the Pottstown Campus to help address social determinants of health and support students' overall wellness.
- Enhanced prevention and early intervention mental health and wellness activities through an active partnership with school districts to embed evidence-based programs, through multiple grants, to expand activities.
- Fielded questions and requests for assistance from child care providers to navigate and understand COVID policies, procedures, and regulations.
- Informed child care providers about communicable diseases, reporting requirements for communicable diseases, symptoms of RSV and other respiratory illnesses, and vaccine-preventable diseases such as mumps and measles.

- Paused efforts, in conjunction with Magellan of PA (Behavioral Health Managed Care Organization), to collaborate with nursing homes due to COVID with plans to resume in 2023. The goal is to improve access and quality of behavioral healthcare, including senior peer support services, in nursing homes and for individuals living in the community.
- Held an event with municipal officials, municipal staff, local faith leaders, NAACP presidents, and other community leaders to discuss enacting local zoning reform and a coalition-building effort to vocally support increased housing affordability.
- Continued community engagement to encourage more Continuum of Care (CoC) membership to collaborate and partner with multiple systems in the community. In 2022, 45 new members from the community signed on to be a CoC member to work together to make homelessness rare, brief, and one-time only.
- Collaborated with school districts to educate students on community traffic safety, pedestrian safety, and bicycle safety.
- Partnered with Norristown's Eisenhower Middle School to increase access to healthy foods and reduce food insecurity by building a community garden with 40 raised beds.
- Subcontracted with Pennypack Farm and Education Center for two seasons per year to purchase fresh produce shares to distribute to families who are food insecure at Abington Jefferson Children's Health Clinic.
- Resumed in-person outreach activities including the launch of three new expansion sites at Arcadia University, Elkins Park Public Library, Willow Grove YMCA, and the Shepherd's Shelf food pantry.
- Continued to promote and prioritize maternal, child, and family health through the Maternal and Early Childhood Consortium (MECC), co-chaired by the Offices of Public Health and Children & Youth (along with membership from several HHS offices including MH/DD/EI and Drug & Alcohol, and numerous non- profit and health care organizations). A centralized referral system for county residents to obtain services through a number of child and family support programs was developed.
- Secured grant funds to establish a Plan of Safe Care community-based resource and support program for families identified as having an infant affected by substance use. A Plan of Safe Care provides for the safety and well-being of an infant affected by substance use, exhibiting withdrawal symptoms from prenatal drug exposure, or a Fetal Alcohol Spectrum Disorder.
- Used diversionary services, as appropriate, to prevent families from requiring active OCY services. An additional service layer called 'rapid response' to provide support at the earliest point possible during a family's initial involvement with the agency. Over the past year, 8,664 families had the opportunity to benefit from this type of response.
- Created a training series to support the Developmental Disabilities provider community so they are better equipped to meet the needs of individuals they serve.
- Improved outcomes for infants, toddlers, and their families by connecting them to community resources that support child development and family needs.
- Increased family engagement through the work of the Developmental Disabilities Committee by offering information sessions to increase their knowledge of available resources to families caring for loved ones with developmental disabilities.
- Launched a nine-year integrated strategic prevention plan based on a public health drug and alcohol prevention needs assessment to enhance the health and safety of youth and families in the county.
- Made data-driven decision making more accessible to public school districts by creating online dynamic data dashboards housing PA Youth Survey Data, Needs Assessment data, and program evaluation data.

- Offered opportunities for public school districts to expand their data driven decision making processes around youth mental health and substance use prevention.
- Collected data to report the progress made towards goals in the integrated strategic prevention plan.
- Offered opportunities for public school districts to expand their data driven decision making processes around youth mental health and substance use prevention.
- Expanded the Familyworx program, offering increased resources and supports available to families/caregivers of children and adolescents with behavioral health concerns navigate the public child serving systems—behavioral health, juvenile justice, child welfare, and education—as well as facilitate connections with each other and community resources.

2023 IMPLEMENTATION

- Assist municipalities with their ongoing planning, trail building, and transportation work.
- Use ArcGIS to determine outreach efforts in 2023 by focusing on the correlation of areas where Census data indicates veteran populations and the overlap where the least veteran engagement occurs.
- Reactivate a music therapy group to reach socially isolated veterans suffering from PTSD.
- Utilize interactive social media means such as Facebook Live and TikTok Live, continued monthly video-updates, and encouraging Employer Veteran Affinity Groups to connect with Gulf War and post-9/11 veterans, typically hard-to-reach populations.
- Partner with the Literacy Council of Norristown to assist in building and maintaining a minimum of two Little Free Libraries in the county.
- Partner with Pottstown High School to implement two share carts in its cafeteria to increase access to healthy foods, reduce food insecurity and support food recovery.
- Continue a partnership with Norristown's Eisenhower Middle School to maintain a 40-bed community garden.
- Subcontract with Pennypack Farm and Education Center to purchase fresh produce shares based on a 22-week season and distribute to families who are food insecure at Abington Jefferson Children's Health Clinic two seasons a year.
- Continue to partner with school districts to educate students about traffic safety, pedestrian safety, and bicycle safety.
- Facilitate a partnership with the Montgomery County Community College to develop an internship placement program that offers several opportunities to shadow Navicates and other HHS/County offices in 1 internship.
- Continue to attend the 3 county collaboratives, HUBs, tasks/ coalitions, and will invite partners to meet/speak with Navicates. This increases cross-sharing of information and works to address gaps in services that ultimately benefits residents and stakeholders with whom Navicates interact/ make referrals.
- Continue to explore implementing PA's Family First Prevention Services Act Community Pathways model to proactively prevent child abuse and neglect.
- Continue the Homes For All partnership and coalition building, with specific areas of partnership-building among housing developers, businesses, philanthropy, and municipalities.
- Host Parent Cafés using the 'Be Strong Families' program.
- Continue to work in partnership with the Office of Child Development and Early Learning (OCDEL), the Norristown Area School District, the Central Montco Technical High School, Montgomery County Community College and its Local Leadership Council (LLC), and other community partners to find potential solutions to the staffing crisis that plagues early learning programs in the county and across the state.

- Collaborate and partner with the Literacy Council of Norristown, the Norristown Area School District, the Central Montco Technical High School, and Montgomery County Community College to promote early childhood literacy and educate students in the field of early childhood education and early learning on the importance of literacy.
- Enhance and improve access to children's mental health treatment by providing an American Recovery Plan Act (ARPA) grant opportunity to all school districts for intensive school-based behavioral health service start up and technical assistance.
- Coordinate across criminal justice partners, providers, and stakeholders for the development of new action steps for Montgomery County's Stepping Up Initiative which strives to decrease the number of individuals with serious mental illness in the Montgomery County Correctional Facility.
- Increase outreach efforts by partnering with representatives of underserved communities and school districts to encourage referrals for Early Intervention and Developmental Disabilities services.
- Continue to increase family engagement by providing family training and promoting connection with other families/ caregivers for additional support in the Early Intervention and Developmental Disabilities systems.
- Develop and conduct a Wastewater Surveillance Program in conjunction with a designated consultant and participating wastewater treatment facility/sewer authority personnel and related municipal officials which entails collecting and analyzing raw wastewater samples for SARS-CoV-2, and reporting sample results and trends for public access via a web portal.
- Expand the development of prevention and response to healthcare-associated organisms in healthcare facilities through staff development, prevention expertise, and public health intervention.
- Integrate COVID-19 vaccination services into normal clinic operations to maintain vaccine availability to county residents.
- Continue to utilize Medical Reserve Corps (MRC) volunteers to execute vaccination clinics and respond to other public health events.
- Execute a contract to enhance the Medical Countermeasures (MCM) Program to include lessons learned from the COVID-19 response and make the program applicable to other potential public health responses.
- Work with the Council of Southeast PA/Pro-Act to expand their Certified Recovery Specialist trainings and Certified Family Recovery Specialist to include two additional trainings annually with increased funding from Managed Care Solutions.
- Continue to Increase the purchase of NARCAN® kits for opioid overdose reversals for the Office of Public Health's three (3) Health Centers for distribution to the public as well as sponsor NARCAN® Education and Distribution events for county residents.
- Continue to increase the number of participants and messaging under the Youth Marijuana Prevention Project to address the high incidence of marijuana use among the youth in Montgomery County according to the Pennsylvania Youth Survey (PAYS) data report.
- Utilize some of the recently awarded opioid settlement funding to expand Medicated Assisted Treatment Services countywide, and enhance community prevention to include data collection.
- Support the hiring of a Recovery House Coordinator to assist individuals with their recovery housing needs as well as provide rental subsidies to assist with securing stable housing.

GOAL: Improve transportation quality and expand options for county residents and workers

2022 ACHIEVEMENTS

- Completed five county bridge reconstruction projects: Bridge 77-Plymouth Road, Bridge 162-Stump Road, Bridge 163-Lutheran Road, Bridge 166-Swamp Pike, Bridge 296-Rostkowski Road.
- Completed the Transportation Improvement Program (TIP) update with our planning partners for FY 2023-2034, subsequently adopted by DVRPC.
- Completed the Montco Pikes report, which provides recommendations for future improvements to six of the busiest county-owned roads: Butler Pike, Easton Road, Germantown Pike, Geryville Pike, Swamp Pike, and Sumneytown Pike.
- Worked with partners to install one mile of on-road bicycle lanes across two municipalities.
- Received $919,950 from PennDOT's Automated Red Light Enforcement program for traffic and safety projects in Cheltenham (two projects) and Lansdale.
- Received $5.5 million in funds from PennDOT's Green Light, Go program for traffic signal modernization projects in Cheltenham, Conshohocken, East Norriton, Hatfield Township, Lower Gwynedd, Lower Salford, New Hanover, Schwenksville, Upper Providence, and Whitpain.
- Received $1.2 million through PennDOT's Traffic Signal Technologies grant program for signal projects in Abington, Lower Salford, and Upper Moreland Townships.
- Awarded just over $1 million to five projects through the county's transportation grant program (CTP), using revenues from the $5 county vehicle registration fee to reallocate to local transportation projects.
- Continued construction (PennDOT) on US 202 Section 600 Corridor (East Norriton, Whitpain, and Lower Gwynedd Townships).
- Received a $5.6 million award in April 2022 from the PennDOT Multimodal Transportation Fund for five projects in Upper Providence, Upper Merion, Hatboro, Upper Moreland, and East Norriton for improvements including culvert replacements, road widening, and a bridge replacement.
- Began construction on Ridge Pike Improvement Project Section D in Whitemarsh and Springfield Townships.

2023 IMPLEMENTATION

- Continue the county's bridge reconstruction work.
- Begin construction for the Ridge Pike Improvement Project Section B (Belvoir Road to Chemical Road).
- Implement Bike Montco to add on-road and roadway- adjacent bicycle facilities throughout the county, including an ongoing partnership with PennDOT's resurfacing program and a new partnership with the PTMA and GVFTMA to promote their "Bike More, Drive Less" initiative.
- Develop a county e-bike policy for the trail system.
- Conduct the 2023 round of the County Transportation Grant program.

GOAL: Expand and connect county trails, local trails, greenways, natural areas, and parks

2022 ACHIEVEMENTS

- Began construction of the Chester Valley Trail Extension.
- Completed construction of Pennypack Trail crossing improvements at Terwood Road in Lower Moreland.

- Completed feasibility studies for the Wissahickon Trail segment between Forbidden Drive and Morris Road spanning Springfield and the City of Philadelphia, as well as the Cross County Trail/ Germantown Pike Bridge in Plymouth Township.
- Advanced negotiations with Erdenheim Farm for the Cross County Trail in Whitemarsh.
- Advanced several feasibility studies for segments of the Cross County Trail: between Welsh Road and Pennypack Trail, between Germantown Pike and Joshua Road, between Skippack Pike and the Fort Washington SEPTA rail station.
- Initiated architectural and engineering design services for the Trail Junction Center in Norristown.
- Completed the Return on Environment study for the county.
- Advanced the development of a new 10-Year Open Space and Trail Strategic Plan.
- Received a DCNR C2P2 grant for an open space acquisition along Rahns Road in Perkiomen Township.

2023 IMPLEMENTATION

- Award contract for design services at the Haws Avenue access point to the Schuylkill River Trail in Norristown.
- Complete architectural and engineering design for the Trail Junction Center.
- Continue work with PTHS to prioritize safety upgrades to existing trail road crossings.
- Complete construction of the Chester Valley Trail extension in Upper Merion, Bridgeport, and Norristown.
- Construct portion of the Pennypack Trail to extend from its existing terminus near Rockledge and Shady Lane to the county's border at Philadelphia.
- Conclude negotiations with Erdenheim Farm for the Cross County Trail, advance engineering to 100%, and award construction contract.
- Begin advanced feasibility studies for two segments of the Cross County Trail: a segment between Germantown Pike and Joshua Road and a segment between Skippack Pike and the Fort Washington SEPTA station.
- Continue dialogue with key Sunrise Trail stakeholders, landowners, and Natural Lands regarding opportunities to secure land and easements to accommodate the future Sunrise Trail.
- Create a trails advisory committee.

GOAL: Support strong downtowns and community destinations, including mixed use areas, arts and culture focal points, libraries, and other gathering places

2022 ACHIEVEMENTS

- Monitored and supported healthy food and alcohol establishments to ensure safe communities.
- Collaborated with the PA Department of Environmental Protection to monitor and ensure safe water supplies and possible closures when water supplies are interrupted.
- Developed and disbursed the one-page weekly data analysis of Pottstown and Norristown, including COVID-19 cases, positivity rates, and demographics so that all are informed and unified to reduce the number of cases in the county's most densely populated regions.
- Worked closely with businesses and venues to give guidance and support regarding best practices during COVID-19.
- Collaborated to hold a series of art days at the future Trail Junction Center with community groups to encourage more local residents to use and enjoy the trail in Norristown.
- Utilized CDBG funds to support the salaries of teachers and aides for an after-school education and recreation program and summer camp. 67 school students ages 6 and older were provided

with and participated in 5,200 cumulative after-school service hours and 950 cumulative teen enrichment service hours.

- Continued to pursue comprehensive planning efforts to guide future growth and development in our municipalities, including plan adoption in Lower Frederick, a draft plan completed in Lower Providence, progress on draft plan creation in Abington, Cheltenham, Worcester, and the Upper Perkiomen Region. A new comprehensive planning process was launched in Horsham.
- Continued design work to strengthen our downtowns and other communities: a redesign project for Lansdale's Railroad Plaza, streetscape and landscape analysis for the Cross County Trail in Upper Dublin's Fort Washington Office Park, a park design for Collegeville's First Avenue Park, and a road diet design for Park Avenue in Ambler (among other projects).
- Pursued community planning work that helped strengthen local zoning and other ordinances, including the adoption of a gateway overlay district in Collegeville, SLDO adoption in East Greenville and Narberth, and an innovative sidewalk and trails map that was created for Lower Salford.
- Continued planning efforts around public transportation in the region (Bus Revolution, Reimagining Regional Rail, and Transit Supportive Communities) and station area planning for the proposed King of Prussia high speed line expansion.

2023 IMPLEMENTATION

- Continue work on the Ardmore SEPTA/Amtrak Station and Loop Improvement project. Continue improvements to the Conshohocken SEPTA rail station and garage. This project includes high level platforms, a new station building, and an extension of Oak Street.
- Continue to utilize the county's CDBG-entitlement to make funding available to municipalities to support strong downtowns, community destinations, and gathering places for low- to moderate-income census tracts, provided affordable housing is also a component of the local community planning and development.
- Continue to monitor and support healthy food and alcohol establishments to ensure safe communities.
- Continue to collaborate with the PA DEP (Department of Environmental Protection) to monitor and ensure safe water supplies and possible closures when water supplies are interrupted.
- Work on comprehensive plan adoption in Abington, Lower Frederick, Lower Providence, and Worcester Townships. Continue comprehensive plan work in the Upper Perkiomen Region, Horsham Township, West Norriton Township, and Cheltenham Township.
- Work on design projects to continue to improve our downtowns and other communities, including the redesign of Lansdale's Railroad Plaza, continued work on Upper Dublin's Cross County Trail design, and the development of a master plan for the Glasgow/ Plymouth Quarry site.
- Continue community planning work that helps strengthen local ordinances and policies, including a revitalization plan update for Collegeville, zoning code updates for East Greenville and Hatboro, a Main Line Greenway plan for Lower Merion, and initiating a master planning process for Pottstown's Circle of Progress.

SUSTAINABLE PLACES

GOAL: Support a modern, resilient, green, and energy-efficient infrastructure network

2022 ACHIEVEMENTS

- Sponsored seven household hazardous waste collection events and the campaign sign recycling program, and managed the recycling hotline and website. These are all actions outlined in the county's municipal waste management plan.
- Continued to pursue design and siting of a year-round recycling center, potentially as part of the Glasgow Quarry redevelopment process.
- Managed the Montgomery County Resiliency Partnership and drafted the climate action plan in cooperation with the Montgomery County Consortium of Communities.
- Advanced the regional Power Purchase Agreement and solar power facility development.
- Implemented recommendations from the Climate Change Vulnerability Assessment.
- Held a Planning Smarter event on the topic of Climate Change and Sustainable Housing.
- Identified permitting options for the Norristown Dam's hydroelectric facility.

2023 IMPLEMENTATION

- Coordinate, support, and promote the county's energy, resiliency, and sustainability program.
- Support solar and renewable energy among municipalities in the county, including Sol Smart.
- Advance the Regional Power Purchase Agreement and solar power facility development.
- Manage the county's Resiliency Partnership and draft a climate action plan.
- Continue to implement climate change vulnerability assessment recommendations.
- Continue to pursue a location and funding for a permanent recycling facility.
- Work with a consultant to assist with the Norristown Dam Hydroelectric Facility and the FERC permitting process.

GOAL: Improve stormwater management and reduce the impact of flooding

2022 ACHIEVEMENTS

- Continued revisions to the Wissahickon Creek Water Quality Improvement Plan.
- Developed implementation documents and structure to sustain the 20-year Wissahickon Creek Water Quality Improvement Plan.
- Implemented the county's MS4 stormwater permit.
- The county also continued to meet with the in-house implementation committee to oversee MS4 activities.
- Evaluated the feasibility of dredging the Schuylkill River.
- Advanced the update of the county's hazard mitigation plan.

2023 IMPLEMENTATION

- Promote stormwater BMPs through A&I capital improvements planning.
- Continue to evaluate the feasibility of dredging the Schuylkill River.
- Continue implementing the requirements of the county's MS4 permit.
- Continue to develop implementation documents and structure to sustain the 20-year WQIP implementation.
- Complete the update of the hazard mitigation plan once public input and feedback is received.

GOAL: Conserve natural resources, environmentally-sensitive areas, and farmland

2022 ACHIEVEMENTS

- Assisted Perkiomen Valley Trout Unlimited to secure a grant from PA DCNR to implement a stream bank stabilization and fish habitat improvement project along the Perkiomen Creek.
- Partnered with Upper Dublin Township and Perkiomen Watershed Conservancy to complete two Multifunctional Riparian Forest Buffer grant projects encompassing 3.8 acres in the Wissahickon Creek and Perkiomen Creek watersheds.
- Assisted landowners in the Wissahickon Creek and Perkiomen Creek watersheds to secure and plant 1,100 native tree seedlings through the Keystone 10 Million Trees Partnership.
- Hosted an educational event titled “Equine Grazing Management”.
- Planted over 115 acres in conservation tillage through a no-till drill seeder rental program, protecting soil and water quality in Montgomery and surrounding counties.
- Continued cleanup and repairs to county park and trail facilities impacted by Hurricane Ida, in particular at Central Perkiomen Valley Park, where the Old Mill House was demolished.
- Continued with countywide master site and park planning and historic structures report processes for the county’s historic sites. A historic structures report was completed for Pottsgrove Manor.
- Rebuilt a retaining wall at the butterfly area and built a new raccoon exhibit at Upper Schuylkill Valley Park.
- Continued to work toward opening Sunrise Mill as a county historic site, including the restoration of the on-site 1845 stone arch bridge.
- Continued successful public events at Green Lane Park and Pennypacker Mills, including a Haunted Campground Hayride, a summer concert series, several running races, historical reenactments, and Storywalks to encourage healthy physical activity.
- Purchased new docks for Deep Creek Lake and the Aqua Reservoir at Green Lane Park.
- Selected an architectural firm to begin work on a new master plan for Green Lane Park.
- Began work on creating a stormwater retention basin at the Norristown Farm Park.
- Began work on renovations to the Milk House at Norristown Farm Park.
- Went to settlement on 8 farms and extended offers to an additional 5 farms under the county’s farmland preservation program.
- Finished floodwall construction at the Spence property in Whitemarsh Township.
- Completed the feasibility study for the Wissahickon Trail segment between Forbidden Drive and Morris Arboretum between Springfield Township and the City of Philadelphia.
- Completed the feasibility study for the Cross County Trail/ Germantown Pike Bridge in Plymouth Township as well as an advanced feasibility study for the Cross County Trail East between Welsh Road and the Pennypack Trail.
- Advanced the development of the 10-Year Open Space and Trails Strategic Plan for the county.
- Acquired two properties for open space conservation: 1) Rahns Road parcel in Perkiomen Township and 2) Deep Creek Learning Center in Upper Frederick Township.

2023 IMPLEMENTATION

- Continue to be adaptable, innovative, and responsive to our various municipal partners, community groups, and local residents to protect and improve our water resources.
- Initialize a master plan for Lorimer Park.
- Construct a new maintenance building at Lower Perkiomen Valley Park.
- Complete dredging work at Lock 60.
- Conclude extensive interior window restoration at Mill Grove.
- Begin the rehabilitation of the gristmill (ca. 1767) at Sunrise Mill.
- Begin repairs to 4-bays and dredging project at Deep Creek Lake as well as renovations to the main park ranger station at Green Lane Park.

- Continue the master planning process for Green Lane Park.
- Continue renovations to the Milk House at Norristown Farm Park with improvements to the roof, soffits, and gutters.
- Continue to leverage county and state funds to preserve farms under the farmland preservation program.
- Complete construction of the Chester Valley Trail Extension.
- Complete the Trail Junction Center architectural and engineering design and begin renovations.
- Commence and complete construction of the Schuylkill River Trail 422 Connector.
- Adopt the 10-Year Open Space and Trails Strategic Plan - a plan to guide and pursue key conservation opportunities.

GOAL: Provide more opportunities for residents to exercise and have healthy lifestyles

2022 ACHIEVEMENTS

- Created and shared guidance and best practices to an array of stakeholders regarding COVID-19, including messaging for individuals and families.
- Educated residents through COVID-19 testing and COVID-19 immunizations and subsequent follow-up regarding quarantine and isolation.
- Gave guidance to persons who test positive or are close contacts through its community contract tracers.
- Launched the Community Based Care Management Program (CBCMP) - with a focus on housing and partnering with Your Way Home to expand the Rapid Re-Housing program. This assists individuals who are psychiatrically admitted to inpatient and are at risk for homelessness. This initiative will expand in 2023.
- Collaborated to maintain the 7th annual Montgomery County Trail Challenge to promote safe walking and biking opportunities.
- Implemented a StoryWalk® trail at the Norristown Farm Park. The StoryWalk® trail is approximately 0.8 miles long. All books have a focus on nature and/or physical activity.
- Collaborated with Abington School District to increase safe physical activity and transportation through the utilization of the Safe Routes to School Program.
- Collaborated with the Elmwood Park Zoo to host the Junior Inspector Program motivating zoo members to walk to all points of the zoo, minimally walking a half-mile loop.
- Participated in the Keystone Kids Go program which encourages children and staff in early childhood learning programs to achieve and maintain optimal health. Keystone Kids Go resources focus on improving children's nutrition and physical activity.
- Participated in the Healthy Minds program.
- Completed trail improvements along the Perkiomen Valley Trail where nine miles of split rail fencing was replaced.
- Completed construction of the Pennypack Trail Crossing improvements at Terwood Road (Lower Moreland Twp).
- Initiated and advanced architectural and design services in collaboration with consultants for the Trail Junction Center.

2023 IMPLEMENTATION

- Collaborate to maintain the 8th Montgomery County Trail Challenge to promote safe walking and biking opportunities.
- Work to partner with a Norristown corner store to implement a healthy corner store initiative.

- Continue to collaborate to maintain three StoryWalks® at the Norristown Farm Park, PennyPacker Mills, and the Trail Junction Center. All books will have a focus on nature and/or physical activity.
- Continue providing CPR/AED classes.
- Continue to stress the importance and prioritize resource foster home recruitment for older youth and sibling groups. Promote kinship foster care for children requiring out-of-home care, when possible.
- Continue to prioritize resource home recruitment to ensure that when children are placed in out-of-home care they are kept in their own community and/or in a home environment. Resource homes increased by 14% in 2022 from the prior year. Of the new OCY resource homes in 2022, 65% were kinship.
- Implement a Family Engagement grant awarded in 2022. Family Engagement practices emphasize active involvement by the family in decision-making processes. The agency will expand family team meetings and involvement of kin to promote the safety and care of children.
- Introduce the Keystone Kids Go program to the early learning community and local families.
- Promote Healthy Minds program by offering Communities of Practice for early learning programs in Montgomery County.
- Develop a county e-bike policy for the county trail system.

GOAL: Support housing choices and opportunities to meet the needs of all people

2022 ACHIEVEMENTS

- Collaborated as a Continuum of Care (COC) Governing Board Member and facilitated benefits for 68 veterans through provider collaboration.
- Expanded the lead abatement program into Norristown, while continuing in Pottstown and Lansdale. Eight (8) housing units were rehabbed under the HUD lead abatement grant in 2022 (Average cost per unit: $19,217; 4 units in Norristown, 4 units in Pottstown).
- With $1,150,000.00 in HOME Partnerships Program funding, 60 affordable rental units at the Susie Clemens House in Hatfield Township had their grand opening. These units will assist seniors with incomes at or less than 80% of the Area Median Income have stable, affordable rental housing.
- With $1,100,000 in HOME Partnerships Program funding, 50 affordable housing rental units at Upper Dublin's North Hills Manor opened to the public, partnering with Pennrose Properties to demolish and reconstruct North Hills Manor in accordance with today's best practices.
- Provided 5 households each with a $10,000 grant for down payment assistance on the purchase of a home (total assistance $50,000; 10 persons total served) through the First Time Homebuyer Program.
- Assisted 3 income-qualified households with home repairs through the Owner-Occupied Rehabilitation Program.
- Expanded access to affordable housing for individuals who experience mental illness. Nine (9) individuals were housed in new units that were developed through Health Choices reinvestment funds.
- Continued to make the experience of homelessness rare, brief, and one-time only by increasing exits from homelessness to permanent housing, decreasing the average length of stay in shelter, and increasing connections to community supports and economic opportunity. In 2022, 193 households exited homelessness to a permanent, stable housing destination via the Your Way Home Rapid Re-Housing and Permanent Supportive Housing programs.
- Created multiple low/moderate income homeowners via the Authority's Homeownership Program.

2023 IMPLEMENTATION

- Continue to make homelessness rare, brief, and one-time only by increasing exits to permanent housing, decreasing the average length of stay in shelter, and increasing connections to community supports and economic opportunity so people do not return to homelessness.
- Continue to advance the mission to ensure everyone who lives, works, learns, and invests in Montgomery County has equal opportunity to live in an affordable home and a thriving community through Homes For All and its three pillars: advocacy and public education, actionable development, and preservation and stability.
- Expand the down payment assistance program for first time homebuyers with $500,000 from the Montgomery County Recovery Program.
- Support the opening of two new year-round emergency shelters for single adults experiencing homelessness (Pottstown Beacon of Hope and RHD).
- Partner to include Health Choices reinvestment funds as part of the strategy to promote the development of affordable housing.
- Continue to assist homeowners with lead abatement through the HUD lead abatement grant in Norristown, Pottstown, and Lansdale.
- Implement new housing reinvestment plans, including Emergency Rental Assistance for individuals with a behavioral health disorder. Funds will serve an additional 80 households; adding funds to enhance the behavioral health crisis system.
- Continue partnerships with multiple departments to support vulnerable populations via housing voucher referral programs.
- Continue homeownership efforts.
- Collaborate with a regional nonprofit to help financially stabilize and renovate the Norriswoods property, a 36- unit affordable rental community in Norristown.
- Create an online municipal housing assessment tool to help local governments better understand housing affordability needs.

GOAL: Enhance community character and protect neighborhoods

2022 ACHIEVEMENTS

- Tracked health-related issues in our neighborhoods and supported community and collaborative action to address these issues through careful analysis and surveillance.
- Relaunched the first in-person Expansion Site at Arcadia University's Pro Bono Clinic since the pandemic. The office explored additional in-person opportunities in other isolated areas across the county to better serve vulnerable populations.
- Provided funding for early learning programs in the county to enhance operations, to support child care staff that continued to care for children throughout the pandemic and to assist child care providers in recruiting new staff.
- Participated in key areas of professional development, including but not limited to Trauma Informed Care, Mindfulness training, Racial Equity training, HHS Emerging Leaders program and HHS Supervisor Training.
- Met with several municipalities and successfully encouraged Upper Providence, Bridgeport, and Conshohocken to implement the Hometown Heroes Banner program.
- Funded seven (7) municipal projects completed in 2022 that improved community character and neighborhood preservation, including a street improvement project in East Greenville, a sanitary sewer improvement project in Hatfield
- Borough, LED conversion lighting in Pottstown, Church Street improvements in Royersford, ABR curb ramp projects in West Conshohocken, a sanitary sewer improvement project in West Pottsgrove, and School Lane street improvements in West Pottsgrove.

- Continued to make improvements in the Emergency Communications Division, including revamping the tiered system for Telecommunicators, completing the 9-1-1 Systems Plan for PEMA, and training field personnel in the Countywide Active Shooter Plan.
- Completed construction on the vehicle rescue and trench rescue training facilities at the Fire Academy as well as transitioned records management to a virtual platform.
- Scheduled trainings at the Tactical Response Training Center, with many agencies utilizing the expertise of the Law Enforcement Division staff.
- Completed the final pieces of the public safety radio system transition by reprogramming all remaining field radios and removing the legacy radio tower.

2023 IMPLEMENTATION

- Continue outreach to create Expansion Sites ("pop up Navicate shops") with community organizations with a focus on underserved and/or residents with multiple needs who could benefit from Navicate assistance after a viability assessment is conducted with the organization.
- Continue to meet with municipalities to implement a Hometown Heroes Banner program, including implementation of the Montco Hometown Heroes Banners at the Montgomery County Community College - Blue Bell campus.
- Enhance the agency's trauma-informed understanding and practice with previously secured grant funds. The agency will participate in specific child welfare trauma-informed activities including an organizational assessment and a learning series designed for direct service staff.
- Continue to utilize the county's CDBG-entitlement to make funding available to support community character and community development in low- to moderate- income census tracts, so long as affordable housing is also a component of the local community planning and development.
- Continue to track health-related issues in our neighborhoods and support community and collaborative action to address these issues.
- Develop and implement performance-based contracting for our contracted provider network. The aim is to develop and implement performance-based contracting within at least 4 groups of our provider network by the end of 2023. This will likely include Volunteer Services, Senior Community Centers, In Home Services, and Language Inclusive Services.
- Implement and go live on a new CAD platform.
- Begin to cut over to the Next Generation 9-1-1 State call delivery system.
- Continue to hold training sessions and perform building upgrades at the Montgomery County Fire Academy.
- Continue to provide supplemental active shooter response trainings for schools, hospitals, and government facilities.
- Onboard an additional 3-5 police departments to the countywide Records Management System.

VIBRANT ECONOMY

GOAL: Improve transportation access to businesses

2022 ACHIEVEMENTS

- Began construction on the Route 309 Connector Phase 2 Project.
- Completed construction to widen the roadway from milepost 38 (north of Clump Road) to milepost 44 (the Quakertown Interchange) along the Northeast Extension - the last section in Montgomery County.
- Began reconstruction of I-76 PA-Turnpike Main Line west of Valley Forge.

- Approval granted to spend $200 million on 70 properties to edge closer to construction of the King of Prussia Rail Extension.
- Began a study of bus stops on the Pottstown Area Rapid Transit system.
- Created the SRPRA to advance new passenger rail service to Pottstown and Reading.
- Established the Eastern Montgomery Interchanges Group to coordinate local road improvements and interchange funding among municipalities in southeast Montgomery County.

2023 IMPLEMENTATION

- Begin final design for the Ridge Pike Improvement Project - Sections A and C.
- Design the Lafayette Street highway interchange in an ongoing process.
- Continue to work with the Eastern Montgomery Interchanges Group.
- Start construction of a Pennsylvania Turnpike ramp at the Fort Washington Interchange to create direct access onto Commerce Drive in the Fort Washington Business Park.
- Continue work on several new transportation planning efforts: a Transportation Inventory Initiative, a County Aviation Plan, and an electric vehicle toolkit.
- Continue to collaborate on passenger rail extension to Pottstown and Reading with the SRPRA.

GOAL: Encourage development and transformative investment where infrastructure already exists

2022 ACHIEVEMENTS

- Adopted the final Recovery Plan for the expenditure of $161.4 million in American Rescue Plan Act-SLFRF monies after a public facing engagement and feedback process. The plan invests in community priorities, including $32.4 million for housing, $28 million for community spaces and services, $18.1 million for mental and behavioral health support, and $9.6 million for child care provider support.
- Drafted a plan to prioritize the allocation of an additional $5 million in HOME-ARP funds.
- Continued to see expanded healthcare options to serve the needs of county residents. Children's Hospital of Philadelphia opened the $289 million Middleman Family Pavilion in late January at its King of Prussia campus, a full-scale pediatric hospital. And in April, ECRI - a patient safety organization that evaluates medical devices - opened a new global headquarters in Plymouth Meeting.
- Continued to attract investment from the state in major new developments. A redevelopment at the Nelson Ice Cream Factory site in Royersford, the new Topgolf facility in Upper Merion Township, and renovations at the Pottstown campus of Montgomery County Community College are among some of the developments receiving RACP grants.
- Received additional RACP grants in 2022 for locations across the county, including the Ardmore Community Center (Lower Merion), Ursinus College (Collegeville), and Elmwood Park Zoo (Norristown).

2023 IMPLEMENTATION

- Continue to support investments in roads, rails, and other existing infrastructure throughout the county and region.
- Develop opportunities to further leverage investments in infrastructure with economic and workforce development programming.
- Continue to partner with the Municipality of Norristown through the redevelopment process for the former Norristown State Hospital grounds.

GOAL: Attract and retain businesses and vital community assets

2022 ACHIEVEMENTS

- Partnered with the Pennsylvania Small Business Development Centers to launch a locally held series of “First Step” classes designed to help new and established business owners navigate the challenges and opportunities of entrepreneurship.
- Received $2 million from Pennsylvania State Small Business Credit Initiative (SSBCI) for use beginning in 2023.
- Continued the co-investment program with the Ben Franklin Technology Partners (BFTP) with multiple new investments in start-up companies utilizing BFTP’s professional expertise.
- Released updated guidelines for the Commercial-Property Assessed Clean Energy (C-PACE) program, allowing for expanded project eligibility to include investments in greater environmental sustainability as well as the possibility of funding multi-tenant residential projects.
- Attended a conference on foreign direct investment with partners from the region and state to work collaboratively on bringing companies, innovation, and opportunity to the county and greater Philadelphia - a first for the department.

2023 IMPLEMENTATION

- Meet with county businesses to better understand business and workforce needs and issues.
- Improve capacity to assist businesses and consultants making site selection inquiries.
- Continue commitment to meet with local communities and organizations to provide information, insights, and assistance with economic and workforce development.
- Improve coordination with municipalities to ensure that entrepreneurs and businesses are able to quickly establish relationships and have the necessary information to start or expand a business.

GOAL: Flexibly adapt to changing market conditions and demographics

2022 ACHIEVEMENTS

- Continued job training through MontcoWorks. Montgomery County’s unemployment rate is one of the lowest in Pennsylvania for 2022 and labor force participation is approximate to pre-pandemic levels as the year concludes. Key performance highlights include a robust weekly newsletter reaching over 16,000 individuals, more than 2,400 registrants for PA CareerLink® Montgomery County workshops and events, and nearly 100 youth and young adults were provided with career counseling, internships, and high school equivalency programs.
- Assisted 246 public assistance recipients (TANF, Refugee, and SNAP) through the Employment, Advancement and Retention Network (EARN) program with virtual career development, job search activities, and in-depth case management.
- Welcomed 937 students to the Greater Philadelphia Expo Center in Oaks for the Careers of Tomorrow multi-industry career fair. Students engaged with 85 exhibitors, learning about career paths that will provide family sustaining wages and support economic drivers in Montgomery County. An accompanying Careers of Tomorrow Guide highlighted 25 such careers.
- Continued workforce training initiatives. Since January 2021, a total of 2,136 unique career seekers have registered for virtual or in-person employment workshops and recruitment events. The MontcoWorks*NOW program has served 81 youth and young adults with career counseling, paid work experiences, internships, training, and high school equivalency programs. The Employment, Advancement and Retention Network (EARN) program has assisted 121 public assistance recipients (TANF and SNAP) through virtual career development and job search activities and in-depth case management.

2023 IMPLEMENTATION

- Continue to participate in and contribute to regional forums on economic opportunities and demographic changes.
- Evaluate the way data is distributed and publicized with the release of the 2020 Census (the full release of which is delayed).
- Continue to proactively engage with Chambers of Commerce, community groups, and regional stakeholders to educate them on the county's economic and workforce development expertise while looking for ways to deepen partnerships.

GOAL: Facilitate the marketing of the county and its assets

2022 ACHIEVEMENTS

- Visitor spending continues to rebound from pandemic lows. Spending in 2021 reached $1.4 billion in impact, up 48% from 2021 (and approaching pre-pandemic levels).
- The Valley Forge Tourism & Convention Board's arts outreach campaign, Arts Montco, continued with an "arts" week that included its first-ever jazz fest.
- Hotel room revenue rebounded to $206 million in 2021. New hotels continue to open, with a brand new hotel that opened in Conshohocken this year.

2023 IMPLEMENTATION

- Continue to grow the county's share of the state's tourism industry as the return of big events continues to attract visitors.
- Continue to promote new accommodations and related businesses. A new hotel is anticipated to open at the historic Elkins Estate in Cheltenham in 2023.
- Continue to work with the VFTCB to promote the county's regional sports facilities and other amenities and attractions.

COUNTY OF MONTGOMERY, PENNSYLVANIA
OFFICIALS OF THE COUNTY OF MONTGOMERY
DECEMBER 31, 2022

Effective January 2024

COUNTY COMMISSIONERS

Valerie A. Arkoosh, MD, MPH, Chair

Kenneth E. Lawrence Jr., Vice Chair

Joseph C. Gale, Commissioner

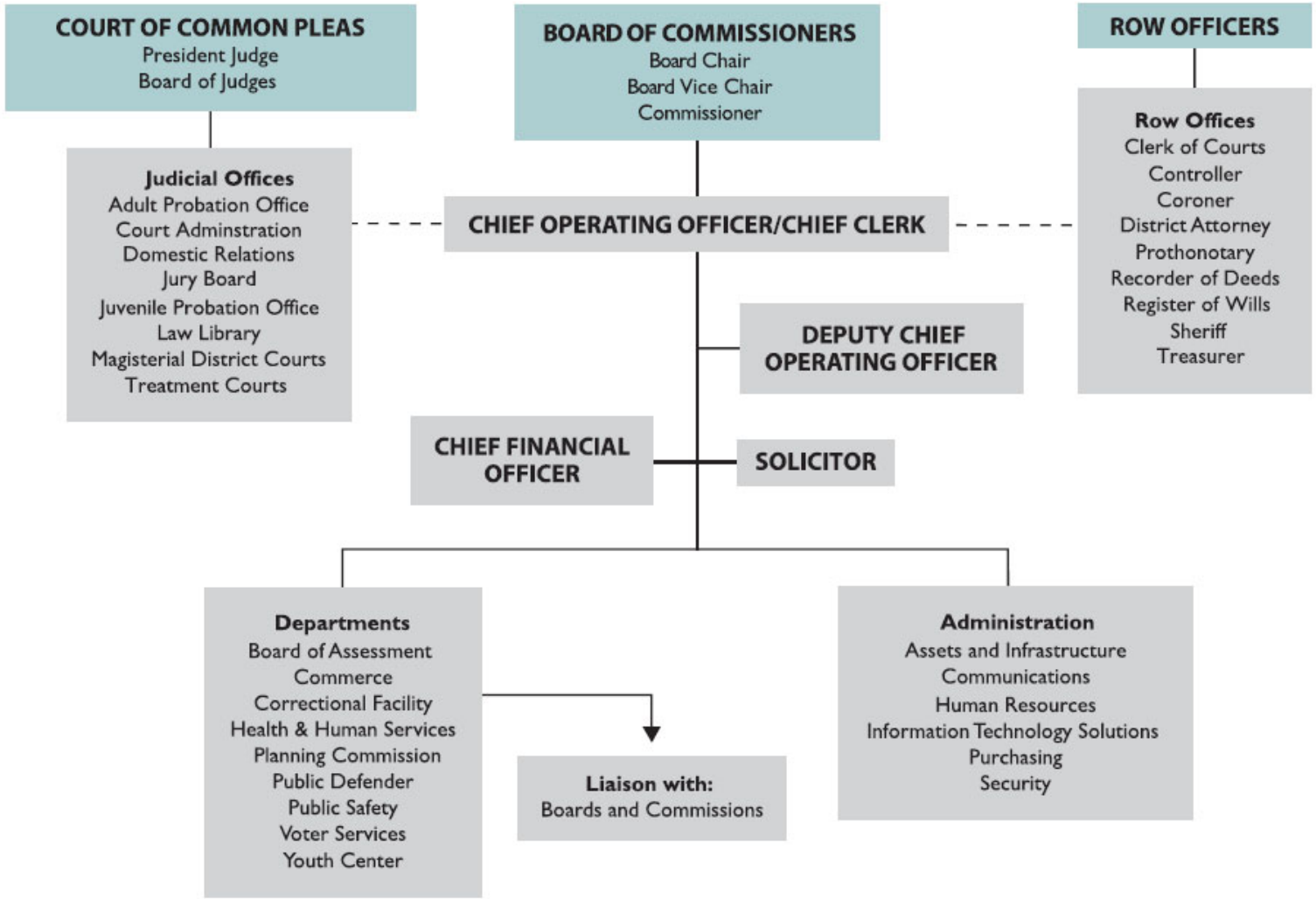
ROW OFFICERS

Clerk of Courts:	Lori Schreiber
Controller:	Karen Sanchez, Esquire
Coroner:	Dr. Michael Milbourne
District Attorney:	Kevin R Steele, Esquire
Jury Commissioners:	Merry Woods Joanne C. Olszewski
Prothonotary:	Noah Marlier, Esquire
Recorder of Deeds:	Jeanne Sorg
Register of Wills:	D. Bruce Hanes, Esquire
Sheriff:	Sean M. Kilkenny, Esquire
Treasurer:	Jason E. Salus

ADMINISTRATION

Chief Operating Officer/Chief Clerk:	Lee A. Soltysiak
Chief Financial Officer:	Dean J. Dortone
Solicitor:	Joshua M. Stein, Esquire

MONTGOMERY COUNTY ORGANIZATIONAL CHART



FINANCIAL SECTION

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

Honorable Board of Commissioners
County of Montgomery, Pennsylvania
Norristown, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Montgomery, Pennsylvania (The County) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2022, 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.

We did not audit the financial statements of the Montgomery County Community College, Valley Forge Tourism and Convention Board, Montgomery County – Norristown Public Library, Redevelopment Authority of the County of Montgomery, and the Montgomery County Transportation Authority (collectively the Aggregate Discretely Presented Component Units), which collectively represent 100% of the 2022 total assets, net position, and total revenues of the Aggregate Discretely Presented Component Units for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Aggregate Discretely Presented Component Units, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Montgomery County - Norristown Public Library and Valley Forge Tourism and Convention Board were not audited in accordance with *Government Auditing Standards*.

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Emphasis of Matter

As discussed in Note 1 to the financial statements, effective January 1, 2022, the County adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use lease asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, the schedule of changes in the County's net pension liability and related ratios, schedule of County contributions, and schedule of pension plan investment returns be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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.

Supplementary 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 combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the combining and individual fund financial statements and schedules is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2024, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

King of Prussia, Pennsylvania
June 15, 2024

INTRODUCTION

Montgomery County's 2022 financial performance continues to show the successful implementation of its Comprehensive Plan (MONTCO 2040: A Shared Vison). This report provides accountability to the County's goals and objectives adopted by the County Board of Commissioners in 2015.

This section of the report includes an introduction to the basic financial statements for governments and our discussion and analysis of the County's financial performance during the fiscal year ended December 31, 2022. Please read it in conjunction with the transmittal letter at the front of this report and the County's financial statements, which follow this section.

Management's Discussion and Analysis (MD&A) focuses on the current year's activities and the resulting changes in the County's financial position. Currently known facts, which may have a significant impact on the County's financial position now and in the foreseeable future, are also discussed.

The required elements of general purpose external financial reporting are:

- Management's Discussion and Analysis
- Basic Financial Statements
    - *Government-Wide Financial Statements*
    - *Fund Financial Statements*
    - *Component Units Financial Statements*
    - *Notes to the Basic Financial Statements*
- Required Supplementary Information (other than MD&A)

FINANCIAL HIGHLIGHTS

The following financial highlights are described in more detail in the analysis sections of the MD&A:

- The General Fund reported an ending unassigned fund balance of $123.5 million, increased from $95.2 million in 2022, reflecting a $28.3 million or 29.7% increase.
- At the end of 2022, the unassigned fund balance of $123.5 million in the General Fund represents 25.0% of total General Fund revenues.
- At the end of 2022, the assigned fund balance of $13.1 million in the General Fund represents reserves for debt service expenditures.
- At the end of 2022, the nonspendable fund balance of $2.08 million in the General Fund represents prepaid items and other assets.
- Government-wide revenues in 2022 decreased $.24 million or 0.02% over 2021 revenues, and 2022 expenses increased $17.0 million or 1.9% from 2021.

- Government-wide net position (assets and deferred outflow of resources minus liabilities and deferred inflows of resources) at the end of the year was $135.4 million; an increase of $40.6 million from 2021.

- Government-wide outstanding General Obligation Bonds and Notes Payable were $677.3 million; an increase of $134.8 million or 24.9% from 2021.

- The net position held in trust for pension benefits as of December 31, 2022, was $533.0 million, a decrease of $126.4 million or 19.2% from 2021.

- The County real property tax rate increased to 4.313 mills in 2022 from 4.022 mills in 2021.

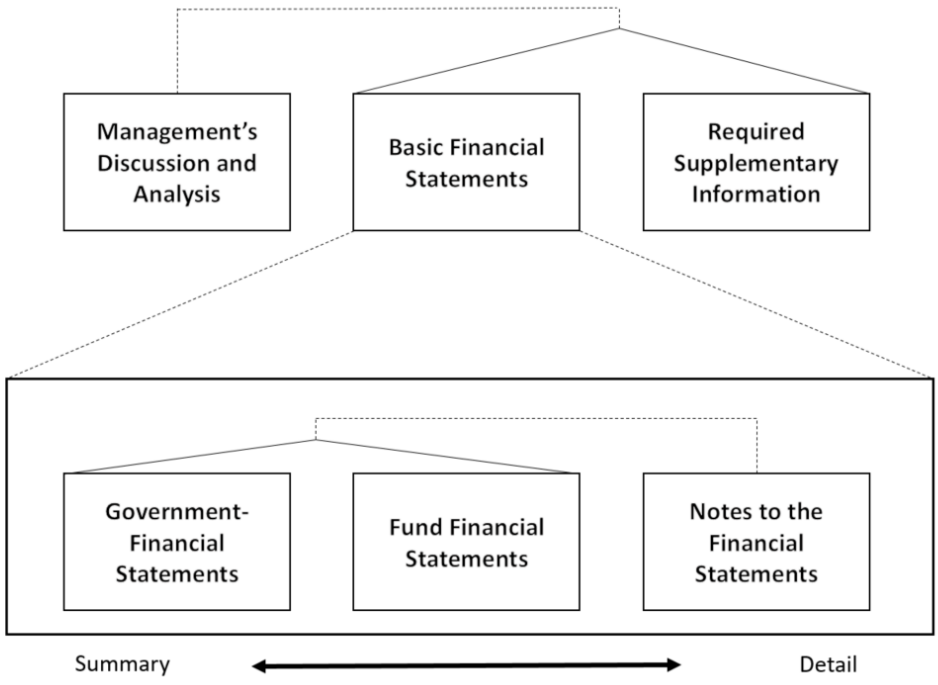
OVERVIEW OF THE FINANCIAL REPORT

The County's reporting entity is comprised of the primary government and its component units. Component units are legally separate organizations for which the County is financially accountable or for which there is a significant relationship.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the County's budget for the year.

Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1
Organization of the County of Montgomery, Pennsylvania Annual Financial Report



Government-Wide Financial Statements

The government-wide financial statements provide information on governmental activities excluding fiduciary activities in a manner similar to the private sector. The statements are prepared using the accrual basis of accounting. Revenues and expenses are taken into account when earned or incurred regardless of when cash is received or paid, for example, uncollected taxes and earned but unused compensated absences.

Governmental activities are reported in a separate column for the primary government. The government-wide financial statements also include segregated information for entities known as component units. Component units are legally separate units for which the County has financial accountability. In 2022, the County had six component units--Montgomery County Community College, Valley Forge Tourism and Convention Board, Montgomery County-Norristown Public Library, Redevelopment Authority of the County of Montgomery, Montgomery County Transportation Authority, and the Employees' Retirement Trust.

The Statement of Net Position reports assets and liabilities, both current and noncurrent, and deferred outflows and inflows of resources, with the difference between these amounts reported as net position. Over time, increases or decreases in net position may serve as one indicator of whether the County's financial position is improving or deteriorating. Additionally, nonfinancial factors, such as changes in the real estate tax base or the condition of County facilities, should be considered to assess the overall financial condition of the County.

The Statement of Activities shows the extent to which program revenues offset the expenses of governmental activities. This is intended to summarize and simplify users' analysis of the cost of various governmental services and/or subsidy to activities. The statement also reports the change in net position as a result of the fiscal year's revenues and expenses. The governmental activities included in the statement reflect the County's basic services, including general administration, judicial administration, corrections, public safety, recreation, adult welfare, child welfare, general welfare, community development, roads and bridges services and interest on long-term debt.

Fund Financial Statements

A fund is a separate fiscal and accounting entity that is used to segregate sources and uses of funding for specific purposes. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the County are divided into three categories--governmental, proprietary, and fiduciary. Each category is reported using the measurement focus and basis of accounting required for that category. In the fund financial statements, the focus is on major funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation.

Governmental Funds – Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide Statement of Activities. However, unlike the government-wide statements, the Governmental Funds statements focus on current sources and uses of expendable resources and on the balance of expendable resources available at the end of the year.

Governmental Funds information helps the reader to determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the long-term focus of the government-wide financial statements, a reconciliation of the fund financial statements to the government-wide financial statements is presented immediately after the fund financial statements. For example, the fund financial statements will reflect bond proceeds as other financing sources and capital outlays and bond and note principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the governmental activities column in the government-wide statements, among other reconciling items.

The County maintains 45 individual Governmental Funds. Information is presented separately for the General Fund, the Health Choices Fund, the American Rescue Plan Act Fund and the Capital Fund. These four funds have been identified as major funds based on minimum criteria set forth in Governmental Accounting Standards Board Statement No. 34 (GASB 34). Financial data for the remaining Governmental Funds is combined into a single, aggregated presentation labeled "Nonmajor Governmental Funds." Individual fund financial information for each of these nonmajor Governmental Funds is provided in the form of combining statements in the Supplementary Information section of the report.

Proprietary Funds – Proprietary Funds are financed and operated in a manner similar to private business enterprises in which costs are recovered primarily through user charges. The County maintains one type of Proprietary Fund that uses the accrual basis of accounting--internal service. Three Internal Service Funds, presented in a single, aggregated column in the Proprietary Fund statements, are used to account for, on a cost reimbursement basis, the provision of employee benefits, workers' compensation benefits and self-insurance to County departments. Although both the fund and government-wide financial statements provide a long-term and short-term focus, reconciliation is still required. This is due to the fact that the excess income or loss for Internal Service Funds has been redistributed to customers in the government-wide statements.

Fiduciary Funds – Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. The County is responsible for ensuring that the assets of these funds are used for their intended purposes. The County is the trustee, or fiduciary, for the Employees' Retirement Fund and the McKinlay Trust Fund. Fiduciary activities are reported in a manner similar to Proprietary Funds in a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. Fiduciary Funds are excluded from the government-wide statements because the assets of these funds are not available to support the County's programs.

Notes to the Financial Statements

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes immediately follow the financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, the financial section includes Required Supplementary Information (RSI) and other supplementary information. These statements and schedules can be found immediately following the notes to the financial statements.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

The County is presenting its financial statements as required by the Government Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and MD&A – for State and Local Governments*. The Statement of Net Position and the Statement of Activities report information about the County as a whole and its activities to measure the results of the 2022 activities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

For 2022, the government-wide net position increased $40.6 million to $135.4 million from $94.8 million in 2021. Net position is comprised of $(2.6) million in net investment in capital assets, $125.3 million restricted for various grant related purposes; and an unrestricted of $12.7 million.

The following table presents the County's change in net position for the years ended December 31, 2022 and 2021:

	Total Primary Government	
	2022	2021
ASSETS		
Current Assets and Other	$ 655,932,187	$ 531,086,489
Capital Assets	603,031,224	459,801,958
Total Assets	1,258,963,411	990,888,447
DEFERRED OUTFLOWS OF RESOURCES		
Related to Pensions	107,255,813	13,186,037
Total Deferred Outflows of Resources	107,255,813	13,186,037
LIABILITIES		
Current and Other Liabilities	311,068,667	281,934,127
Long-Term Liabilities	911,158,478	577,077,986
Total Liabilities	1,222,227,145	859,012,113
DEFERRED INFLOWS OF RESOURCES		
Related to Lease Receivables	4,663,350	-
Related to Pensions	3,892,941	50,275,923
Total Deferred Inflows of Resources	8,556,291	50,275,923
NET POSITION		
Net Investment in Capital Assets	(2,624,743)	(26,353,305)
Restricted	125,311,484	156,630,424
Unrestricted	12,749,047	(35,490,671)
Total Net Position	$ 135,435,788	$ 94,786,448

	Total Primary Government	
	2022	2021
REVENUES		
Program Revenues:		
Charges for Services	$ 82,619,547	$ 85,980,906
Operating Grants and Contributions	565,871,123	592,207,557
Capital Grants and Contributions	10,117,095	7,486,040
General Revenues:		
Real Estate Taxes	265,931,073	247,551,292
Room Occupancy Tax	8,641,282	6,290,055
Investment Income	7,879,965	909,677
Miscellaneous	3,424,906	4,294,123
Total Revenues	944,484,991	944,719,650
EXPENSES		
General Administration	77,960,192	61,917,676
Judicial Administration	94,934,532	89,189,934
Corrections	76,979,070	71,560,458
Public Safety	62,882,669	28,527,042
History, Cultural Arts, and Recreation	23,310,288	16,194,766
Adult Welfare	21,340,923	20,381,515
Child Welfare	105,788,041	145,582,852
General Welfare	386,133,433	403,682,359
Community Development and Housing	17,972,208	24,673,743
Roads, Bridges, Construction, and Reconstruction	11,310,776	6,821,066
Interest on Long-Term Debt	25,223,519	18,321,532
Total Expenses	903,835,651	886,852,943
CHANGE IN NET ASSETS	40,649,340	57,866,707
Net Position - Beginning	94,786,448	36,092,145
Prior Period Adjustment	-	827,596
Net Position - Beginning, As Restated	94,786,448	36,919,741
NET POSITION - ENDING	$ 135,435,788	$ 94,786,448

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Governmental Activities Net Position

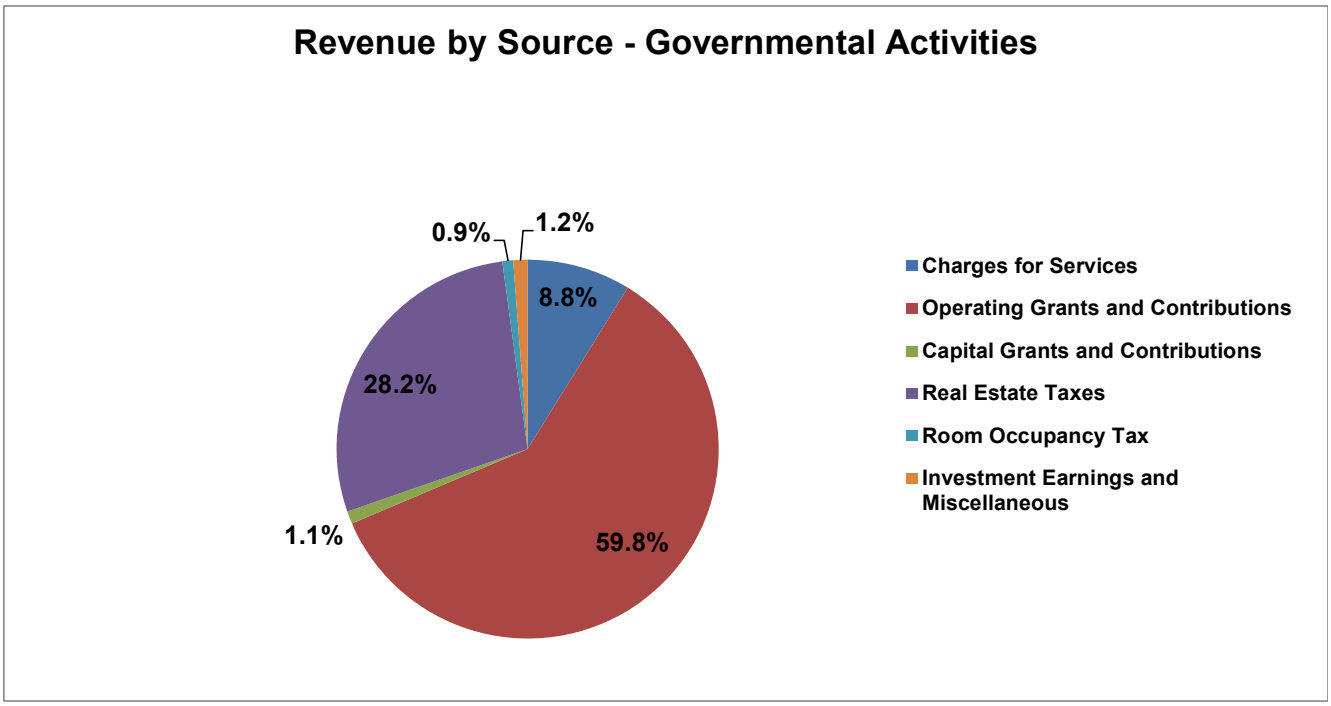
Total governmental activities net position was $135.4 million, an increase of $40.6 million from the prior year. Net position is a measure of the difference between all assets and deferred outflows of resources and all liabilities and deferred inflows of resources regardless of their potential relevance for near-term financing decisions. Net investment in capital assets was $(2.6) million, an increase of $23.8 million at year-end 2022.

Resources that are subject to various external restrictions on how they may be used in support of programs and services totaled $125.3 million at the end of the year, a decrease of $31.3 million from the prior year.

Unrestricted governmental net position amounts to $12.7 million. Unrestricted net position is net position remaining after removing "net investment in capital assets" and "net position, restricted." Overall, net position increased by $38.3 million. Cash and investments at year-end increased by $133.6 million or 29.3% from the prior year and receivables and prepaid expenditures, in the aggregate, decreased by $9.1 million or 11.5% from the prior year. Accounts payables decreased by $32.4 million or 28.8% from the prior year.

Governmental Activities Revenues

Revenues for the County's governmental activities were $944.5 million for the year ended December 31, 2022. The following chart shows the percentage composition of revenues by source:



Operating grants and contributions are the largest source of governmental activities revenues. The 2022 operating grants and contributions revenue of $565.9 million is 59.8% of total revenues, a decrease of $26.3 million or 4.4% from 2021. This revenue source is primarily represented by human services federal and state grant funding. Included in human services is Health Choices revenue, which is 46.5% of the total and is designated a major fund for financial reporting. Health Choices received $261.9 million in operating grants, an increase of $43.8 million or 20.1% as compared to 2021. In addition, $33.2 million of direct Federal American Rescue Plan Act revenue was realized in 2021 and represents 5.5% of the total operating grants revenue.

Real estate taxes comprise the next largest revenue source at $265.9 million, or 28.2% of governmental revenues. For budget year 2022, the real estate tax millage rate was 3.923 mills per $1,000 of assessed property for the General Fund operating budget and 0.39 mills for the Montgomery County Community College dedicated funding source. The County's operating real estate tax millage rate increased 8% to 3.923 mills in 2022 (from 3.632 mills).

For budget year 2017, the County established a new dedicated real estate tax millage rate (0.39 mills) to provide annual funding to the Montgomery County Community College (MCCC) for operational and capital expenditures. The revenues and expenditures are accounted for in the Montgomery County Community College Tax Fund. In 2022, the fund received $23.9 million of real estate tax revenue, an increase of $0.3 million or 1.3% compared to 2021. The MCCC real estate tax millage rate remained unchanged in 2022 (from 2021) at 0.39 mills and the fifth consecutive year without a real estate tax millage rate increase.

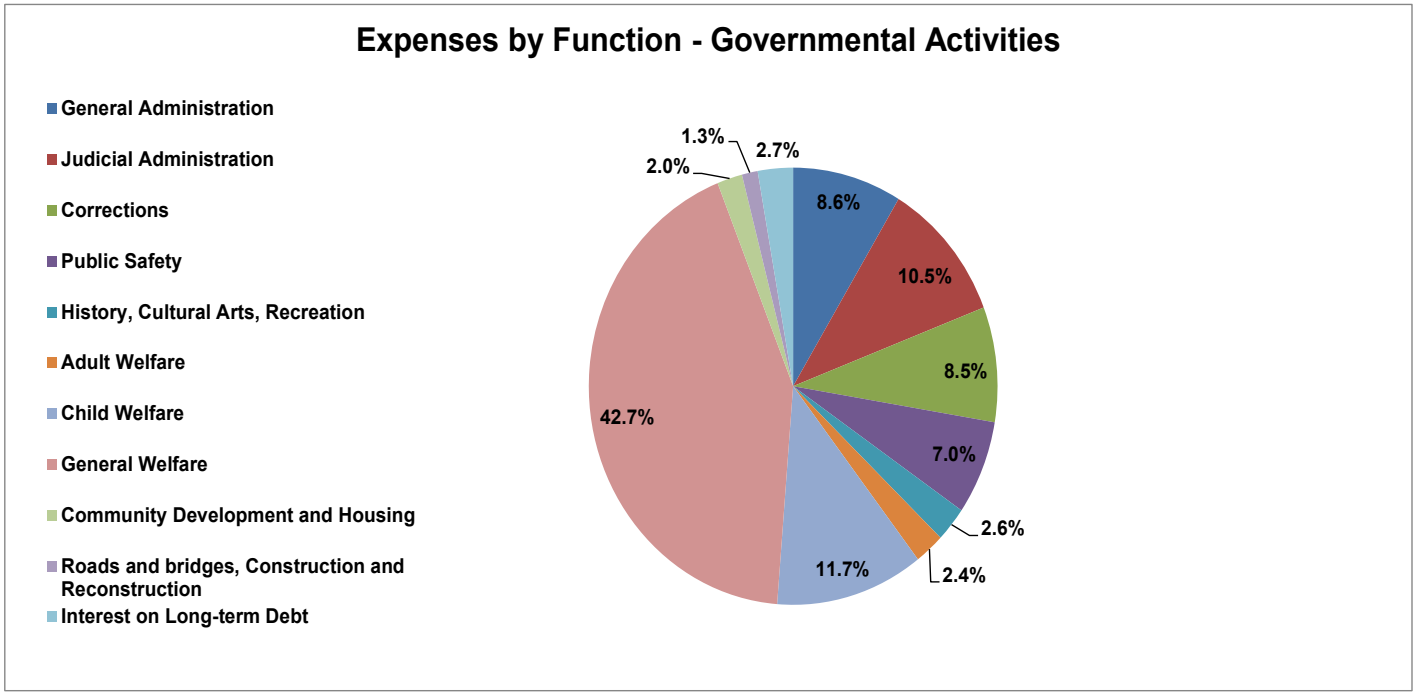
In addition, the County real estate assessment base experienced a moderate 0.8% natural growth increase in 2022. This increased the assessment base to $62.004 billion from $61.511 billion as compared to 2021, adding $493.3 million of new real estate base assessment or approximately $1.9 million of new County real estate tax revenue and $187,000 for MCCC in 2022. The County's overall market value is estimated at $174.661 billion, the third largest in the Commonwealth of Pennsylvania, behind the City of Philadelphia and Allegheny County (includes the City of Pittsburgh).

Charges for services amounted to 8.8% of governmental activities funding sources. Charges for services include fees, fines, licenses, permits, and commissions for certain fees collected by County Row Officers on behalf of the Commonwealth of Pennsylvania and County. Charges for services were $82.6 million, a decrease of $3.4 million or 3.9% from the prior year. In 2017, the County implemented a new five-dollar Motor Vehicle Registration Fee (MVRF) to fund ongoing road and bridge capital improvements. The MVRF provided $3.83 million of revenue in 2022 as compared to $3.98 million in 2021; a decrease of $154,400, or 3.9%. Fee revenue received from the Commonwealth of Pennsylvania for emergency communication operations is $0.3 million lower at $17.0 million as compared to 2021. Departmental earnings across the organization, including the Row Offices increased $1.5 million or 1.8% as compared to 2021.

The combination of investment earnings and miscellaneous income amounted to $11.3 million; an increase of $6.1 million from 2021.

Capital grants and contributions totaled $10.1 million and were used for various parks and recreation, open space, roads and bridges and County infrastructure programs. This revenue fluctuates annually with funding received from the federal and state governments. As compared to 2021, capital grants and contributions increased $2.6 million or 35.1%.

Expenses for governmental activities, excluding community development, roads and bridges and interest expense totaled $903.8 million, an increase of $17.0 million or 1.9% from 2021. The following chart shows the percentage composition of expenditures by function:



Human services programs, with cost totaling $513.3 million, comprised 56.8% of governmental activities expense, a decrease of $56.4 million or 9.9% from 2021. The majority of the funding is received from the Federal Government and Commonwealth of Pennsylvania Department of Human Services and passed through to providers of services from the County. In 2022, the County received new one-time grant funding to manage the COVID-19 pandemic and recovery from the Commonwealth of Pennsylvania. These expenditures cover a broad range of services, with the largest being health and welfare, including general health, behavioral health, intellectually disability, drug and alcohol, children, youth and family services and aging programs.

Judicial government is comprised of the Court of Common Pleas, the minor judiciary, child support enforcement, and row offices that provide services to the courts. Expenses were $94.9 million, or 10.5% of the total; an increase of $5.7 million or 6.4% from 2021.

General government expenses for the administration of County government were $78.0 million and represent 8.6% of the total, an increase of $16.0 million or 25.9% from the prior year.

Correctional expenses were $77.0 million or 8.5% of the total, an increase of $5.4 million or 7.6% from the prior year. Corrections programs include costs for the prison, adult probation, and juvenile probation services. The 2022 expenses include personnel and operating cost increases. Inmate population was stable at the Montgomery County Correctional Facility in 2022 as compared to 2021. However, inflation has significantly increased costs in certain expenditure categories, including food, materials and supplies.

Public safety includes emergency management, operations of the enhanced 9-1-1 communications center, hazardous materials response, and emergency medical services. Expenses totaled $62.9 million or 7% of the total, an increase of $34.4 million or 120.4% from the prior year. The increase is primarily attributed to $30.8 million of American Rescue Plan Act (ARPA) funding realized in 2022.

History, culture arts and recreation expenses which include parks and recreational activities, as well as County historic sites totaled $23.3 million or 2.6% of total expenses, an increase of $7.1 million or 43.9% from 2021.

The remaining balance of program expenses, $54.5 million or 6% of the total, was for community development, roads and bridges reconstruction and interest on long-term debt, an increase of $4.7 million or 9.4% from the prior year.

Net Cost of Governmental Activities

Total expenses for 2022 were $903.8 million. Those who benefited paid $82.6 million in charges for governmental services. Intergovernmental operating and capital grants subsidized $563.5 million for certain programs. Net cost of services provided was $247.6 million, an increase of $46.4 million or 23.1% from 2021.

FUNDS FINANCIAL ANALYSIS

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

Governmental Funds

The accounting focus of the County's Governmental Funds is to provide information on near term inflows, outflows and balances of expendable resources. Such information is valuable in assessing the County's financing requirements. The governmental funds are comprised of the General Fund, Health Choices Fund, American Rescue Plan Act Fund, Capital Fund and various other Nonmajor Governmental Funds. For the year ended December 31, 2022, Montgomery County Governmental Funds reported combined ending fund balances of $394.6 million, an increase of $105.9 million or 36.7% from 2021. In particular, unassigned fund balances serve as a useful measure of a government's net resources available for spending at the end of the year. Unassigned fund balances increased $28.3 million to $123.5 million, from $95.2 million in 2021.

The financial results as shown in the governmental funds demonstrate the County's accountability to its major initiatives in the areas of economic development, public safety, human services, higher education, and transportation.

- In 2022, the County aggressively continued the Five-Year Capital Improvement Program (2022 – 2026) to enhance its County owned bridges, maintain 75 miles of roadway and improve traffic signalization. This supports the County transportation goal of modernizing the network of roads and bridges, improving access to businesses, and enhancing the quality of the transportation system by increasing road connectivity, upgrading traffic signal technology, and eliminating bottlenecks.

- In 2022, the County's dedicated funding source (0.39 real estate tax millage rate) to the Montgomery County Community College increased to $23.9 million or $0.3 million higher as compared to 2021. This funding support of higher education aligns with the County's goal of workforce development and business development.

- In 2022, the County continued its investment in public safety with the ongoing capital funding for a new Public Safety Warehouse and Garage and funding for public safety 911 operations.

- In 2022, the County continued its planning and design for a new Justice Center. Construction of this facility commenced in 2022. In addition, the County began construction for a new Coroner's Office and Archives facility on the County Public Safety Campus.

General Fund

The General Fund is the primary operating fund of Montgomery County. At the end of 2022, the unassigned fund balance of the General Fund was $123.5 million, an increase of $28.3 million from the prior year. This change in fund balance is the net result of expenditures exceeding revenue by $19.6 million. In addition, the County assigned $13.1 million for future General Fund debt service expenditures.

One measure of the County's financial strength is the level of cash reserves for contingencies. The County's new fund balance policy of maintaining a minimum reserve amount equal to 15 percent and a target range of 18 percent to 20 percent of the General Fund revenues provides added safeguards against a volatile economy, unfunded legislated mandates, and unforeseen emergency events. The General Fund unassigned fund balance was $123.5 million, representing 24.9% of total General Fund revenues at year-end 2022. Other fund balance amounts, totaling $17.6 million, have been dedicated in the General fund. These amounts are reported as nonspendable prepaid expenses, restricted and assigned fund balance.

Health Choices Fund

The Health Choices Fund is a special revenue fund used to account for the Medical Assistance Program (Medicaid or MA). Medicaid is a federal and state program which provides payment of medical expenses for eligible persons who meet income or other criteria. At the end of 2022, the fund balance of the Health Choices Fund was $49.9 million, an increase of $20.6 million or 70.7% from the prior year. The fund balance is one hundred percent restricted for Medicaid benefits provided by subcontractors and administered by Human Health Services for the County. Revenues totaling $262.2 million in 2022, increased $44.0 million or 20.2%. Expenditures totaling $241.5 million, increased $24.8 million or 11.5% as compared to the prior year. Revenue and expenditures fluctuate annually depending on number of qualified participants receiving benefits and supplemental funding provided for the pandemic recovery.

Capital Fund

The Capital Fund is used to account for various capital projects contained in the County's Five-Year Capital Improvement Program. At the end of 2022, the total fund balance is $112.0 million representing an increase of $64.3 million from the previous year. Revenues totaling $12.5 million, increased $7.6 million or 155.2% as compared to the prior year. Expenditures totaling $123.2 million, increased $57.4 million or 87.2% as compared to the prior year. This is primarily attributed to the ongoing construction and improvement of County buildings, bridges, infrastructure, land, and the acquisition of vehicles and equipment, which fluctuates annually with the commencement and completion of capital projects. In 2022, the County issued General Obligation Bonds Series of 2022 in the amount of $153.2 million to fund the Capital Improvement Program in 2022 and 2023. The annual debt service will be paid solely through General Fund for Series of 2022.

American Rescue Plan Act (ARPA) Fund

The American Rescue Plan Act Fund is used to account for COVID-19 related federal grants and was a new fund in fiscal year 2021. The County received $80.7 million of ARPA funds in 2021 and 2022. At the end of 2021 $80.7 million of the funding was deferred and will be realized in 2022 and beyond based on the County's ARPA Recovery Plan approved by the Board of Commissioners on August 18, 2022. In 2022, the County realized $30.8 million of ARPA revenue and earned $2.4 million of investment income.

Proprietary Funds

The County maintains three governmental-type Internal Service Proprietary Funds: Medical Self-Insurance Fund, Workers' Compensation Fund and General Liability and Property Damage Fund. Governmental activity Internal Service Funds are reported in the aggregate within the fund financial statements. In the government-wide statements, these costs are allocated to governmental activities.

Internal Service Funds

Net position of the Internal Service Funds as of December 31, 2022, was $7.6 million, a decrease of $2.2 million or 28.9% from the prior year. In 2022, the Medical Self-Insurance Fund had $34.9 million in claims, an increase of $2.9 million or 9% compared to the prior year. The Workers' Compensation Fund had $1.8 million in claims, a decrease of $0.7 million or 28% compared the prior year.

General Fund Budgetary Highlights

The budgetary process starts with the preparation of requested budgets for the upcoming year being submitted by each of the County's departments and agencies. After the requests are reviewed by the Chief Financial Officer and the Senior Management budget review team, a proposed budget is presented in November of each year, at which time the public is notified that the budget is available for inspection. After the inspection period and one public hearing, but prior to year-end, the Commissioners adopt the final budget.

After the budget is adopted, no department or agency may exceed its allocations without the approval of the Commissioners, who may not grant such approval if funds are not available.

The County's adopted 2022 General Fund budget included total revenues of $486.6 million and total expenditures of $496.5 million and net expenditures in excess of revenues of $9.9 million before other financing uses of $2.1 million. For the year ended December 31, 2022, the General Fund budget remained unchanged from the adopted amounts. Financial performance of the General Fund in 2022 was positive when compared to budget. Actual revenues of $495.2 million were moderately higher than budgetary levels by approximately $8.6 million or 1.8%, while the General Fund expenditures were $13.0 million or 2.6% lower compared to the budgeted expenditures.

The revenue performance was primarily attributed to $3.4 million of unanticipated COVID-19 testing insurance reimbursement received in 2022. Investment Income of $1.7 million, increased $1.2 million or 239% higher as compared to budget. Real estate taxes, comprising $240.8 million or 48.6% of total revenues were $0.9 million or 0.4% higher than the budget. In addition, grants and entitlements were $3.1 million or 1.6% higher as compared to budget. As a result of the COVID-19 post pandemic negative impact on operations, departmental earnings were $0.8 million or 1.7% lower than budget.

Overall expenditures were $13.0 million or 2.6% lower than the 2022 Budget. With a significantly high personnel vacancy rate in 2022, the County saved approximately $16.4 million of total personnel costs across the organization as compared to budget. This was offset by higher debt service expenditures of $2.4 million and insurance claim costs of $1.2 million as compared to budget. The majority of the budgetary savings were realized in General Administration, Judicial Administration and Corrections.

The adopted 2022 General Fund budget included a $12.0 million structural deficit and planned drawdown of assigned fund balance for future pension and debt service expenditures and unassigned fund balance. However, overall positive budgetary performance resulted in a net operating surplus of $19.6 million or $31.6 million higher as compared to budget. In 2022, the County real estate tax rate for General Fund operations was 3.923 mills, an 8% increase from the previous year. Real estate related taxes are the County's primary source of General Fund revenues and represented 48.9% or $240.8 million of the total actual revenues in 2022. Grant revenue was $193.2 million or 39.0% of the total General Fund revenues and departmental earnings was $48.5 million or 9.8%.

In 2017, the County implemented a new dedicated real estate tax millage (0.39 mills) to provide annual funding to the Montgomery County Community College (MCCC). The real estate tax revenue is accounted for in a separate special revenue fund and transferred out to MCCC throughout the fiscal year. In 2022, the revenue totaled $23.9 million, which was accounted for in the MCCC Tax Fund and provided to MCCC to fund operational and capital expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets as of December 31, 2022, net of accumulated depreciation and amortization; amounted to $598.8 million. Net capital assets increased $139.0 million or 30.2%.

	Total Primary Government	
	2022	2021
Land	$ 24,912,178	$ 20,825,160
Land Improvements	28,023,156	26,266,614
Building and Improvements	121,670,139	122,728,394
Artifacts	17,695,165	17,695,165
Equipment and Furniture	29,365,262	15,957,124
Infrastructure	93,711,584	81,578,613
Vehicles	3,275,645	2,867,405
Construction In Progress	241,588,849	171,883,483
Right-To-Use Assets	38,587,604	-
Total	$ 598,829,582	$ 459,801,958

The total capital assets increase of $126.0 million and adoption of GASB Statement No. 87 in the amount of $35.7 million was offset by the decrease in accumulated depreciation of $22.7 million, resulting in a net increase in capital of $139.0 million or 30.2% as compared to 2021.

Major Capital Asset Additions

This year's major County capital expenditures included the following:

- The County continued the planning, design and construction for a new Justice Center at a cost of approximately $56.4 million.

- The County expended $20.6 million for renovations and improvements to County buildings and the construction of a new Coroner building, Public Safety warehouse and County archives facility.

- As part of the County's ongoing road resurfacing and bridge program, approximately $24 6 million was expended on resurfacing and reconstruction of roadways and renovation of bridges throughout the County.

- The County expended $4.5 million for renovations and improvements to the parks, trail system and cultural sites.

- Enhancements were made to the County's Public Safety radio systems, technology systems and facilities completed at a cost of $4.7 million.

- The adoption of GASB Statement No. 87 resulted in the net addition of $38.6 million in Right-To-Use assets.

Long-Term Debt

The Commonwealth of Pennsylvania Local Government Unit Debt Act governs the amount of general obligation bonded indebtedness incurred by the County. Under this Act, the County can legally incur nonelectoral debt equal to 300% of its borrowing base. The borrowing base is calculated as one third of total revenues for the past three years minus certain statutory deductions.

As of December 31, 2022, the County has outstanding debt of $677.3 million or approximately 33.7% of the maximum $1.811 billion as permitted by law. This amount represents 37.6% of the total assessed taxable property value as of the end of the year. Total debt increased $134.8 million or 24.9% from the prior year. Additional detailed information on the County's long-term debt can be found in the accompanying independent auditors' report Note 6 Long-Term Obligations.

	Total Primary Government	
	2022	2021
General Obligation Bonds	$ 565,395,000	$ 440,720,000
General Obligation Notes	22,195,000	28,080,000
Premiums on Bonds	89,670,028	73,656,111
Total Bonded Debt	$ 677,260,028	$ 542,456,111

In 2021, Moody's Investors Service reaffirmed the County's credit rating Aaa (Stable Outlook). This is the highest rating attainable from Moody's Investors Service and reflects the strong financial management, low debt burden, above average wealth indicators and the sizable and diverse tax base of the County. The County's strong management practices, adhering to fiscal policies, multi-year budgeting and long-term capital planning have consistently been recognized by Moody's Investors Service.

This confirms the rating agencies' confidence in the County's financial management and its economic outlook. The County is a select group of just over one hundred counties in the United States that have Aaa ratings from one of largest national rating agency. This rating means the County's general obligation bonds and notes are considered excellent investment quality, allowing the County to borrow at the lowest possible interest rates, which translates to tangible savings for the County taxpayers.

ECONOMIC FACTORS AND 2022 BUDGET

- The 2023 Budget includes a real estate tax millage rate increase to 4.237 mills (from 3.923 mills) with the Montgomery County Community College real estate tax millage remaining at 0.39 mills (unchanged since established in 2017).

- The 2022 General Fund Budget includes $486.6 million of revenue; $25.5 million or 5.2% higher than 2021 and $498.6 million of expenditures; $32.1 million or 6.4% higher than 2021.

- The 2022 General Fund Budget includes a $5.0 million planned structural drawdown of assigned fund balance reserves for debt service expenditures and $13.6 million of unassigned fund balance reserves.

- In 2022, the real estate tax assessment base increased to $62.0 billion from $61.5 billion, adding approximately $0.5 million to the real estate tax assessment base.

- The County had an unemployment rate of 2.8% as of December 2022 in comparison to the Commonwealth of Pennsylvania (3.9%) and United States (3.5%).

- In 2022, the County realized $30.8 million of direct American Rescue Plan Act (ARPA) funding. The County established a Recovery Office to oversee the ARPA funding and is in the process of developing a strategic spending plan that complies with treasury eligible uses and other federal requirements.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors, customers, and creditors with a general overview of Montgomery County's finances and to demonstrate the County's accountability for the money it receives. Questions regarding this report or requests for additional financial information should be directed to Karen Sanchez, Esq., Controller, One Montgomery Plaza, Suite 508, PO Box 311, Norristown, PA 19404-0311, or visit the County's website at www.montcopa.org.

BASIC FINANCIAL STATEMENTS

COUNTY OF MONTGOMERY, PENNSYLVANIA
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Primary Government	
	Governmental Activities	Component Units
CURRENT ASSETS		
Cash and Cash Equivalents	$ 250,278,924	$ 51,493,515
Investments	339,500,211	54,184,482
Accounts Receivable	31,558,191	4,416,820
Taxes Receivable, Net	7,480,697	-
Leases Receivable	641,631	-
Notes Receivable	-	22,289,828
Interest Receivable on Investments	-	290,231
Due from Other Governmental Units	24,373,563	4,133,513
Prepaid Items and Other Assets	2,098,970	1,638,580
Inventory	-	37,505
Deposit with Bond Trustee	-	14,889,332
Total Current Assets	655,932,187	153,373,806
NONCURRENT ASSETS		
Leases Receivable, Net of Current Portion	4,201,642	-
Capital Assets:		
Nondepreciated Assets	284,196,192	27,467,714
Depreciated Assets, Net	276,045,786	155,200,878
Right-To-Use Assets, Net	38,587,604	-
Total Noncurrent Assets	603,031,224	182,668,592
Total Assets	1,258,963,411	336,042,398
DEFERRED OUTFLOWS OF RESOURCES		
Loss on Bond Refunding	-	2,403,984
Amount Related to OPEB	-	4,468,998
Amount Related to Pension	107,255,813	1,050,923
Total Deferred Outflows of Resources	107,255,813	7,923,905
Total Assets and Deferred Outflows of Resources	1,366,219,224	343,966,303

See accompanying Notes to Basic Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2022

	Primary Government Governmental Activities	Component Units
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	$ 79,967,235	$ 17,672,725
Unearned Revenues	157,958,248	4,870,626
Other Liabilities	6,336,094	3,085,311
Escrowed Amounts	6,136,838	-
Accrued Interest	10,875,554	-
Current Portion of Lease Liability	4,435,584	769,278
Current Portion of Financed Purchase Arrangement	-	679,561
Current Portion of Compensated Absences	1,677,186	-
Current Portion of OPEB Liability	-	729,044
Current Portion Nonexchange Financial Guarantee	1,050,000	-
Current Portion of Bonds and Notes Payable	42,631,928	11,118,738
Total Current Liabilities	311,068,667	38,925,283
NONCURRENT LIABILITIES		
Lease Liability, Less Current Portion	34,764,250	508,129
Financed Purchase Arrangement, Less Current Portion	-	8,050,785
Compensated Absences, Less Current Portion	13,640,576	194,050
Settlements Payable	500,000	-
Net Pension Liability	219,480,552	3,389,542
OPEB Liability	-	64,468,146
Nonexchange Financial Guarantee	8,145,000	-
Bonds and Notes Payable	634,628,100	89,833,509
Total Noncurrent Liabilities	911,158,478	166,444,161
Total Liabilities	1,222,227,145	205,369,444
DEFERRED INFLOWS OF RESOURCES		
Incremental Tax Revenues	-	1,153,891
Program Grants and Contracts	-	7,822,255
Amount Related to OPEB	-	13,763,924
Amount Related to Lease Receivables	4,663,350	-
Amount Related to Pensions	3,892,941	1,083,645
Total Deferred Inflows of Resources	8,556,291	23,823,715
NET POSITION		
Net Investment in Capital Assets	(2,624,743)	110,489,121
Restricted for:		
Special Programs	54,682,089	-
Capital Projects	-	32,715,805
Emergency Communications and Planning	5,979,008	-
Records Improvement	3,049,636	-
District Attorney	2,059,342	-
Other	59,541,409	-
Unrestricted	12,749,047	(28,431,782)
Total Net Position	$ 135,435,788	$ 114,773,144

See accompanying Notes to Basic Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

		Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Units
PRIMARY GOVERNMENT						
Governmental Activities:						
General Administration	$ 77,960,192	$ 14,999,743	$ 1,070,609	$ -	$ (61,889,840)	$ -
Judicial Administration	94,934,532	27,613,074	13,636,176	-	(53,685,282)	-
Corrections	76,979,070	7,320,521	16,848,002	-	(52,810,547)	-
Public Safety	62,882,669	21,763,265	788,870	-	(40,330,534)	-
History, Cultural Arts, and Recreation	23,310,288	793,194	2,873,740	-	(19,643,354)	-
Adult Welfare	21,340,923	2,016,035	30,934,961	-	11,610,073	-
Child Welfare	105,788,041	537,059	97,932,536	-	(7,318,446)	-
General Welfare	386,133,433	2,867,066	387,755,618	-	4,489,251	-
Community Development and Housing	17,972,208	1,470,714	10,480,697	-	(6,020,797)	-
Roads and Bridges, Construction, and Reconstruction	11,310,776	3,238,876	3,549,914	10,117,095	5,595,109	-
Interest on Long-Term Debt	25,223,519	-	-	-	(25,223,519)	-
Total Primary Government	$ 903,835,651	$ 82,619,547	$ 565,871,123	$ 10,117,095	(245,227,886)	-
COMPONENT UNITS						
Montgomery County Community College	$ 111,500,943	$ 33,482,362	$ 42,779,334	$ 13,590,188	-	(21,649,059)
Valley Forge Convention and Visitors Bureau, Ltd.	8,729,594	294,837	-	-	-	(8,434,757)
Montgomery County - Norristown Public Library	5,726,161	46,147	120,973	-	-	(5,559,041)
Redevelopment Authority of the County of Montgomery	2,604,964	344,255	4,187,568	-	-	1,926,859
Montgomery County Transportation Authority	2,258,023	-	2,279,780	-	-	21,757
Total Component Units	$ 130,819,685	$ 34,167,601	$ 49,367,655	$ 13,590,188	(245,227,886)	(33,694,241)
GENERAL REVENUES						
Taxes:						
Real Estate Taxes, Net					265,931,073	-
Room Occupancy Tax					8,641,282	8,435,063
Local Appropriations					-	20,941,685
State Appropriations					-	21,856,237
Earnings on Investments					7,879,965	(8,738,874)
Miscellaneous					3,424,906	1,937,047
Total General Revenues					285,877,226	44,431,158
CHANGE IN NET POSITION					40,649,340	10,736,917
Net Position - Beginning of Year					94,786,448	104,036,227
NET POSITION - END OF YEAR					$ 135,435,788	$ 114,773,144

See accompanying Notes to Basic Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	General Fund	Health Choices Fund	American Rescue Plan Act Fund	Capital Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	$ 71,242,420	$ 47,000,598	$ 10,800,458	$ 11,250,593	$ 103,611,043	$ 243,905,112
Investments	80,547,792	-	131,828,399	111,833,906	15,236,450	339,446,547
Accounts Receivable, Net	6,985,045	21,145,533	-	461,846	1,646,196	30,238,620
Taxes Receivable	6,743,691	-	-	-	737,006	7,480,697
Leases Receivable	4,843,273	-	-	-	-	4,843,273
Due From:						
Other Funds	30,639,544	2,116,167	-	2,980	2,485,452	35,244,143
Other Governmental Units	19,201,579	-	-	-	5,171,984	24,373,563
Prepaid Items and Other Assets	2,078,516	-	-	20,454	-	2,098,970
Total Assets	$ 222,281,860	$ 70,262,298	$ 142,628,857	$ 123,569,779	$ 128,888,131	$ 687,630,925
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable and Accrued Expenses	$ 38,866,086	$ 16,679,657	$ 1,083,190	$ 10,541,301	$ 7,764,151	$ 74,934,385
Due to Other Funds:						
Other Funds	13,731,931	3,726,232	8,497,005	1,066,035	13,080,354	40,101,557
Other Government Units	-	-	-	-	6,336,094	6,336,094
Escrowed Amounts	-	-	-	-	6,136,838	6,136,838
Unearned Revenue	21,319,705	-	130,615,761	-	6,022,782	157,958,248
Total Liabilities	73,917,722	20,405,889	140,195,956	11,607,336	39,340,219	285,467,122
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenues and Property Taxes	2,640,923	-	-	-	243,049	2,883,972
Lease Related	4,663,350	-	-	-	-	4,663,350
Total Deferred Inflows of Resources	7,304,273	-	-	-	243,049	7,547,322
FUND BALANCES						
Nonspendable:						
Prepaid Items and Other Assets	2,078,516	-	-	-	-	2,078,516
Restricted:						
Special Programs	2,392,779	49,856,409	2,432,901	-	-	54,682,089
Capital Projects	-	-	-	111,962,443	-	111,962,443
Reported in Nonmajor Special Revenue Funds	-	-	-	-	68,550,879	68,550,879
Reported in Nonmajor Capital Project Funds	-	-	-	-	10,361,780	10,361,780
Assigned:						
Reported in Nonmajor Capital Project Funds	-	-	-	-	10,420,970	10,420,970
Debt Service Expenditures	13,100,000	-	-	-	-	13,100,000
Unassigned	123,488,570	-	-	-	(28,766)	123,459,804
Total Fund Balances	141,059,865	49,856,409	2,432,901	111,962,443	89,304,863	394,616,481
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 222,281,860	$ 70,262,298	$ 142,628,857	$ 123,569,779	$ 128,888,131	$ 687,630,925

See accompanying Notes to Basic Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2022

Fund Balances - Total Governmental Funds	$ 394,616,481
Amounts reported for governmental activities in the statement of net position are different because:	
Internal Service Funds are used by management to charge the cost of insurance services to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities on the statement of net position.	7,571,611
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Land	24,912,178
Construction	241,588,849
Artifacts	17,695,165
Land Improvements, Net of $16,042,128 Accumulated Depreciation	28,023,156
Buildings and Improvements, Net of $118,547,874 Accumulated Depreciation	121,670,139
Equipment and Furniture, Net of $38,362,273 Accumulated Depreciation	29,365,262
Vehicles, Net of $2,377,913 Accumulated Depreciation	3,275,645
Infrastructure, Net of $30,774,708 Accumulated Depreciation	93,711,584
Right-To-Use Assets, Net of $5,092,844	38,587,604
Net Capital Assets	598,829,582
Property taxes and notes receivable will be collected after year-end, but are not available soon enough to pay for the current period expenditures and, therefore, are reported as unavailable revenue in the funds.	2,883,972
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	103,362,872
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. Balances at December 31, 2022 are:	
Accrued Interest	(10,875,554)
Bonds and Notes Payable	(677,260,028)
Lease Liability	(39,199,834)
Nonexchange Financial Guarantee	(9,195,000)
Settlements Payable	(500,000)
Net Pension Liability	(219,480,552)
Compensated Absences	(15,317,762)
Total Long-Term Liabilities	(971,828,730)
Net Position of Governmental Activities	$ 135,435,788

See accompanying Notes to Basic Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	General Fund	Health Choices Fund	American Rescue Plan Act Fund	Capital Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Real Estate Taxes, Net:						
Current Year	$ 235,781,116	$ -	$ -	$ -	$ 23,914,634	$ 259,695,750
Prior Years and Liened Taxes	5,038,300	-	-	-	-	5,038,300
Total Taxes	240,819,416	-	-	-	23,914,634	264,734,050
Grants and Entitlements	193,152,577	261,912,117	30,779,737	9,946,738	82,904,574	578,695,743
Departmental Earnings	48,450,059	-	-	-	-	48,450,059
District Justices	2,217,572	-	-	-	-	2,217,572
Investment Income	1,727,591	249,167	2,415,511	1,872,683	1,353,980	7,618,932
Fees	-	-	-	-	23,549,157	23,549,157
Fines and Forfeits	81,725	-	-	-	-	81,725
Other	8,710,006	-	-	715,390	11,200,166	20,625,562
Total Revenues	495,158,946	262,161,284	33,195,248	12,534,811	142,922,511	945,972,800
EXPENDITURES						
Current:						
General Administration	47,905,009	-	-	-	-	47,905,009
Judicial Administration	79,697,291	-	-	-	4,756,621	84,453,912
Corrections	65,710,314	-	-	-	-	65,710,314
Public Safety	11,097,933	-	30,779,737	-	16,762,783	58,640,453
History, Cultural Arts, and Recreation	7,052,337	-	-	-	-	7,052,337
Adult Welfare	17,843,933	-	-	-	-	17,843,933
Child Welfare	94,597,295	-	-	-	-	94,597,295
General Welfare	84,563,514	241,512,931	-	-	45,857,462	371,933,907
Community Development and Housing	1,848,552	-	-	-	15,586,297	17,434,849
Roads and Bridges, Construction and Reconstruction	167,953	-	-	-	1,385,463	1,553,416
Insurance	3,616,395	-	-	-	-	3,616,395
Debt Service:						
Principal - Debt and Leases	38,845,614	-	-	-	1,030,000	39,875,614
Interest - Debt and Leases	19,533,497	-	-	-	1,772,051	21,305,548
Bond Issuance Costs	-	-	-	410,901	-	410,901
Operational Costs	-	-	-	-	-	-
Capital Outlay	-	-	-	123,233,810	8,964,272	132,198,082
Other	3,052,692	-	-	-	47,870,358	50,923,050
Right-to-Use - Lease Expenditures	7,982,325	-	-	-	-	7,982,325
Total Expenditures	483,514,654	241,512,931	30,779,737	123,644,711	143,985,307	1,023,437,340
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	11,644,292	20,648,353	2,415,511	(111,109,900)	(1,062,796)	(77,464,540)
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Right-to-Use Assets - Leases Issued	7,982,325	-	-	-	-	7,982,325
Proceeds from Debt Issuance	-	-	-	153,155,000	-	153,155,000
Premium on Debt Issued	-	-	-	22,255,901	-	22,255,901
Total Other Financing Sources (Uses)	7,982,325	-	-	175,410,901	-	183,393,226
NET CHANGE IN FUND BALANCES	19,626,617	20,648,353	2,415,511	64,301,001	(1,062,796)	105,928,686
Fund Balances - Beginning of Year	121,433,248	29,208,056	17,390	47,661,442	90,367,659	288,687,795
FUND BALANCES - END OF YEAR	$ 141,059,865	$ 49,856,409	$ 2,432,901	$ 111,962,443	$ 89,304,863	$ 394,616,481

See accompanying Notes to Basic Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

Net Change in Fund Balances - Total Governmental Funds	$	105,928,686
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays ($126,010,523) exceeds depreciation ($22,681,022) in the current period.		103,329,501
Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balances. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.		
Debt Issued		(153,155,000)
Original Issue Premium		(22,255,901)
Right-to-Use Assets - Leases Issued		(7,982,325)
Principal Repayments - Debt		34,365,000
Principal Repayments - Leases		4,480,614
Nonexchange Financial Guarantee Repayments		1,030,000
Net Adjustment		(143,517,612)
Property taxes collected after year-end are not considered available revenues in the governmental funds. Unearned revenues increased by this amount during the year.		(287,112)
Internal service funds are consolidated with the governmental activities, and the net income in the funds is eliminated by decreasing expenditures.		(2,252,398)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due rather than as it accrues. This adjustment combines the net changes of long-term obligations.		
Accrued Interest on Bonds		(3,034,711)
Deferred Amounts, Premiums		6,241,984
Compensated Absences		11,193
Combined Adjustment		3,218,466
Governmental Funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.		(25,770,191)
Change in Net Position of Governmental Activities	$	40,649,340

See accompanying Notes to Basic Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022

	Internal Service Funds
ASSETS	
Current Assets:	
Cash and Cash Equivalents	$ 6,373,812
Investments	53,664
Accounts Receivable	1,319,571
Due from Other Funds	9,796,070
Total Assets	17,543,117
LIABILITIES	
Current Liabilities:	
Accounts Payable and Accrued Expenses	3,068,565
Due to Other Funds	4,938,656
Reserve for Claims	1,964,285
Total Liabilities	9,971,506
NET POSITION	
Unrestricted	$ 7,571,611

See accompanying Notes to Basic Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022

	Internal Service Funds
OPERATING REVENUES	
Charges for Services	$ 35,491,510
OPERATING EXPENSES	
Claims	37,955,510
OPERATING LOSS	(2,464,000)
NONOPERATING REVENUES (EXPENSES)	
Investment Income	10,863
Other	200,739
Total Nonoperating Revenues (Expenses)	211,602
CHANGE IN NET POSITION	(2,252,398)
Net Position - Beginning of Year	9,824,009
NET POSITION - END OF YEAR	$ 7,571,611

See accompanying Notes to Basic Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022

	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Charges for Services	$ 34,171,939
Payments to Suppliers	(35,293,434)
Net Cash Used by Operating Activities	(1,121,495)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Advances to Other Funds, Net	4,564,925
Other	200,739
Net Cash Provided by Noncapital Financing Activities	4,765,664
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Investments, Net	(943)
Investment Income	10,863
Net Cash Provided by Investing Activities	9,920
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,654,089
Cash and Cash Equivalents - Beginning of Year	2,719,723
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 6,373,812
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Loss	$ (2,464,000)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Changes in Operating Assets and Liabilities:	
Accounts Receivable	(1,319,571)
Accounts Payable and Accrued Expenses	2,658,265
Reserve for Claims	3,811
Net Cash Used by Operating Activities	$ (1,121,495)

See accompanying Notes to Basic Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2022

	Employees' Retirement Trust Fund	Emmeretta McKinlay Trust Fund	Custodial Funds
ASSETS			
Cash and Cash Equivalents	$ 709,702	$ 79,590	$ 12,097,594
Investments:			
Mutual Funds	525,441,563	-	1,981,934
Pooled, Common, and Collective Funds	7,453,763	-	-
Agency Tax/Interest Receivables	-	-	10,314,130
Accounts Receivable	12,127	-	126,367
Total Assets	533,617,155	79,590	24,520,025
LIABILITIES			
Accounts Payable	659,353	-	613,025
Accrued Expenses	-	-	699,447
Held for Escrows	-	-	10,302,820
Due to:			
Taxing Authorities	-	-	735
Other Governmental Units	-	-	94,600
Total Liabilities	659,353	-	11,710,627
NET POSITION			
Restricted for Benefits and Other Purposes	532,957,802	79,590	-
Restricted for Custodial Purposes	-	-	12,809,398
Total Net Position	$ 532,957,802	$ 79,590	$ 12,809,398

See accompanying Notes to Basic Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2022

	Employees' Retirement Trust Fund	Emmeretta McKinlay Trust Fund	Custodial Funds
ADDITIONS			
Contributions:			
County	$ 17,854,046	$ -	$ -
Members' Contributions	10,161,687	-	-
Other	248	-	-
Total Contributions	28,015,981	-	-
Investment Income, Net:			
Interest and Dividends	13,722,391	-	325,186
Investment Expense	(424,350)	-	-
Net Appreciation in Fair Value of Investments	(117,633,146)	-	-
Total Investment Income, Net	(104,335,105)	-	325,186
Real Estate Tax Collections	-	-	34,621,832
Fine and Cost Collections	-	-	15,298,402
Inmate Collections	-	-	3,839,989
Other Additions	-	-	13,216
Total Additions	(76,319,124)	-	54,098,625
DEDUCTIONS			
Benefit Payments to Retired Plan Participants	45,455,189	-	-
Benefit Payments to Designated Beneficiaries	1,704,905	-	-
Refund of Contributions and Interest	2,583,450	-	-
Administrative Expenses	374,992	-	-
Payments of Real Estate Tax	-	-	36,168,362
Payments of Fines and Costs	-	-	17,081,203
Payments of Inmate Funds	-	-	3,866,983
Other Deductions	-	-	18,108
Total Deductions	50,118,536	-	57,134,656
CHANGE IN NET POSITION	(126,437,660)	-	(3,036,031)
Net Position - Beginning of Year	659,395,462	79,590	15,845,429
NET POSITION - END OF YEAR	$ 532,957,802	$ 79,590	$ 12,809,398

See accompanying Notes to Basic Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
DECEMBER 31, 2022

	June 30, 2022	December 31, 2022				
	Montgomery County Community College	Valley Forge Tourism and Convention Board	Montgomery County - Norristown Public Library	Redevelopment Authority of the County of Montgomery	Montgomery County Transportation Authority	Total Component Units
ASSETS						
Cash and Cash Equivalents	$ 33,953,700	$ 3,823,650	$ 3,880,149	$ 9,040,659	$ 795,357	$ 51,493,515
Investments	54,032,839	-	-	151,643	-	54,184,482
Accounts Receivable, Net of Allowance for Uncollectible Accounts ($1,000,000 for Montgomery County Community College)	2,568,857	1,356,535	48,548	240,314	-	4,214,254
Pledges Receivable, Net of Discount and Allowance for Doubtful Collection	202,566	-	-	-	-	202,566
Notes and Loans Receivable	-	-	-	21,609,722	680,106	22,289,828
Interest Receivable on Investments	102,517	-	-	187,714	-	290,231
Due from Other Governmental Units	1,771,152	-	-	-	2,362,361	4,133,513
Prepaid Expenses and Other Assets	1,469,569	129,463	26,535	9,915	-	1,635,482
Inventory	37,505	-	-	-	-	37,505
Deposits with Bond Trustee	14,889,332	-	-	-	-	14,889,332
Beneficial Interest in Charitable Remainder Trust	3,098	-	-	-	-	3,098
Capital Assets, Net of Accumulated Depreciation	178,891,435	618,345	1,001,024	2,157,788	-	182,668,592
Total Assets	287,922,570	5,927,993	4,956,256	33,397,755	3,837,824	336,042,398
DEFERRED OUTFLOWS OF RESOURCES						
Loss on Bond Refunding	2,403,984	-	-	-	-	2,403,984
OPEB	4,468,998	-	-	-	-	4,468,998
Pension	1,050,923	-	-	-	-	1,050,923
Total Deferred Outflows of Resources	7,923,905	-	-	-	-	7,923,905
LIABILITIES						
Accounts Payable and Accrued Expenses	14,413,522	690,111	8,113	2,560,979	-	17,672,725
Unearned Revenues	4,490,567	-	380,059	-	-	4,870,626
Due to Other Governmental Units	541,006	-	19,435	-	2,524,870	3,085,311
Long-Term Liabilities:						
Portion Due or Payable Within One Year:						
Bonds and Notes Payable	8,567,758	-	-	2,550,980	-	11,118,738
Financed Purchase Arrangement	679,561	-	-	-	-	679,561
Lease Liability	458,949	310,329	-	-	-	769,278
OPEB Liability	729,044	-	-	-	-	729,044
Portion Due or Payable After One Year:						
Bonds and Notes Payable	76,206,616	-	-	13,626,893	-	89,833,509
Financed Purchase Arrangement	8,050,785	-	-	-	-	8,050,785
Lease Liability	392,218	115,911	-	-	-	508,129
Net Pension Liability	3,389,542	-	-	-	-	3,389,542
OPEB Liability	64,468,146	-	-	-	-	64,468,146
Compensated Absences	-	-	194,050	-	-	194,050
Total Liabilities	182,387,714	1,116,351	601,657	18,738,852	2,524,870	205,369,444
DEFERRED INFLOWS OF RESOURCES						
Incremental Tax Revenues	-	-	-	1,153,891	-	1,153,891
Program Grants and Contracts	-	-	-	7,822,255	-	7,822,255
OPEB	13,763,924	-	-	-	-	13,763,924
Related to Pensions	1,083,645	-	-	-	-	1,083,645
Total Deferred Inflows of Resources	14,847,569	-	-	8,976,146	-	23,823,715
NET POSITION						
Net Investment in Capital Assets	99,424,880	-	1,001,024	10,063,217	-	110,489,121
Restricted for Other Purposes	32,631,073	-	84,732	-	-	32,715,805
Unrestricted	(33,444,761)	4,811,642	3,268,843	(4,380,460)	1,312,954	(28,431,782)
Total Net Position	$ 98,611,192	$ 4,811,642	$ 4,354,599	$ 5,682,757	$ 1,312,954	$ 114,773,144

See accompanying Notes to Basic Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
YEARS ENDED DECEMBER 31, 2022

	Program Revenues			Net (Expenses) Revenue and Changes in Net Position					
				June 30, 2022	December 31, 2022				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Montgomery County Community College	Valley Forge Tourism and Convention Board	Montgomery County - Norristown Public Library	Redevelopment Authority of the County of Montgomery	Montgomery County Transportation Authority	Totals
COMPONENT UNITS										
Montgomery County Community College:										
Business-Type Activities	$ 111,500,943	$ 33,482,362	$ 42,779,334	$ 13,590,188	$ (21,649,059)	$ -	$ -	$ -	$ -	$ (21,649,059)
Valley Forge Tourism and Convention Board	8,729,594	294,837	-	-	-	(8,434,757)	-	-	-	(8,434,757)
Montgomery County-Norristown Public Library	5,726,161	46,147	120,973	-	-	-	(5,559,041)	-	-	(5,559,041)
Redevelopment Authority of the County of Montgomery	2,604,964	344,255	4,187,568	-	-	-	-	1,926,859	-	1,926,859
Montgomery County Transportation Authority	2,258,023	-	2,279,780	-	-	-	-	-	21,757	21,757
Total Component Units	$ 130,819,685	$ 34,167,601	$ 49,367,655	$ 13,590,188	(21,649,059)	(8,434,757)	(5,559,041)	1,926,859	21,757	(33,694,241)
GENERAL REVENUES										
Room Occupancy Tax					-	8,435,063	-	-	-	8,435,063
Local Appropriations					18,094,981	-	2,846,704	-	-	20,941,685
State Appropriations					19,991,401	-	1,864,836	-	-	21,856,237
Earnings on Investments					(8,848,029)	13,468	34,504	53,676	7,507	(8,738,874)
Miscellaneous					900,413	-	1,035,101	-	1,533	1,937,047
Total General Revenues					30,138,766	8,448,531	5,781,145	53,676	9,040	44,431,158
CHANGE IN NET POSITION					8,489,707	13,774	222,104	1,980,535	30,797	10,736,917
Net Position - Beginning of Year					90,121,485	4,797,868	4,132,495	3,702,222	1,282,157	104,036,227
NET POSITION - END OF YEAR					$ 98,611,192	$ 4,811,642	$ 4,354,599	$ 5,682,757	$ 1,312,954	$ 114,773,144

See accompanying Notes to Basic Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Montgomery, Pennsylvania (the County) is located in Southeastern Pennsylvania, to the west of the City of Philadelphia. The County was founded in 1784 and operates under an elected, three-member Board of Commissioners. The County provides services in many areas to its 865,000 residents, including various general governmental services, public safety, health and welfare and community enrichment programs.

The financial statements of the County of Montgomery, Pennsylvania include the accounts of all County operations. The County's major operations include administrative and judicial general government, corrections, civil defense and health and welfare. In addition, the County owns and operates the Montgomery County Correctional Facility.

A. Reporting Entity

As required by accounting principles generally accepted in the United States of America, the financial statements present the County of Montgomery (the primary government) and its component units. The component units (discussed below) are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

Consistent with the guidance contained in Governmental Accounting Standards Board (GASB) Statements, the criteria used by the County to evaluate the possible inclusion of related entities (authorities, boards, councils, and similar entities) within its reporting entity are: legally separate, financial accountability, misleading to exclude and the nature and significance of other considerations.

The County is governed by a three-member Board of Commissioners. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance part of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

B. Fiduciary Component Unit

The Employees' Retirement Trust Fund is a single-employer defined benefit pension plan that covers all employees of the County. Although the plan is a separate legal entity it is reported as if it is part of the government as it is governed by a board comprised of members appointed by the Board of Commissioners of the County and the County is responsible for funding the plan. The plan is reported as a fiduciary fund and does not issue separate financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Discretely Presented Component Units

The component units presented in the government-wide financial statements include the financial data of the County's component units. They are reported in separate columns to emphasize that they are legally separate from the County.

Montgomery County Community College

The "Community College" was established under the Community College Act of 1963. It provides two-year collegiate experience for citizens within the local area who would benefit from higher education. The County real estate tax levy includes millage for the purpose of providing annual appropriations to the Community College. The members of the Community College Board are appointed by the Board of Commissioners and a significant financial relationship exists between the County and the Community College.

Valley Forge Tourism and Convention Board

The "Board" was organized in 1963 by the County and functions as a nonprofit membership sales and marketing organization which promotes the Valley Forge area and Montgomery County as a convention site and leisure visitor destination. The Board acts as an official third-party administrator for Montgomery County. Funding for the Board's activities is provided by a 4% Montgomery County hotel room occupancy tax and membership dues.

Montgomery County-Norristown Public Library

The "Library" was established to promote library service in the County. The County annually provides significant operating and capital appropriations to the Library. The County owns the Library's facilities. Upon dissolution of the Library system, all assets would be distributed to the County.

Redevelopment Authority of the County of Montgomery

The "Authority" was incorporated under the Urban Redevelopment Law of the Commonwealth of Pennsylvania, Act No. 385, passed May 24, 1945. The Commissioners of the County appoint the Authority's five-member board of directors and the County has a potential financial benefit or burden from the activities of the Redevelopment Authority. Additionally, the County has guaranteed the Guaranteed Revenue Bonds, Series of 2010 and certain HUD Section 108 Loans.

Montgomery County Transportation Authority

The "Transportation Authority" was organized for the purpose of addressing transportation improvement issues throughout the County. The commissioners of the County appoint the Transportation Authority's board and provides funding as needed on transportation basis.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Discretely Presented Component Units (Continued)

Montgomery County Transportation Authority (Continued)

Complete financial statements for the individual component units can be obtained from their respective administrative offices. The financial statements of the Valley Forge Tourism and Convention Board, the Montgomery County-Norristown Public Library, the Redevelopment Authority of the County of Montgomery, and the Montgomery County Transportation Authority are for the year ended December 31, 2022. The financial statements of the Montgomery County Community College are for the year ended June 30, 2022.

Administrative Offices

Montgomery County Community College
Blue Bell, PA 19422

Valley Forge Tourism and Convention Board
Plymouth Meeting, PA 19462

Montgomery County-Norristown Public Library
Norristown, PA 19401

Redevelopment Authority of the County of Montgomery
Norristown, PA 19401

Law Library of Montgomery County
Norristown, PA 19404

Montgomery County Transportation Authority
Norristown, PA 19404

D. Related Organizations

The Board of Commissioners is also responsible for appointing all or some of the members of the boards of other organizations. In some instances, the County's accountability for these organizations does not extend beyond making the appointments. The Board of Commissioners appoints board members of the following:

Advisory Committee on History and Cultural Arts
Advisory Council on Aging and Adult Services
Agricultural Land Preservation Board
Airport Authority
Blue Cross/Blue Shield Board of Directors
Blue Cross/Blue Shield Consumer Advisory Committee
Board of Assessment Appeals
Board of Health
Children and Youth Advisory Committee
Commission of Women and Families

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Related Organizations (Continued)

Community Action Development Commission
Community College Board of Trustees
Community Revitalization Board
Convention and Visitors Bureau Advisory Board
County Seat Economic Revitalization Committee
Delaware Valley Regional Finance Authority
Development Corporation
Drug and Alcohol Planning Council
Emergency Medical Services Advisory Council
Fire Advisory Board
Higher Education and Health Authority
Housing Authority
Housing Development Corporation
Housing Review Board
Industrial Development Authority
Local Emergency Planning Committee
Mental Health Mental Retardation Board
Montgomery County-Norristown Public Library
Nine-One-One Advisory Committee
Open Space Board
Park Board
Planning Commission
Prison Board
SEPTA Board of Directors
SEPTA Citizen's Advisory Committee
Soil Conservation District
TRANSNET – Suburban Transit Network, Inc.
Workforce Investment Board & Youth Council
Youth Center Board of Managers

E. Measurement Focus and Basis of Accounting

The basic financial statements of the County are comprised of the following:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the basic financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

Government-Wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental activities of the primary government as well as its discretely presented component units. Governmental activities normally are supported by taxes and intergovernmental revenues. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the Proprietary Funds and Fiduciary Funds financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions.* Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Program revenues include charges for services, special assessments and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

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

For the most part, the effect of interfund activity has been eliminated from these statements. Activity between the discretely presented component units and the primary government is generally reported as external transactions. The balances of the Internal Service Funds are reported as governmental activities on the statement of net position. The interfund services provided and used are not eliminated in the process of consolidation in the government-wide statement of activities. The County has not adopted a formal policy regarding whether to apply restricted resources or unrestricted resources when an expense is incurred for purposes that both restricted and unrestricted net position are available.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

Government-Wide Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) fees, fines and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

Fund Financial Statements

In the fund financial statements, financial transactions and accounts of the County are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity with a self-balancing set of accounts recording cash and/or other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The fund statements are presented on a current financial resource and modified accrual basis of accounting. Since the Governmental Funds statements are presented on a different measurement focus and basis of accounting than the government-wide statements, reconciliations are presented which briefly explain the adjustments necessary to reconcile the fund financial statements to the governmental activities of the government-wide financial statements.

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., 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. For this purpose, the County considers revenues to be available if they are collected within 1 year of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

In applying the susceptible-to-accrual concept to intergovernmental revenues, there are essentially two types of revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the County; therefore, revenues are recognized based upon the expenditures incurred. In the other, monies are virtually unrestricted and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reported as revenues at the time of receipt or earlier if the susceptible-to-accrual criteria are met.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

Property taxes are recognized as revenue in the year for which taxes have been levied, provided they are collected within 60 days after the end of the year. Licenses and permits, fines and forfeitures and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment income is recognized as earned.

The County's Fiduciary Funds are presented in the fund financial statements by type (pension, private-purpose trust, custodial). Since, by definition, these assets are being held for the benefit of a third party (other local governments, litigants, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

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

The accrual basis of accounting is used by Internal Service Funds, the Employees' Retirement Trust Fund, Emmeretta McKinlay Trust Fund and Custodial Funds. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when incurred.

The County reports the following funds in 2022:

Governmental Funds

Governmental Funds are those through which most governmental functions of the County are financed. The County's expendable, available financial resources and the related liabilities (except those accounted for in Proprietary Funds) are accounted for through Governmental Funds wherein the measurement focus is on changes in financial position rather than on net income.

Descriptions of the County's Governmental Funds are presented below.

General Fund

The General Fund, which is the principal fund of the County, accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the County, other than activities of the Proprietary Funds, are financed through revenues of the General Fund. The General Fund is always considered a major fund for Governmental Funds reporting purposes.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

Governmental Funds (Continued)

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The following are used to account for those financial activities:

- The *Health Choices Fund* was established in 1997 for the purpose of providing Medicaid managed care services to Medicaid beneficiaries through qualified behavioral health providers and practitioners. The fund receives its funding from the Department of Public Welfare through the Department of Health and Human Services.
- The *Federal Emergency Relief Fund* was established in 2020 to account for direct Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020) funding allocated to counties by the United States government. The CARES Act provided fast and direct economic assistance for American workers, families, small businesses, and industries to address issues related to the COVID-19 pandemic.
- The *Emergency Communications Fund* was established in 1995 to account for the administrative and operating costs of the 911 emergency system. All monies collected for operating the system are deposited into this fund, and expenditures are paid from this fund.
- The *Liquid Fuels Tax Fund* is used to account for revenue allocated to counties by the Commonwealth of Pennsylvania (the “Commonwealth”), grants awarded to the County by other governmental units, or transfers from the County General Fund for the purpose of construction, reconstruction, maintenance and repair of County roads and bridges.
- The *Montgomery County Community College Tax Fund* was established in 2017 for the purpose of providing a dedicated source of funding to the Montgomery County Community College for its operations and capital improvements. The fund receives its revenue from a dedicated real estate tax millage rate (0.39) assessed against all taxable real estate in Montgomery County. All funds collected from the real estate tax are deposited into this fund and paid out to the Montgomery County Community College in the same fiscal year.
- The *Liquid Fuels Vehicle Registration Fees Fund* was established in 2017 to account for the Montgomery County Motor Vehicle Registration Fee ($5). The Commonwealth of Pennsylvania collects the $5 motor vehicle registration and remits it to the County semiannually. The funds are used for the purpose of construction, reconstruction, maintenance and repair of County roads and bridges.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

Governmental Funds (Continued)

Special Revenue Funds (Continued)

- The *Title IV-D Fund* was established in 1975 to account for the reimbursement of County costs incurred in the administration of the child support enforcement program. Funds are received based on a cooperative agreement between the County and the Commonwealth that includes both incentive payments for certain services and partial reimbursement for expenditures. Receipts are deposited into a separate restricted Title IV-D Fund bank account and then transferred into the General Fund operating account to cover Domestic Relations costs paid from the General Fund. The County maintains fiduciary responsibility over the funds remaining in the restricted Title IV-D Fund bank account.
- The County's Housing and Community Development Department maintains its accounts independently of the County's books and records in the *Housing and Community Development Fund.* The Department reimburses the County for departmental costs, as well as other overhead costs. The Department is funded by the Community Development Block Grant, Commonwealth grants and other federal funds.
- The County's *Economic and Workforce Development Fund* maintains its accounts independently of the County's books and records. The fund reimburses the County for departmental costs, as well as other overhead costs, and is funded through federal grants under the Work Investment Act, Commonwealth grants and private contributions.
- The *Capital Shale Fund* was established in 2013 to account for revenue allocated to counties by the Commonwealth of Pennsylvania collected from fees on Marcellus Shale gas drillers. The funds are for the purpose of construction, reconstruction, maintenance and repair of County roads and bridges.
- The *Farmland Preservation Fund* is used to account for monies required to be held in escrow pursuant to the Commonwealth of Pennsylvania's Agricultural Security Area Act (Act 149, 1981-43).
- The *Affordable Housing Fund* is used to account for monies accumulated under the Commonwealth of Pennsylvania Optional County Affordable Housing Funds (Act 1992 137).
- The *Correctional Facility Welfare Fund* is used to account for the commissary operations at the Correctional Facility.
- The *District Attorney Fund* is used to account for funds seized and forfeited in connection with the Controlled Substances Forfeitures Act (Act 1988-79) and other illegal activities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

Governmental Funds (Continued)

Special Revenue Funds (Continued)

- The *Juvenile Probation Fund* is used to account for court-ordered restitution payments received from juveniles and the subsequent distribution to victims.
- The *Recorder of Deeds Veteran's Photo ID Program Fund* is used to account for Photo ID discount card operations.
- The *Surplus Asset Sales Fund* is used to account for the sale of County assets.
- The *Clerk of Courts Fund* is used to account for collecting and allocating fees and charges administered by the County court system.
- The *Prothonotary Fund* is used to account for collecting and allocating fees and charges administered by the County Prothonotary office.
- The *Recorder of Deeds Fund* is used to account for collecting and allocated fees and charges administered by the County Recorder of Deeds office.
- The *Sheriff Fund* is used to account for collecting and allocating fees and charges administered by the County Sherriff's office.
- The *Register of Wills and Clerk of Orphans' Court Fund* is used to account for collecting and allocating fees and charges administered by the County Register of Wills office.
- The *Coroner Fund* is used to account for activity related to the County Coroner's office.
- The *Records Improvement Fund* is used to account for fees collected by the County to support development and improvement of office records management activities and systems.
- The *Liquid Fuels Act 44 Fund* is used to account for annual revenue distributions allocated by the Commonwealth of Pennsylvania from the state gasoline taxes and federal grants. The funds are for the sole purpose of construction, reconstruction, maintenance, and repair of County bridges.
- The *Liquid Fuels Act 89 Fund* is used to account for semiannual revenue distributions allocated by the Commonwealth of Pennsylvania from the state gasoline taxes and federal grants. The funds are for the sole purpose of construction, reconstruction, maintenance, and repair of County bridges.
- The *Recycling Fund* was established in 1995 to account for the administrative and operating costs of the County's recycling program. Costs related to recycling are paid directly from this fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

Governmental Funds (Continued)

Special Revenue Funds (Continued)

- The *Regional Task Force Fund* was established to account for Federal Homeland Security funding that is a pass through the Commonwealth of Pennsylvania. The Southeastern Pennsylvania Regional Task Force, consisting of Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties represent one-third of Pennsylvania's population. The structure allows for leveraging of Federal funds to invest in both county and regional capabilities. Regional capabilities include the Emergency Response Workgroup Emergency Services Program, Fire Task Force, Hazardous Materials Committee and Urban Search and Rescue.
- The *Room Occupancy Tax Fund* was established to account for the collection and tax remittance of the County's 4% hotel room occupancy tax. The funds are collected by the County and remitted directly to the Valley Forge Tourism and Convention Board and used for activities and expenditures designed to increase tourism throughout the County.
- The *American Rescue Plan Act Fund* was established in 2021 to account for state and local fiscal recovery funding allocated to counties by the United States government. The American Rescue Plan Act provided emergency funding for state, local, territorial, and Tribal governments to remedy the mismatch between rising costs and falling revenues due to the effects of COVID-19.
- The *Federal Rent Relief Fund* was established in 2021 to account for federal funding used to assist eligible households with financial assistance, provide housing stability services, and as applicable, to cover the costs for other affordable rental housing and eviction prevention activities.
- The *Pennsylvania Emergency Rental Assistance Fund* was established in 2021 to account for state funding used to assist eligible households with financial assistance, provide housing stability services and to cover the costs for other affordable rental housing and eviction prevention activities.
- The *Pennsylvania COVID-19 HIRP Fund* was established in 2021 to account for state funds used to assist to the hospitality industry businesses adversely affected by the COVID-19 pandemic. The program requires counties to establish grant programs for eligible businesses.
- The *Domestic Relations Office Fund* was established in 2021 to account for funds mandated by the state of Pennsylvania to act as buffer against overdrafts in the Title IV-D Fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

Governmental Funds (Continued)

Special Revenue Funds (Continued)

- The *Coroner Fund* was established in 2022 to account for grant funds designated for use by the County Coroner. to act as buffer against overdrafts in the Title IV-D Fund.
- The *Local Victim Services Fund* was established in 2022 to account for fees and charges received to be utilized for victim services.
- The *Opioid Settlement Program Fund* was established in 2022 to account for settlement payments from major opioid manufacturers, whose misleading business practices helped create the addiction crisis gripping American communities.

The Health Choices Fund and the American Rescue Plan Act Fund are considered major funds for Governmental Funds reporting purposes.

Capital Projects Funds

The Capital Projects Funds account for the financial resources used for the acquisition and capital construction of major capital facilities. The County's Capital Projects Funds are as follows:

- The *Capital Reserve Fund* is used to account for funds assigned and grants received to be used for the acquisition and maintenance of major capital facilities and projects.
- The *Cherry Street Garage Capital Reserve Fund* is used to account for funds transferred from the Montgomery County Redevelopment Authority with the County's acquisition of the Cherry Street Garage. The funds will be used to finance future capital improvements to the garage.
- The *2016 Series Capital Bond Fund* was established to account for the proceeds of the 2016 Series General Obligation Bond Issue. Proceeds will be used to finance the County's ongoing capital improvement program.
- The *2017 Series A & B Capital Bond Fund* was established to account for the proceeds of the 2017 Series A General Obligation Bond Issue. Proceeds will be used to finance the County's five-year capital plan.
- The *2017 Series Roads and Bridges Capital Bond Fund* was established to account for the proceeds of the 2017 Series A General Obligation Bond Issue. Proceeds will be used to finance the County's five-year capital plan for Road and Bridge projects.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

Governmental Funds (Continued)

Capital Projects Funds (Continued)

- The *2017 Series C & D Capital Bond Fund* was established to account for the proceeds of the 2017 Series D General Obligation Bond Issue. Proceeds will be used to finance a portion of the County's five-year capital plan, consisting of economic development program grants to the Montgomery County Economic Development Corporation.
- The *Capital MVR Fund was* established to account for the proceeds of the 2019 Series A & B General Obligation Bond Issues. Proceeds will be used to fund the County's ongoing capital improvement program.
- The Capital Fund accounts for the financial resources used for the acquisition and capital construction of major capital facilities and projects. The Capital Fund is considered a major fund for Governmental Funds reporting purposes.

Proprietary Funds

Proprietary Funds account for the County's ongoing activities that are similar to those found in the private sector. The measurement focus is on determination of net income. Descriptions of the County's Proprietary Funds are presented below.

- *Internal Service Funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County or to other governments on a cost reimbursement basis.
  - The *Workers' Compensation Fund* accounts for the activity in the account established by the County to fund the liabilities incurred as a result of workplace injuries.
  - The *General Liability and Property Damage Fund* accounts for the activity in the account established by the County to fund the liabilities incurred as a result of property damage claims.
  - The *Medical Self-Insurance Fund* accounts for the activity in the account established by the County to fund the liability incurred as a result of employee medical, prescription drug and vision expense claims.

  The Internal Service Funds are included in governmental activities for government-wide reporting purposes.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

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 and other governmental units or funds. These include the Employees' Retirement Trust Fund, Emmeretta McKinlay Fund and Custodial Funds. The Employees' Retirement Trust Fund and Emmeretta McKinlay Fund are accounted for in essentially the same manner as Proprietary Funds because capital maintenance is critical. Fiduciary Funds are not included in the government-wide financial statements.

- The *Employees' Retirement Trust Fund* presents the financial operations of the Montgomery County Employees' Retirement System. The Employees' Retirement Trust Fund accounts for County and employees' retirement plan contributions and investment earnings on excess funds to provide for the payment of retirement benefits to its members.
- The *Emmeretta McKinlay Fund* is a fund held in trust by the County and used at the discretion of the President Judge for the purchase of necessities for indigent youth in detention. The fund was established as a bequest from Ms. McKinlay.

Custodial Funds

Custodial Funds are used to account for assets held by the County's Row Offices or by various County departments and social service agencies, as agent for individuals, private organizations, other governmental units and/or other funds. During the year, the County maintained 11 such funds. They are grouped into the following classes for descriptive purposes.

The following funds are used to account for fees, fines, payments, and taxes collected and the distribution to other governmental units:

- Clerk of Courts Custodial Fund
- Prothonotary Custodial Fund
- Sheriff Custodial Fund
- Treasurer Vare Escrow Fund
- Tax Claim Fund
- Register of Wills and Clerk of Orphans' Court Trust Escrow Fund
- Radio Fund
- Correctional Facility – Inmate and Work Release Custodial Fund
- Human Services Center – Resident Account Fund

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

Custodial Funds (Continued)

The following funds are used to account for amounts collected and distributed by County social services agencies:

- Domestic Relations Office – Support Clearing Account Fund
- Dependent/Guardian Fund

F. Cash Equivalents

The funds in the financial statements consider all highly liquid investments with an original maturity of three months or less to be cash equivalents.

G. Investments

Investments are recorded at fair value or amortized cost in accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. Alternative investments and money market funds are valued at net asset value per share (NAV), which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Purchases and sales are recorded on a trade-date basis. Dividend income is recorded on the ex-dividend date. Cost of securities sold is determined on the specific identification method, generally on a first-in, first-out basis.

H. Prepaid Expenses

The amounts recorded represent payments made for insurance, rent and other goods and services in the current fiscal year but not expensed as of December 31, 2022. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

I. Capital Assets

To the extent the County's capitalization threshold of $5,000 is met, capital outlays are recorded as capital assets and depreciated over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Land Improvements	10 to 40 Years
Infrastructure	10 to 50 Years
Buildings	40 Years
Building Improvements	20 Years
Leasehold Improvements	10 Years
Equipment and Furniture	3 to 20 Years
Right-to-Use Assets	2 to 21 Years

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

All capital assets are valued at historical cost or estimated historical cost if actual cost is unavailable. Donated capital assets are reported at acquisition value.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenses that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts, and any gain or loss is included in the results of operations.

J. Infrastructure

The County will depreciate its infrastructure over the assets' estimated useful life using the straight-line method of depreciation. County infrastructure consists of 75.7 miles of roads and 133 bridges.

K. Compensated Absences

County employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for all accumulated vacation days. In June 2012, the County altered its sick leave payment policy. Upon retirement or termination, employees with more than 20 years of service are reimbursed 100% for accumulated sick leave up to a maximum of 60 days and 25% for amounts over 60 days up to the amount accumulated as of June 30, 2012. Unused sick leave earned is not eligible for reimbursement unless at the time of separation or retirement the June 30 sick leave balance is lower than the balance on June 30, 2012. The cost of accumulated vacation and sick leave is recorded at current rates of compensation as a liability in the government-wide statements.

L. Unearned Revenue

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue on the governmental fund financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Self-Insurance

The County establishes claims liabilities for its employee medical, workers' compensation and property damage self-insurance programs, which are accounted for in Internal Service Funds. The liability is based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the claims involved. Estimated amounts of subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for liabilities such as workers' compensation. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claims frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to expenses in the periods in which they are made.

N. 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 County only has one item that qualifies for reporting in this category. The deferred outflow of resources related to pensions is reported in the government-wide statement of net position and is the result of differences between expected and actual experience of the pension plan.

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 County has three types of items that qualify for reporting in this category. Accordingly, one item, *unavailable revenue,* is reported only in the Governmental Funds balance sheet. The Governmental Funds report unavailable revenues from property taxes. The deferred inflow of resources related to pensions is reported in the government-wide statement of net position and is the result of differences between expected and actual experience of the pension plan and the net difference between projected and actual earnings on pension plan investments. The lease related deferred inflow of resources is recorded at an amount equal to the lease receivable plus any payments received at or before the start of the lease term that relates to future periods, less any lease incentives or on behalf of the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic manner.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Balance – Governmental Funds

The Montgomery County Board of Commissioners recognizes that the maintenance of a fund balance reserve is essential to the preservation of the County's financial integrity. Effective January 1, 2020, the County implemented a new fund balance policy to budget and maintain a reserve in the General Fund. This policy establishes goals and provides guidance concerning the desired level of fund balance maintained by the County to mitigate financial risk that can occur from unforeseen revenue fluctuations, unforeseen expenditures, and in the event of emergencies and natural disasters.

The policy was created in consideration of unanticipated events that could adversely affect the financial condition of the County and jeopardize the continuation of necessary public services. This policy will ensure that the County maintains adequate General Fund Unassigned Fund Balance in order to:

- Provide sufficient cash flow for daily financial needs,
- Maintain the County's credit worthiness and secure investment grade bond ratings,
- Offset significant economic downturns or revenue shortfalls, and
- Provide funds for unforeseen expenditures related to emergencies.

The County shall maintain an Unassigned Fund Balance in the General Fund that meets the purposes of this policy. General Fund Unassigned Fund Balance will be maintained at a minimum of 15% of the current year's adopted General Fund revenue budget. It is the goal of the County to achieve and maintain a General Fund Unassigned Fund Balance at fiscal (calendar) year-end of not less than 18% and a maximum of 20% of the current years adopted General Fund revenue budget. The use of General Fund Unassigned Fund Balance can only be appropriated by an approved resolution from the County Board of Commissioners.

Fund balance is classified between amounts that are considered nonspendable and spendable amounts that are classified based on the relative strength of the constraints that control the purposes for which specific amounts can be spent. Beginning with the nonspendable and followed by the spendable classifications with binding constraints, fund balance amounts will be reported in the following classifications:

Nonspendable

Amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventory or prepaid amounts.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Balance – Governmental Funds (Continued)

Restricted

This category consists of amounts with constraints that are externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The County's restrictions are as follows:

- **Health Choices** – Represents amount restricted for Medicaid managed care services to Medicaid beneficiaries.
- **Federal Emergency Relief** – Represents amount restricted by the United States government for the purpose of managing the COVID-19 emergency and recovery.
- **Emergency Communications** – Represents amount restricted for the 911 emergency system.
- **Liquid Fuels Tax** – Represents amount restricted by the Commonwealth of Pennsylvania for the purpose of construction, reconstruction, maintenance and repair of County roads and bridges.
- **Montgomery County Community College Tax** – Represents amount restricted for appropriations to the community college.
- **Liquid Fuels Vehicle Registration Fees** – Represents amount restricted by the Commonwealth of Pennsylvania for vehicle registration fee program.
- **Title IV-D** – Represents amount restricted for Domestic Relations Title IV-D incentive program.
- **Housing and Community Development** – Represents amount restricted for the Community Development Block Grant program, Commonwealth grants and other federal funds.
- **Recycling** – Represents amounts restricted for the County's recycling program.
- **Economic and Workforce Development** – Represents amount restricted for Work Investment Act program, Commonwealth grants and private contributions.
- **Records Improvement** – Represents amount restricted for the County's comprehensive records management plan to provide better access to the public.
- **Capital Shale** – Represents funds from Marcellus Shale fees provided by the Commonwealth of Pennsylvania restricted for construction and maintenance of County roads and bridges.
- **Farmland Preservation** – Represents funds from the Commonwealth of Pennsylvania restricted for preservation of farmland preserved for agricultural use.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Balance – Governmental Funds (Continued)

Restricted (Continued)

- **Affordable Housing** – Represents fees collected by the Recorder of Deeds on property transfers to be used strictly to fund affordable housing.
- **Correctional Facility Welfare** – Represents funds held in trust that were provided by friends and families of inmates for the individual inmates use.
- **Juvenile Probation** – Represents money restricted to pay victims of juvenile crimes. It is created through the collection of fines and costs that are certified to Juvenile Court and/or fund repayment by juveniles.
- **Recorder of Deeds Veteran's Photo ID Program** – Represents funds donated for the restricted purposes of maintain and promoting the Veteran's Photo ID program managed by the Recorder of Deeds.
- **District Attorney** – Represents funds allocated for costs associated with criminal investigations, operations, and crime prevention programs.
- **Surplus Asset Sales** – Represents amount for the sale of County assets.
- **Clerk of Courts** – Represents funds collected for fees and charges administered by the County court system.
- **Prothonotary** – Represents funds collected for fees and charges administered by the County Prothonotary office.
- **Recorder of Deeds** – Represents funds collected for fees and charges administered by the County Recorder of Deeds office.
- **Sheriff** – Represents funds collected for fees and charges administered by the County Sherriff s office.
- **Register of Wills and Clerk of Orphans' Court** – Represents funds collected for fees and charges administered by the Register of Wills office.
- **Coroner** – Represents funds used to account for activity related to the County Coroner's office.
- **Regional Task Force** – Represents funds from the United States Homeland Security funding to invest in both county and regional capabilities. Regional capabilities include the Emergency Response Workgroup Emergency Services Program, Fire Task Force, Hazardous Materials Committee and Urban Search and Rescue.
- **Liquid Fuels Act 44** – Represents funds from the Commonwealth of Pennsylvania gasoline taxes and federal grants for the sole purpose of construction, reconstruction, maintenance, and repair of County bridges.
- **Liquid Fuels Act 89** – Represents funds from the Commonwealth of Pennsylvania and federal grants for the sole purpose of construction, reconstruction, maintenance, and repair of County bridges.
- **2017 Series C & D Capital Bond** – Represents amounts from the 2017 General Obligation Issue for capital projects.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Balance – Governmental Funds (Continued)

Restricted (Continued)

- **Capital MVR** – Represents amounts from the 2019 General Obligation Issue for capital projects.
- **American Rescue Plan Act** – Represents amount restricted by the United States government for the purpose of remedying the mismatch between rising costs and falling revenues due to the effects of COVID-19.
- **Federal Rent Relief** – Represents amount restricted by the United States government for the purpose of pandemic related rent relief and assistance.
- **Pennsylvania Emergency Rental Assistance** – Represents amount restricted by the state of Pennsylvania for the purpose of assisting eligible households with financial assistance, housing stability services and to cover the costs for other affordable rental housing and eviction prevention activities.
- **Pennsylvania COVID-19 HIRP** – Represents amount restricted by the state of Pennsylvania for the purpose of providing assistance to the hospitality industry businesses adversely affected by the COVID-19 pandemic.
- **Domestic Relations Office** – Represents amount restricted by the state of Pennsylvania to act as buffer against overdrafts in the Title IV-D Fund.
- **Coroner** – Represents amount restricted for use by the County Coroner.
- **Local Victim Services** - Represents amount restricted for victim services.
- **Opioid Settlement Program -** Represents amount of settlement payments from major opioid manufacturers.

Committed

This category of fund balance consists of amounts established by formal action by the Board of Commissioners. Once committed, it cannot be used for any other purpose unless changed by County policy or action (e.g., future anticipated costs). The formal action should occur prior to the end of the reporting period, but the amount subject to the constraint, if any, may be determined in the subsequent period. The County Commissioners have not taken any action to commit fund balance.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Balance – Governmental Funds (Continued)

Assigned

This category of fund balance consists of amounts are constrained by the County's intent to use for specific purposes but are neither restricted nor committed. Intent should be expressed by the Board of Commissioners. The County's assignments are as follows:

- **General Fund** – To fund future debt service expenditures.
- **Capital Reserve** – To fund future capital projects.
- **Cherry Street Garage Capital Reserve Fund** – To fund future capital projects.

Unassigned

This category of fund balance consists of amounts available for consumption or not restricted in any manner. The general fund and economic and workforce development fund are the only funds that report a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The County's assumed order of usage for which both restricted and unrestricted resources are available are:

- **Restricted Fund Balance** – To the extent that the expenditures related to the restriction contributed to the excess of expenditures over revenues.
- **Committed Fund Balance** – To the extent that the expenditures related to the commitment contributed to the excess of expenditures over revenues. If a plan for periodic use of committed fund balance is reviewed and approved by the Board of Commissioners, committed fund balance will not be reduced by more than the amount designated in the plan.
- **Assigned Fund Balance** – To the extent that expenditures related to the assignment contributed to the excess of expenditures over revenues.
- **Unassigned Fund Balance** – For any remaining excess of expenditures over revenues.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Net Position

The government-wide, internal service fund and fiduciary funds classify net position into three components:

- Net investment in capital assets: This component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any debt or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- Restricted: This component of net position consists of constraints placed on assets through external restrictions or enabling legislation.
- Unrestricted: This component of net position consists of assets that do not meet the definition of restricted or net investment of capital assets.

Q. 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 the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures or expenses during the reporting periods. Actual results could differ from those estimates.

R. Interfund Activity

Transactions and balances between governmental and proprietary funds, except for charges for services, have been eliminated in the government-wide financial statements.

S. Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value in three levels based on the extent to which inputs used in measuring fair value are observable in the market:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities.

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets and liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Fair Value (Continued)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for assets or liabilities categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirely.

T. Leases

Lessor

The County is lessor for noncancellable leases of building property, as well as land and space provided for cellular antennae placement on cell towers. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The County uses its estimated incremental borrowing rate as the discount rate for lease, unless it is explicitly stated in the lease agreement. The lease term includes the noncancellable period explicitly stated within the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The County monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Lessee

The County is a lessee for various equipment. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements based on the criteria dictated in GASB Statement No. 87, *Leases*.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Leases (Continued)

Lessee (Continued)

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease liabilities are reported with the long-term obligations on the statement of net position.

An intangible right-to use lease asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date. The intangible right-to use lease asset is amortized on a straight-line basis over the shorter of the life of the underlying asset or the lease term. The intangible right-to use lease asset is reported with the County's capital assets in its own category called Right-to-Use Lease Assets.

Key estimates and judgements related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County is utilizing the Federal Reserve statistical release for consumer credit in place at the date of implementation along with other risk factors to determine the discount interest rate for leases.

The lease terms include the noncancellable and renewals periods of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments through the end of the term, which includes any renewal periods.

The County has recognized payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

U. New Accounting Pronouncements

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. New Accounting Pronouncements (Continued)

The County adopted the requirements of the guidance effective January 1, 2022 and has applied the provisions of this standard to the beginning of the period of adoption. The implementation required the County to record a lease liability and right-to-use assets of $35,698,123 and a lease receivable and a deferred inflow of resources of $5,425,943, as of the effective date of January 1, 2022. The adoption of the GASB 87 standard did not have any impact on the beginning net position in the financial statements.

NOTE 2 DEPOSITS AND INVESTMENTS

Pennsylvania statutes provide for investment of Governmental and Proprietary Funds resources into certain authorized investment types, including U.S. Treasury bills, other short- term U.S. and Pennsylvania Government obligations and 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.

A. Deposits

In addition to the investments authorized for Governmental and Proprietary Funds, Fiduciary Fund investments also may be made in corporate stocks and bonds, real estate, and other investments consistent with sound business practice.

The deposit and investment policy of the County adheres to state statutes and prudent business practice. Deposits and investments of the Governmental Funds are maintained in demand deposits or savings accounts, certificates of deposit and repurchase agreements.

Custodial Credit Risk

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 has a formal deposit agreement with each bank for custodial credit risk. As of December 31, 2022, the Federal Deposit Insurance Corporation and the Securities Investor Protection Corporation insured $2,084,094 of the County's $269,575,823 bank balances. The remaining bank balances of $267,182,034 were exposed to custodial credit risk, which is collateralized in accordance with the requirements of United States Treasury Circular No. 92, Section 1964(c) and the Pennsylvania Second Class County Code and by Act 72 of the General Assembly of the Commonwealth of Pennsylvania approved on August 6, 1971, as amended, provided, however, that it is further specifically understood and agreed that such pledged securities shall at all times, whether or not deposited on a pooled basis, have an aggregate market value (exclusive of interest) at least equal to the principal aggregate amount of said deposits. The bank will pledge additional securities as collateral for public deposits of the County, as necessary. These deposits have a carrying amount of $263,165,810 as of December 31, 2022.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

Custodial Credit Risk (Continued)

The County Code, Section 1706, governs the types of investments that are allowable for operating funds. In addition, the County has formally adopted an investment policy that places additional restrictions on the investment of operating funds.

Discretely Presented Component Unit – Montgomery County Community College

The carrying amount of Montgomery County Community College's "College" deposits was $30,349,486 as of June 30, 2022. The bank balance totaled $30,882,366 as of June 30, 2022. The difference represents outstanding checks payable and normal reconciling items.

Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to it. The College does not have a deposit policy for custodial credit risk. Commonwealth of Pennsylvania Act 72 of 1971, as amended, allows banking institutions to satisfy the collateralization requirement by pooling eligible investments to cover total public funds on deposit in excess of federal insurance. Such pooled collateral is pledged with the financial institution's trust department.

The bank balance of the College's cash deposits as of June 30, 2022 are categorized as follows to give an indication of the level of risk assumed by the College:

	College	Foundation	Total
Insured	$ 500,000	$ 250,000	$ 750,000
Collateralized:			
Collateral Held by Pledging Bank's Trust Department not in the College's Name	29,849,486	3,354,214	33,203,700
Total	$ 30,349,486	$ 3,604,214	$ 33,953,700

B. Investments

Credit Risk

The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The County has clearly defined restrictions by institution, asset class and minimum credit rating to minimize the risk of loss due to credit risk.

All debt securities held by the primary government are rated AAA by Standard and Poor's.

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 investment or collateral securities in the possession of an outside entity. The County has a policy of holding investment securities in a segregated account with its primary banking institution whenever possible.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Concentration of Credit Risk

The County places limits both by asset class and by institution to limit its concentration of credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County has adopted a policy of holding all investments to maturity. Accordingly, any change in fair value due to changing market interest rates is temporary. This policy does not apply to the Employees' Retirement Trust Fund.

Cash and investments as of December 31, 2022, are classified in the accompanying financial statements as follows:

Primary Government:	
Statement of Net Position	$ 589,779,135
Fiduciary Funds	547,764,146
Total Primary Government	1,137,543,281
Component Units:	
Statement of Net Position	105,677,997
Total Cash and Investments	$ 1,243,221,278

Cash and investments as of December 31, 2022 consist of the following:

	Primary Government	Component Units
Cash on Hand	19,580	$ -
Deposits with Financial Institutions	263,146,230	51,493,515
Investments	874,377,471	54,184,482
Total Cash and Investments	$ 1,137,543,281	$ 105,677,997

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

The County had the following investments and maturities at December 31, 2022:

Primary Government Investment Type	Total	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3	Investment Maturities: No Maturity	Investment Maturities: Less Than 1 Year	Investment Maturities: 1 to 5 Years
Employees' Retirement Trust Fund:							
Mutual Funds:							
Real Estate Index Fund	$ 26,753,781	$ 26,753,781	$ -	$ -	$ 26,753,781	$ -	$ -
Stock Market Index Fund	163,968,749	163,968,749	-	-	163,968,749	-	-
International Stock Index Fund	141,937,016	141,937,016	-	-	141,937,016	-	-
Intermediate Term Fund	50,360,406	50,360,406	-	-	50,360,406	-	-
Short-Term Fund	32,564,647	32,564,647	-	-	32,564,647	-	-
Bond Market Index Fund	81,948,483	81,948,483	-	-	81,948,483	-	-
Equity Funds	5,596,064	5,596,064	-	-	5,596,064	-	-
Corporate Bond Funds	11,269,075	11,269,075	-	-	11,269,075	-	-
Balanced Funds	11,043,341	11,043,341	-	-	11,043,341	-	-
Total Employee's Retirement Trust Fund	525,441,562	$ 525,441,562	$ -	$ -	525,441,562	-	-
Employees' Retirement Trust Fund:		525,441,562					
Alternative Investments (NAV)	7,453,763	-			-	7,453,763	-
Governmental Activities:							
State Investment Pools	307,988,800				307,988,800	-	-
Money Market Funds (NAV)	31,457,748				31,457,748	-	-
Internal Service Funds:							
State Investment Pools	53,664				53,664	-	-
Custodial Funds:							
Money Market Funds (NAV)	1,981,934				1,981,934	-	-
Total Investments	$ 874,377,471				$ 866,923,708	$ 7,453,763	$ -

Participation in External Investment Pools

As of December 31, 2022, the County has $307,988,800 invested in the Pennsylvania Local Government Investment Trust (PLGIT). PLGIT is an external investment pool that was rated AAAm by Standard & Poor's (S&P) as of December 31, 2022. The average maturity of these investments is less than a year. There are no restrictions pertaining to the number of withdrawals from the PLGIT account. The County's investment in PLGIT is measured at amortized cost, which approximates fair value. The County has no regulatory oversight for the pool, which is governed by a Board of Trustees and is administered by PFM Asset Management, LLC. PLGIT is audited annually and the financial statements are available to the public at http://www.plgit.com.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Alternative Investments

The following table sets forth additional disclosures for the measurement of alternative investments that calculate net asset value per share (or its equivalent):

Investment Type	Fair Value	Redemption Frequency	Redemption Notice Period
SEI Structured Credit Collective Fund	$ 4,384,485	Quarterly	65 days
SEI Special Situations Collective Investment Trust	$ 3,069,278	Semi-Annual	95 days

There were no unfunded commitments at December 31, 2022.

The SEI Structured Credit Collective Fund invests substantially all of its assets in the SEI structured credit segregated portfolio, which in turn, invests substantially all of its assets in SEI Structured Credit Fund, L.P.

The SEI Special Situations Collective Investment Trust invests substantially all of its assets in the SEI Special Situations Fund, Ltd. This structure provides a means for eligible investors to participate in investments in various private investment funds, many of which will pursue hedged investment strategies.

C. Fair Value Measurement

The County 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 those that lack significant observable inputs. The County has $525,441,562 of Fair Value Level 1 inputs as of December 31, 2022, which are measured based on quoted market prices. Alternative investments are valued using the net asset value per share as determined by investment managers. This practical expedient allows net asset value per share to represent fair value for reporting purposes when the criteria for using this method are met.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

D. Discretely Presented Component Unit – Montgomery County Community College

The College categorizes its fair value measurements within the fair value hierarchy and has the following recurring fair value measurements as of June 30, 2022:

	June 30, 2022			
	Total	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3
College:				
Fixed Income:				
US Treasury	$ 6,675,582	$ -	$ 6,675,582	$ -
Government Agencies	2,592,919	-	2,592,919	-
Corporate Bonds	4,452,758	-	4,452,758	-
Mutual Funds:				
US Large Cap	10,360,238	10,360,238	-	-
US Small Cap	2,569,032	2,569,032	-	-
Bond Funds	2,947,735	2,947,735	-	-
Developed International	4,651,707	4,651,707	-	-
Emerging Markets	1,754,456	1,754,456	-	-
Hedge Funds	1,319,714	1,319,714	-	-
Real Asset Funds	1,283,919	1,283,919	-	-
Foundation:				
Municipal Bonds	532,609	-	532,609	-
Mutual Funds - Fixed Income	3,644,303	3,644,303	-	-
Common Stock	5,099,338	5,099,338	-	-
Exchange Traded Funds	2,565,742	2,565,742	-	-
Mutual Funds - Equities	1,894,543	1,894,543	-	-
Total	52,344,595	$ 38,090,727	$ 14,253,868	$ -
Alternative Investments (NAV)	1,688,244			
Total Investments	$ 54,032,839			

The valuation methods for recurring fair value measurements are as follows:

Mutual funds classified in Level 1 are valued using prices quoted in active markets for those securities.

Fixed income securities classified in Level 2 are valued based on using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Alternative investments are valued using the net asset value per share as determined by investment managers as a practical expedient that approximates fair value.

NOTE 3 REAL ESTATE TAXES

Real estate taxes attach as an enforceable lien on property as of January 1 and are levied on March 1. Independently elected tax collectors bill these taxes, except for municipalities that have elected to have the taxes collected by the County Treasurer. Taxes collected within 60 days are given a 2% discount. Amounts paid after 120 days are assessed a 10% penalty. The County collects delinquent real estate taxes on behalf of itself and other taxing authorities.

For 2022, County real estate taxes were levied at the rate of 3.932 mills on every dollar of assessed value of real estate for general and debt service purposes. Assessed values are established by the County Assessment Board and are based on the market value of the property.

NOTE 4 CAPITAL ASSETS

A. Primary Government

Capital asset activity of the primary government is as follows for the year ended December 31, 2022:

Governmental Activities	Balance as Restated at January 1, 2022	Additions	Deletions	Balance at December 31, 2022
Capital Assets Not Being Depreciated and Amortized:				
Land	$ 20,825,160	$ 4,087,018	$ -	$ 24,912,178
Construction in Process	171,883,483	74,764,363	5,058,997	241,588,849
Artifacts	17,695,165	-	-	17,695,165
Total Capital Assets Not Being Depreciated	210,403,808	78,851,381	5,058,997	284,196,192
Capital Assets Being Depreciated and Amortized:				
Land Improvements	41,174,379	3,056,723	165,818	44,065,284
Buildings and Improvements	235,598,139	5,703,063	1,083,189	240,218,013
Equipment and Furniture	56,460,520	19,573,726	8,306,711	67,727,535
Infrastructure	111,843,160	14,614,410	1,971,278	124,486,292
Vehicles	4,365,666	1,287,892	-	5,653,558
Right-to-Use Assets	35,698,123	7,982,325	-	43,680,448
Total Capital Assets Being Depreciated and Amortized	485,139,987	52,218,139	11,526,996	525,831,130
Less Accumulated Depreciation and Amortization:				
Land Improvements	14,907,765	1,300,181	165,818	16,042,128
Buildings and Improvements	112,869,745	6,761,318	1,083,189	118,547,874
Equipment and Furniture	40,503,396	6,165,588	8,306,711	38,362,273
Infrastructure	30,264,547	2,481,439	1,971,278	30,774,708
Vehicles	1,498,261	879,652	-	2,377,913
Right-to-Use Assets	-	5,092,844	-	5,092,844
Total Accumulated Depreciation and Amortization	200,043,714	22,681,022	11,526,996	211,197,740
Total Capital Assets Being Depreciated and Amortized, Net	285,096,273	29,537,117	-	314,633,390
Governmental Activities Capital Assets, Net	$ 495,500,081	$ 108,388,498	$ 5,058,997	$ 598,829,582

NOTE 4 CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

General Administration	$ 11,456,500
Judicial Administration	679,253
Corrections	1,717,997
Public Safety	3,616,158
History, Cultural Arts, and Recreation	2,463,927
Child Welfare	69,886
Adult Welfare	733
General Welfare	376,361
Public Works	2,300,207
Total Depreciation and Amortization Expense	$ 22,681,022

B. Discretely Presented Component Units

Capital asset activity of the discretely presented component units is as follows for the year ended December 31, 2022:

Montgomery County Community College

	Balance at July 1, 2021	Additions	Deletions	Balance at June 30, 2022
Capital Assets Not Being Depreciated:				
Land	$ 1,607,467	$ -	$ -	$ 1,607,467
Works of Art	4,191	-	-	4,191
Construction in progress	5,593,889	22,470,734	2,208,567	25,856,056
Total Capital Assets Not Being Depreciated	7,205,547	22,470,734	2,208,567	27,467,714
Capital Assets Being Depreciated:				
Building	117,665,515	-	-	117,665,515
Building Improvements	78,630,168	1,520,774	-	80,150,942
Leasehold Improvements	255,199	-	187,040	68,159
Land Improvements	12,765,417	26,745	-	12,792,162
Equipment and Furniture	25,031,577	1,836,985	421,395	26,447,167
Infrastructure	898,079	8,986	-	907,065
Total Capital Assets Being Depreciated	235,245,955	3,393,490	608,435	238,031,010
Less Accumulated Depreciation	81,947,177	6,085,238	594,114	87,438,301
Total Capital Assets Being Depreciated, Net	153,298,778	(2,691,748)	(14,321)	150,592,709
MCCC Capital Assets, Net	$ 160,504,325	$ 19,778,986	$ 2,222,888	$ 178,060,423

Depreciation expense for the Community College was $6,085,238.

NOTE 4 CAPITAL ASSETS (CONTINUED)

B. Discretely Presented Component Units (Continued)

Valley Forge Tourism and Convention Board

	Balance at January 1, 2022	Additions	Deletions	Balance at December 31, 2022
Capital Assets Being Depreciated:				
Office Equipment	$ 159,750	$ 96,440	$ -	$ 256,190
Furniture and Fixtures	279,046	-	-	279,046
Leasehold Improvements	221,821	33,300	-	255,121
Right-to-Use Assets	403,504	-	-	403,504
Total Capital Assets Being Depreciated	1,064,121	129,740	-	1,193,861
Less Accumulated Depreciation	477,135	98,381	-	575,516
Valley Forge Capital Assets, Net	$ 183,482	$ 31,359	$ -	$ 618,345

Depreciation expense for the Bureau was $98,381.

Montgomery County-Norristown Public Library

	Balance at January 1, 2022	Additions	Deletions	Balance at December 31, 2022
Capital Assets Being Depreciated:				
Books and Collections	$ 9,371,195	$ 323,963	$ -	$ 9,695,158
Improvements	492,477	-	-	492,477
Furniture and Equipment	113,867	34,792	-	148,659
Computer Equipment	218,327	-	-	218,327
Vehicles	687,778	112,478	141,440	658,816
Total Capital Assets Being Depreciated	10,883,644	471,233	141,440	11,213,437
Less Accumulated Depreciation	9,940,986	412,867	141,440	10,212,413
Library Capital Assets, Net	$ 942,658	$ 58,366	$ -	$ 1,001,024

Depreciation expense for the Library was $412,867.

Redevelopment Authority of the County of Montgomery

	Balance at January 1, 2022	Additions	Deletions	Balance at December 31, 2022
Capital Assets Being Depreciated:				
Buildings and Improvements	$ 4,725	$ -	$ -	$ 4,725
Furniture and Fixtures	51,715	-	-	51,715
Computer Equipment	38,292	-	-	38,292
Office Equipment	3,403	-	-	3,403
Total Capital Assets Being Depreciated	98,135	-	-	98,135
Less Accumulated Depreciation	98,135	-	-	98,135
Total Capital Assets Being Depreciated, Net	-	-	-	-
Property Not Being Depreciated	2,157,788	-	-	$ 2,157,788
RDA Capital Assets, Net	$ 2,157,788	$ -	$ -	$ 2,157,788

Depreciation expense for the Authority was $-0-.

NOTE 5 DUE FROM OTHER GOVERNMENTS

Amounts due from other governments are primarily grants receivable from the Commonwealth of Pennsylvania at December 31, 2022.

NOTE 6 LONG-TERM OBLIGATIONS

Changes in the primary government long-term obligations for the year ended December 31, 2022 are as follows:

	January 1, 2022	Increases	Decreases	December 31, 2022	Due Within One Year
Bonds and Notes Payable:					
General Obligation Bonds	$ 440,720,000	$ 153,155,000	$ 28,480,000	$ 565,395,000	$ 25,150,000
General Obligation Notes	28,080,000	-	5,885,000	22,195,000	10,785,000
Deferred Amounts, Premiums	73,656,111	22,255,901	6,241,984	89,670,028	6,696,928
Total Bonds and Notes Payable	542,456,111	175,410,901	40,606,984	677,260,028	42,631,928
Other Long-Term Liabilities:					
Nonexchange Financial Guarantees	10,225,000	-	1,030,000	9,195,000	1,050,000
Settlements Payable	500,000	-	-	500,000	-
Net Pension Liability	53,257,603	166,222,949	-	219,480,552	-
Compensated Absences	15,328,955	1,132,794	1,143,987	15,317,762	1,677,186
Total Other Long-Term Liabilities	79,311,558	167,355,743	2,173,987	244,493,314	2,727,186
Total Long-Term Obligations	$ 621,767,669	$ 342,766,644	$ 42,780,971	$ 921,753,342	$ 45,359,114

The General Fund has been used to liquidate other long-term liabilities in prior years.

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Debt

Bonds and notes payable at December 31, 2022 are comprised of the following individual issues:

Description	Interest Rates	Final Maturity Date	Amount Outstanding
Series B 2006 General Obligation Bonds	4.00% to 5.25%	2025	$ 7,995,000
Series C 2009 General Obligation Note	2.25% to 5.00%	2024	1,415,000
2013 Series General Obligation Bonds	1.50% to 5.00%	2033	29,875,000
2015 Series General Obligation Bonds	3.00% to 5.00%	2031	18,315,000
2016 Series A General Obligation Bonds	3.00% to 5.00%	2036	43,430,000
2016 Series B General Obligation Bonds	2.00% to 2.62%	2032	35,985,000
2016 Series C General Obligation Bonds	2.00% to 2.80%	2031	6,505,000
2017 Series A General Obligation Bonds	3.00% to 5.00%	2037	45,265,000
2017 Series B General Obligation Bonds	5.00%	2024	5,960,000
2017 Series C General Obligation Bonds	2.125% to 5.00%	2037	8,840,000
2017 Series D General Obligation Bonds	2.00% to 3.10%	2032	2,485,000
2018 Series A General Obligation Notes	5.00%	2024	20,525,000
2018 Series B General Obligation Notes	3.00% to 5.00%	2024	255,000
2019 Series A General Obligation Bonds	1.56% to 2.56%	2039	42,265,000
2019 Series B General Obligation Bonds	1.56% to 2.56%	2039	11,315,000
2019 Series C General Obligation Bonds	1.50% to 3.30%	2039	48,320,000
2021 Series A General Obligation Bonds	5%	2041	93,150,000
2021 Series B General Obligation Bonds	5%	2041	12,535,000
2022 Series General Obligation Bonds	5%	2042	153,155,000
Subtotal			587,590,000
Current Portion			(35,935,000)
Total			$ 551,655,000

The County has pledged its full faith, credit, and taxing power for the repayment of the above obligations.

Maturities for all general obligation debt for the next five years and five-year increments thereafter are as follows:

Year Ending December 31,	Principal	Interest	Totals
2023	$ 35,935,000	$ 25,740,913	$ 61,675,913
2024	37,720,000	24,475,864	62,195,864
2025	33,600,000	22,543,059	56,143,059
2026	31,795,000	20,958,308	52,753,308
2027	33,210,000	19,529,352	52,739,352
2028 to 2032	170,410,000	75,765,223	246,175,223
2033 to 2037	142,345,000	43,252,594	185,597,594
2038 to 2042	102,575,000	13,076,738	115,651,738
Total	$ 587,590,000	$ 245,342,049	$ 832,932,049

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Discretely Presented Component Units Long-Term Debt

Long-term debt payable at December 31, 2022, is comprised of the following individual issues:

Montgomery County Community College – Long-term debt consists of the following at June 30, 2022:

Description	Interest Rates	Final Maturity Date	Amount Outstanding
College Revenue Bonds:			
Series of 2015	2.00% to 5.00%	2035	$ 37,305,000
Series of 2021	1.00% to 4.00%	2045	41,350,000
Series of 2022	1.75%	2032	1,169,957
Bond Premiums			4,949,417
Subtotal			84,774,374
Current Portion			(8,567,758)
Total			$ 76,206,616

Future minimum principal payments required under long-term debt are as follows:

Year Ending June 30,	Amount	Interest	Totals
2023	$ 8,072,865	$ 2,709,581	$ 10,782,446
2024	8,318,826	2,476,813	10,795,639
2025	8,525,205	2,254,753	10,779,958
2026	6,433,061	2,011,933	8,444,994
2027	6,405,000	1,781,276	8,186,276
2028 to 2032	23,400,000	5,793,282	29,193,282
2033 to 2037	13,930,000	2,194,504	16,124,504
2038 to 2042	3,180,000	614,536	3,794,536
2043 to 2045	1,560,000	126,400	1,686,400
Total	$ 79,824,957	$ 19,963,078	$ 99,788,035

Long-term liability changes are summarized below:

	July 1, 2021	Increases	Decreases	June 30, 2022	Due Within One Year
Long-Term Debt	$ 91,751,342	$ 1,169,957	$ 8,146,925	$ 84,774,374	$ 8,567,758
Financed Purchase Obligation	10,833,955	99,022	1,351,464	9,581,513	1,138,510
OPEB Liability	80,287,691	-	15,090,500	65,197,191	729,044
Net Pension Liability	3,922,517	-	532,975	3,389,542	-
Total	$ 186,795,505	$ 1,268,979	$ 25,121,864	$ 162,942,620	$ 10,435,312

For the year ended June 30, 2022, the Community College incurred interest expense of $3,429,366, of which nothing was capitalized.

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Discretely Presented Component Units Long-Term Debt (Continued)

Montgomery County-Norristown Public Library – Long-term liability changes are summarized below:

	January 1, 2022	Increases	Decreases	December 31, 2022
Compensated Absences	$ 228,316	$ -	$ 34,266	$ 194,050

Redevelopment Authority of the County of Montgomery – Long-term debt consists of the following at December 31, 2022:

Description	Interest Rates	Final Maturity Date	Amount Outstanding
High Street Corporate Center TIF	12.25%	2023	$ 279,791
Ardmore Crossing TIF	6.50% to 5.00%	2026	68,025
Whitemarsh TIF:			
Angus Tract	3.11%	2024	688,972
Sheep Tract	6.50%	2025	586,000
401 Dekalb TIF	6.31%	2028	265,538
Seven Tower Bridge TIF	5.25%	2029	2,094,000
HUD Section 108 Loans:			
Ambler Boiler House	Variable	2031	2,050,000
PENNVEST, Washington Street Acquisition	2.76% to 3.46%	2031	732,349
Subtotal			6,764,675
Current Portion			(1,265,000)
Total			$ 5,499,675

Future minimum principal payments required under long-term debt are as follows:

Year Ending December 31,	Amount	Interest	Totals
2023	$ 1,265,000	$ 303,218	$ 1,568,218
2024	1,219,435	217,076	1,436,511
2025	713,939	168,150	882,089
2026	664,503	137,751	802,254
2027	676,690	109,528	786,218
2028-2032	2,225,108	159,792	2,384,900
Total	$ 6,764,675	$ 1,095,515	$ 7,860,190

Long-term liability changes are summarized below:

	January 1, 2022	Increases	Decreases	December 31, 2022	Due Within One Year
Bonds and Loans Payable	$ 9,664,070	$ 709,166	$ 960,038	$ 9,413,198	$ 1,285,980

NOTE 7 LEASES

Leases - Lessor

County as Lessor

The County has entered into various non-cancelable lease agreements as lessor for buildings, land, and equipment. The County's leases mostly have initial terms from 5 to 25 years, with the exception of two leases that have initial terms of 40 years, and contain one or more renewals at the County's option, most commonly for five-year periods. The County has included these renewal periods in the lease term when they are both noncancellable and reasonably certain to be exercised. The County's lease arrangements do not contain any material residual value guarantees. The County utilizes the interest rate implicit in the leases, as it is readily determinable. Although the County is exposed to changes in the residual value at the end of the current leases, the County typically enters new leases and therefore will not immediately realize any reduction in residual value at the end of these leases. During the year ended December 31, 2022, the County recognized $582,670 and $261,032 in lease revenue and interest revenue, respectively, pursuant to these contracts.

As of December 31, 2022, the principal and interest requirements to maturity for the leases receivable are as follows:

	Governmental Activities		
Year Ending December 31,	Principal	Interest	Total
2023	$ 641,631	$ 229,458	$ 871,089
2024	705,094	194,887	899,981
2025	700,704	157,747	858,451
2026	291,460	133,714	425,174
2027	212,808	121,368	334,176
2028-2032	855,593	459,922	1,315,515
2033-2037	845,607	255,113	1,100,720
2038-2042	512,932	68,664	581,596
2043-2047	77,444	1,837	79,281
Total Minimum Lease Payments	$ 4,843,273	$ 1,622,710	$ 6,465,983

NOTE 7 LEASES (CONTINUED)

Leases - Lessee

County as Lessee

The County has entered into various non-cancelable lease agreements as lessee for buildings, equipment, and land. The County's leases have initial terms from 3 years to over 80 years and contain one or more renewals at the County's option, most commonly for five-year periods. The County has generally included these renewal periods in the lease term when it is reasonably certain that the County will exercise the renewal option. The County's leases generally do not include termination options for either party to the lease or restrictive financial or other covenants. Certain real estate leases require additional payments for common are maintenance, real estate taxes, and insurance, which are expensed as incurred as variable lease payments. For building leases that include variable payments, those include payments for the County's proportionate share of the building's property taxes, insurance, and common area maintenance. The County's lease arrangements do not contain any material residual value guarantees. The County utilizes the interest rate implicit in the leases, as it is readily determinable.

The future principal and interest lease payments as of December 31, 2022, were as follows:

Year Ending June 30,	Principal	Interest	Total
2023	$ 4,435,584	$ 1,991,873	$ 6,427,457
2024	3,943,037	1,713,473	5,656,510
2025	3,922,038	1,507,244	5,429,282
2026	4,103,531	1,299,562	5,403,093
2027	4,189,545	1,084,699	5,274,244
2028-2032	11,125,747	3,101,029	14,226,776
2033-2037	4,442,221	1,291,645	5,733,866
2038-2042	2,978,545	434,134	3,412,679
2043 and Thereafter	59,586	257	59,843
Total Minimum Lease Payments	$ 39,199,834	$ 12,423,916	$ 51,623,750

As of December 31, 2022, the County had outstanding leases as shown in the charts below:

	January 1, 2022	Increases	Decreases	Remeasurements	December 31, 2022
Lease Liability: Right-to-Use	$ 35,698,123	$ 7,982,325	$ 4,480,614	$ -	$ 39,199,834
Total Lease Liability: Right-to-Use	$ 35,698,123	$ 7,982,325	$ 4,480,614	$ -	$ 39,199,834

	Balance January 1, 2022	Increases	Decreases	Remeasurements	Balance December 31, 2022
Lease Asset: Right-to-Use	$ 35,698,123	$ 7,982,325	$ 5,092,844	$ -	$ 38,587,604
Total Lease Asset: Right-to-Use	$ 35,698,123	$ 7,982,325	$ 5,092,844	$ -	$ 38,587,604

NOTE 7 LEASES (CONTINUED)

Leases – Lessee (Continued)

County as Lessee (Continued)

As of December 31, 2022, the County had the right-to-use assets acquired through outstanding leases as shown in the charts below:

Right-to-Use Lease Assets:	
Equipment	$ 275,854
Buildings	43,404,694
Subtotal	43,680,548
Less: Accumulated Amortization	(5,092,844)
Total	$ 38,587,704

Discretely Presented Component Units

Montgomery County Community College

The College has certain equipment and computer equipment under noncancelable leases. The College recognizes a lease liability and an intangible lease asset in the financial statements. These leases expire at various dates through 2028.

The following is a schedule of future minimum lease payments for lease liabilities as of June 30, 2022:

The College has entered into financed purchase payable agreements. It is expected that in the normal course of business, such purchase payables will continue to be required.

Computer equipment included in capital assets at June 30, 2022 is as follows:

Computer Equipment	$ 247,737
Energy Savings Equipment	17,633,757
Culinary Arts Equipment	612,148
Accumulated Depreciation	(2,833,325)
Total	$ 15,660,317

NOTE 7 LEASES (CONTINUED)

Discretely Presented Component Units (Continued)

Montgomery County Community College (Continued)

Future minimum payments required under the finance purchase arrangements and the present value at June 30, 2022 is:

Year Ending June 30,	Financed Purchase Arrangements
2023	$ 959,370
2024	962,142
2025	943,801
2026	969,185
2027	995,252
2028 to 2032	2,875,477
2033 to 2037	2,610,532
2038 to 2042	573,067
Total Minimum Lease Payments	10,888,826
Amount Representing Interest	2,158,480
Present Value of Net Minimum Lease Payments	8,730,346
Current Obligations	679,561
Total	$ 8,050,785

Valley Forge Convention and Visitors Bureau, Ltd.

The Board has entered into a financed purchase arrangement expiring in March 2024. The Bureau received rent abatement for the first six months until April 2009. At that time, the annual charge of $22.50 per square foot commenced for the 9,645 square feet occupied. Each year thereafter, the square footage charge will increase in $.50 increments. The Bureau also has various automobile and equipment leases, which have monthly payments ranging from $381 to $930.

Future minimum lease payments for the financed purchase arrangement are as follows:

Year Ending December 31,	Amount
2023	$ 314,153
2024	97,047
2025	14,992
2026	4,650
Total Minimum Lease Payments	430,842
Amount Representing Interest	4,602
Present Value of Net Minimum Lease Payments	426,240
Current Obligations	310,329
Total	$ 115,911

Rental expense was $276,726 in 2022.

NOTE 8 CONTINGENCIES

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

NOTE 9 COMMITMENTS

Construction Commitments

At the end of 2022, there was approximately $317,411,956 of contractually committed construction contracts signed in 2023 for various repair and construction projects.

NOTE 10 DEFINED BENEFIT PENSION PLAN

A. Plan Description

1. Plan Administration

The Employees' Retirement Board administers the Montgomery County Employees Pension Plan, a single-employer defined benefit pension plan that covers all full-time salaried employees of the County. The plan is regulated according to the County Pension Law Act 96 of 1971, as amended. The Board consists of five members consisting of the three County elected commissioners, the elected County Controller, and the County elected Treasurer.

2. Plan Membership

At December 31, 2022, plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	2,523
Inactive Plan Members Entitles to But Not Yet Receiving Benefits	503
Active Plan Members	2,426
Total	5,452

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

A. Plan Description (Continued)

2. Plan Membership (Continued)

Benefits Provided

The Montgomery County Employees Pension Plan provides retirement, disability, and death benefits. Retirement benefits for plan members are calculated as a percent of the member's highest three-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 that have attained age 60 are eligible to retire. All plan members are eligible for disability benefits after five years of service if disabled while in service and unable to continue as a County employee. Disability retirement benefits are equal to 25% of highest average salary at time of retirement. Death benefits for a member who dies with ten 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 five years of service may withdraw his or her contributions, plus any accumulated interest.

Contributions

An actuarially determined contribution is recommended by the plan 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 2022 measurement period, the active member contribution rate was 5.0% of annual pay, and the County average contribution rate was 11.18% of annual payroll.

B. Investments

1. Investment Policy

The plan's policy in regard to the allocation of invested assets is established and may be amended by the Board of Trustees by a majority vote of its members. It is the policy of the Board of Trustees to pursue an investment strategy that reduces risk through prudent diversification of the portfolio across a broad selection of distinct asset classes. The plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of December 31, 2022:

	Target Allocation
Asset Class:	
Domestic Equity	27.50 %
International Equity	27.50
Fixed Income	35.00
Real Estate/Alternative	10.00
Cash	-
Total	100.00 %

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Investments (Continued)

2. Concentrations

The County has invested in six individual mutual funds with Vanguard, each having a value greater than 5% of the total plan fiduciary net position.

3. Rate of Return

For the year ended December 31, 2022, the annual money-weighted rate of return on plan investments, net of plan investment expense, was -16.13%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

C. Net Pension Liability of the County

The components of the net pension liability of the County at December 31, 2022 were as follows:

Total Pension Liability	$ 753,097,707
Plan Fiduciary Net Position	533,617,155
Net Pension Liability	$ 219,480,552
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.86%

1. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of January 1, 2022, rolled-forward to December 31, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0%
Salary Increases	3.5%, average, including inflation
Investment Rate of Return	7.5%, net of pension plan investment expenses, Including inflation

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

The actuarial assumptions used in the January 1, 2022 measurement period were based on past experience under the plan and reasonable future expectations, which represent our best estimate of anticipated experience under the plan. An actuarial experience study was performed during 2016; however, no modifications to assumptions were made as a result. No ad hoc postemployment benefit changes were included in future liability.

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

C. Net Pension Liability of the County (Continued)

1. Actuarial Assumptions (Continued)

The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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 weighting 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 plan's target asset allocation as of December 31, 2022 (see the plan's investment policy) are summarized in the following table:

	Long-Term Expected Real Rate of Return
Asset Class:	
Domestic Equity	5.4 to 6.4%
International Equity	5.5 to 6.5%
Fixed Income	1.3 to 3.3%
Real Estate/Alternative	4.5 to 5.5%
Cash	0.0 to 1.0%

2. Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that plan members' 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 plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long- term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

3. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the County, calculated using the discount rate of 7.5%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net Pension Liability	$ 298,342,061	$ 219,480,552	$ 153,376,195

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

C. Net Pension Liability of the County (Continued)

4. Pension Liabilities. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022, the County reported a liability of $219,480,552 for the net pension liability. The total pension liability was based on an actuarial valuation dated January 1, 2022 and updated procedures were used to roll forward the total pension liability to the December 31, 2022 measurement date.

For the year ended December 31, 2022, the County recognized pension expense of $43,624,236 At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 3,973,372	$ 3,892,941
Net Difference Between Projected and Actual Earnings on Plan Investments	81,858,144	-
Difference Between Expected and Actual Changes in Assumptions	21,424,297	-
Total	$ 107,255,813	$ 3,892,941

Amounts reported as deferred outflows or resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2023	$ 15,747,813
2024	26,788,864
2025	30,213,217
2026	30,612,978
Total	$ 103,362,872

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

C. Net Pension Liability of the County (Continued)

5. Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - December 31, 2021	$ 713,349,204	$ 660,091,601	$ 53,257,603
Changes for the Year:			
Service Cost	11,607,087	-	11,607,087
Interest on Total Pension Liability	54,308,310	-	54,308,310
Differences Between Expected and Actual Experience	(5,235,334)	-	(5,235,334)
Changes of Assumptions	28,811,984	-	28,811,984
Contributions - Employer	-	17,854,046	(17,854,046)
Contributions - Member	-	10,161,687	(10,161,687)
Net Investment Income	-	(104,371,891)	104,371,891
Benefit Payments, Including Refunds of Member Contributions	(49,743,544)	(49,743,544)	-
Administrative Expenses	-	(374,992)	374,992
Other Changes	-	248	(248)
Net Changes	39,748,503	(126,474,446)	166,222,949
Balances - December 31, 2022	$ 753,097,707	$ 533,617,155	$ 219,480,552

D. Discretely Presented Component Units

Montgomery County Community College

Employees of the Community College are required to enroll in one of three available retirement plans immediately upon employment. The Pennsylvania State Employees' Retirement System (SERS) and the Public School Employees' Retirement System (PSERS) each administer a cost-sharing, multiple-employer defined benefit plan. The Teachers Insurance and Annuity Association/College Retirement and Equity Fund (TIAA/CREF) administers a multiple-employer defined contribution plan.

The SERS was established by the Commonwealth to provide pension benefits for employees of state government and certain other organizations. The SERS provides retirement, death, and disability benefits. Participants in the SERS may receive retirement benefits after satisfying age and length of service requirements. The retirement benefit is calculated using a formula based on class of service, years of credited service, salary, and age. Employer and employee contribution rates are established by statute. Employees who participate in the SERS, dependent upon membership class, are required to make a contribution equal to 5.00% or 9.30% of their gross pay. Participating employer contributions for the SERS are based upon an actuarially determined percentage of gross pay that is necessary to provide the SERS with assets sufficient to meet the benefits to be paid to members.

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

D. Discretely Presented Component Units (Continued)

Montgomery County Community College (Continued)

The Community College contribution rate at June 30, 2022, was 25.90% of gross pay. According to the Commonwealth Retirement Code, all obligations of the SERS will be assumed by the Commonwealth should the SERS terminate. The contribution to the SERS for the year ended June 30, 2022, was $133,697.

The PSERS was established under the provisions of P. L. 1043, No. 343 to provide allowances and other benefits, including death, disability, and health care benefits, to members. Participants in the PSERS may receive monthly retirement benefits after satisfying age and length of service requirements. PSERS' basic formula to calculate retirement benefits is based on a pension multiplier, credited years of service and final average salary. The contribution policy is set by the Pennsylvania Public School Employees' Retirement Code and requires contributions by active members, employers, and the Commonwealth. PSERS has four membership classes, Class T-C, Class T-D, Class T-E and Class T-F. The membership class, in part, determines member contribution rate as well as hire date. The membership class rates range from 5.25% to 12.3%. The contributions required of the employer and the Commonwealth are based upon an actuarial valuation using the "entry age normal" method computed as a percentage of the total compensation of all active members during the period for which the amount is determined. The Community College and Commonwealth contribution rates at June 30, 2022, was 34.94%. The contribution to the PSERS for the year ended June 30, 2022, was $331,913.

The TIAA/CREF is an option to employees who wish to participate in a program whose benefits depend solely on amounts contributed plus investment earnings. Employer and employee contribution rates are established by statute. Each employee who elects to participate in this plan is required to make contributions equal to 5.00% of total annual compensation. The Community College contribution rate at June 30, 2022, was 11% of each enrolled employee's total annual compensation. Beyond that salary-based contribution, the Community College bears no responsibility for any liabilities, funded or unfunded, of the TIAA/CREF. Contributions are immediately and fully vested. The contribution to the TIAA/CREF for the year ended June 30, 2022, was $8,683,752, which consisted of $4,498,227 from the Community College and $4,185,525 from employees.

Valley Forge Tourism and Convention Board

The Board offers a retirement plan to its employees who are at least 21 years of age.

Participants in the plan can contribute from 1% to 15% of their base compensation. Bureau contributions are discretionary and may equal a dollar-for-dollar match up to 5% of the participant's base salary. The plan is administered by the Mass Mutual Retirement Services. The Bureau contribution for the year ended December 31, 2022, was $75,112.

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

D. Discretely Presented Component Units (Continued)

Montgomery County-Norristown Public Library

The Library has a defined contribution pension plan for its employees who have completed two years of service. Prior to September 2009, the Library was obligated to contribute 2.75% of salary to the plan for each participating employee. Effective September 2009, the Library will only make annual discretionary contributions, as funding permits. The total number of plan members is 25 and all members are considered general employees. The total contributions to the pension plan by employees for the year ended December 31, 2022, was $97,587.

The Library has also established a supplemental retirement annuity plan, which is funded solely through employee contributions.

NOTE 11 SELF-INSURANCE PROGRAM

In January 1996, the County established Internal Service Funds to account for and finance risk of loss due to employee claims for workers' compensation and property damage claims. Under the Workers' Compensation Program, the Workers' Compensation Fund provides coverage up to a maximum of $1,000,000 for each individual workers' compensation occurrence. Under the Property Damage Program, the Property Damage Fund provides coverage up to a maximum of $100,000 for each individual property damage occurrence. The County purchases commercial insurance for claims in excess of coverage provided by the Funds. Settled claims have not exceeded this commercial coverage in the last three years of self-insurance.

All County employees, except elected officials, are covered by the Workers' Compensation Fund. Funds from the General Fund are transferred to the Workers' Compensation Fund based on estimates of the amounts needed to pay prior and current year claims.

Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

The reconciliation of changes in the aggregate liabilities for the current year and the prior year are as follows:

Year Ending December 31,	Balance - Beginning of Year	Current Year Changes in Estimates	Estimated Losses	Claims Payments (Cash Basis)	Balance - Beginning of Year
2021	$ 1,127,558	$ 1,812,077	$ 1,445,296	$ (2,424,457)	$ 1,960,474
2022	1,960,474	52,375	1,465,684	(1,514,248)	1,964,285

NOTE 11 SELF-INSURANCE PROGRAM (CONTINUED)

The County established the Medical Self-Insurance Fund (the Medical Fund) on January 1, 2010, to provide resources to pay the medical, prescription and vision claims of employees and their dependents. The County pays an average of 89% of the employee's coverage cost. The employee's portion of the coverage cost is withheld from the employee and transferred to the Medical Fund each pay period. Interfund charges are treated as charges for services paid from the other County funds to the Medical Fund.

Included in this Medical Fund are the County's self-funded Personal Choice PPO Plan, self-funded Keystone 10 HMO Plan, and self-funded Keystone C3F3 HMO Plan.

The HMO Plan and the PPO Plan (In Network) cover each participant for claim payments on an unlimited basis. The PPO Plan (Out-of-Network) covers claims not to exceed $1,000,000 during the participant's lifetime. Specific medical and prescription drug claims in the plans exceeding $300,000 are covered through a private insurance carrier up to the $5,000,000 lifetime per participant limit.

A liability of $3,007,852 for the estimated cost of claims incurred prior but paid subsequent to December 31, 2022, has been accrued and is included in the governmental activities on the statement of net position. Changes in the accrued Workers' Compensation liability during the years ended December 31, 2022 and 2021 are as follows:

	2021	2022
Balance, beginning of year	$ 2,794,122	$ 2,436,776
Additions	33,117,355	32,690,168
Deletions	(33,474,701)	(32,119,092)
Balance, end of year	$ 2,436,776	$ 3,007,852

NOTE 12 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables, payables and transfers of the primary government were comprised of the following amounts on an individual fund basis at December 31, 2022:

	Due from Other Funds	Due to Other Funds	Transfers In	Transfers Out
General Fund	$ 30,639,544	$ 13,731,931	$ -	$ -
Health Choices Fund	2,116,167	3,726,232	-	-
American Rescue Plan Fund	-	8,497,005	-	-
Capital Fund	2,980	1,066,035	-	-
Nonmajor Governmental Funds	2,485,452	13,080,354	-	-
Proprietary Funds	9,796,070	4,938,656	-	-
Total	$ 45,040,213	$ 45,040,213	$ -	$ -

Due to and Due from Other Funds

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

NOTE 12 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Transfers

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to move unrestricted revenue collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 13 FUND BALANCE CLASSIFICATIONS AND DEFICIT

The County presents its governmental fund balances by level of constraint in the aggregate on its balance sheet – governmental funds. The individual specific purposes of each constraint are presented below as of December 31, 2022:

	General Fund	Health Choices Fund	American Rescue Plan Act Fund	Capital Fund	Nonmajor Funds
Nonspendable for:					
Prepaid Expenses	$ 2,078,516	$ -	$ -	$ -	$ -
Restricted for:					
Medicaid Beneficiaries	$ -	$ 49,856,409	$ -	$ -	$ -
COVID-19 Relief	-	-	2,432,901	-	21,446,859
Capital Projects	-	-	-	111,962,443	10,361,780
Roads and Bridges	-	-	-	-	9,372,955
Emergency Communications	-	-	-	-	5,037,961
Higher Education	-	-	-	-	1,474,976
Liquid Fuels	-	-	-	-	13,063,584
Title IV-D	-	-	-	-	5,641
Housing and Community Development	-	-	-	-	5,726,489
Farmland Preservation	-	-	-	-	731,819
Records Improvement	-	-	-	-	3,049,636
Correctional Facility Welfare	-	-	-	-	301,890
Juvenile Probation	-	-	-	-	240,597
Photo ID Program	-	-	-	-	2,180
District Attorney	-	-	-	-	2,059,342
Surplus Assets	-	-	-	-	406,252
Clerk of Courts	-	-	-	-	447,013
Prothonotary	-	-	-	-	1,101,027
Recorder of Deeds	-	-	-	-	1,685,846
Sheriff	-	-	-	-	56,429
Register of Wills	-	-	-	-	904,315
Coroner	-	-	-	-	75,324
Regional Task Force	-	-	-	-	941,047
Local Victim Services Fund	-	-	-	-	76,262
Federal Emergency Relief Fund	-	-	-	-	340,095
Opioid Settlement Fund	2,392,779	-	-	-	3,340
Total Restricted	$ 2,392,779	$ 49,856,409	$ 2,432,901	$ 111,962,443	$ 78,912,659
Assigned for:					
Capital Projects	$ -	$ -	$ -	$ -	$ 10,420,970
Debt Service Expenditures	13,100,000	-	-	-	-
Total Assigned	$ 13,100,000	$ -	$ -	$ -	$ 10,420,970

The Economic and Workforce Development Fund has an unassigned deficit of $28,766 as of December 31, 2022. The County anticipates future changes within revenues and expenditure controls within the fund which would lead to a positive change within the upcoming years.

NOTE 14 COMPONENT UNITS

Significant accounting policies for the component units included in the accompanying financial statements are described below.

Montgomery County Community College

Basis of Accounting – The financial statements have been prepared 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, as prescribed by the GASB. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. The Community College applies only the Financial Accounting Standards Board pronouncements issued before November 30, 1989, except those that conflict with GASB pronouncements.

Capital Assets – Capital assets are stated at cost at the date of acquisition or fair value at the date of donation in the case of gifts. Depreciation is recorded on the straight-line basis over the estimated useful lives of the assets as follows:

Building	50 Years
Leasehold Improvements	20 Years
Equipment and Library	5 to 10 Years

Compensated Absences – The Community College records a liability for both vacation earned but not yet paid, and an annual provision for unused sick days earned but not yet paid for employees covered under the union contract.

Montgomery County-Norristown Public Library

Basis of Presentation – The financial statements of the Library have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting standards. GASB has issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as GAAP for state and local governments that have implemented GASB Statement No. 34, *Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments,* issued in June 1999.

Basis of Accounting – The Library's basic financial statements include both government-wide and fund financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

NOTE 14 COMPONENT UNITS (CONTINUED)

Montgomery County-Norristown Public Library (Continued)

Capital Assets – Capital assets are defined as assets with an initial, individual cost of $1,000 or more and an estimated useful life greater than one year. Capital assets are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation is recorded on the straight-line basis over the estimated useful lives of the assets as follows:

Books and Collections	3 to 10 Years
Computers	5 Years
Furniture and Fixtures	7 Years
Building Improvements	7 Years
Vehicles and Bookmobile	5 to 10 Years

Compensated Absences – Employees of the Library are entitled to paid vacation depending on job classification, length of service and other factors. The Library has accrued $194,050 of compensated absences at December 31, 2022.

Valley Forge Tourism and Convention Board

Basis of Accounting – The Board uses the accrual basis of accounting.

Redevelopment Authority of the County of Montgomery

Basis of Accounting – The financial statements are reported using the economic resources measurement focus and 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.

Capital Assets – Capital assets are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

Building Improvements	40 Years
Furniture and Fixtures	5 to 7 Years
Computer Equipment	5 Years
Office Equipment	5 Years
Norristown “Mixed Use Facility”	5 to 40 Years

Maintenance and repairs of capital assets are expensed when incurred.

Montgomery County Transportation Authority

Basis of Presentation – The financial statements of the Transportation Authority are prepared in accordance with GASB Statement No. 34, *Basic Financial Statements--and Management’s Discussion and Analysis--for State and Local Governments.* GASB Statement No. 34 requires additional supplemental information as part of the basic financial statements.

NOTE 15 LITIGATION

The County is required to comply with certain PA DEP Landfill Post Closure Obligations. The obligations are specified in the Landfill Post Closure Plan and in a legal settlement agreement with GSK (signed by SKB the predecessor company to GSK). The County is responsible for ongoing leachate control, leachate discharge Compliance and groundwater monitoring. The County has not been named as a responsible party in any state or local action. In addition, the County is a party to a number of lawsuits that have arisen in the course of business. It is the opinion of management, as advised by legal counsel, that the aggregate amount of potential claims resulting from actions against the County would not materially affect the financial position of the County at December 31, 2022.

NOTE 16 POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

A. Primary Government

The County does not provide postretirement benefits other than pension.

B. Discretely Presented Component Units

1. Montgomery County Community College

Plan Description – The Community College sponsors a postretirement plan for benefits other than pensions. Benefits provided from the plan include retiree medical, prescription drugs, dental and life insurance. Eligible Community College retirees may continue health care coverage through the Community College. However, the Community College's contribution depends on an employee's hire date, age, and service at retirement. The plan is a single-employer plan administered by the Community College. The Community College pays premiums for medical, prescription drugs, dental and life insurance on behalf of eligible retirees at age 62 for life, if hired prior to January 1, 1999. For employees hired subsequent to January 1, 1999, the Community College pays premiums for medical prescription drugs, dental and life insurance at age 62. When the retiree becomes eligible for Medicare, the retiree is responsible for the full cost.

Plan Membership – At June 30, 2022, the OPEB plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	200
Active Plan Members	215
Total	415

Funding Policy – The contribution of plan members and the Community College are established and may be amended by the Community College's Board of Trustees. The plan is funded on a pay-as-you-go basis; i.e., premiums are paid to fund the health care benefits provided to current retirees. The Community College made estimated contributions to the plan of $2,157,719 and $2,103,879 for the fiscal years ended June 30, 2022 and 2021, respectively.

NOTE 16 POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

B. Discretely Presented Component Units (Continued)

1. Montgomery County Community College (Continued)

OPEB Liability – GASB Statement No. 75 – The OPEB liability of the Community College at June 30, 2022, was $65,197,190.

At June 30, 2022, the Community College reported deferred outflows of resources and deferred inflows of resources related to the OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 4,468,997	$ 13,763,925

Other amount reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Amount
2023	$ (2,003,653)
2024	(1,701,554)
2025	(1,884,975)
2026	(2,999,929)
2027	(704,817)
Total	$ (9,294,928)

Actuarial Assumptions – The OPEB liability was determined by an actuarial valuation as of July 1, 2021 and projected to June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Value Date	7/1/2021
Actuarial Cost Method	Entry age normal percentage of pay
Amortization Period	30 Years
Asset Valuation Method	Market Value
Inflation	3.00%
Wage Inflation	3.50%
Healthcare Cost Trend Rates	8% increase in the first year, decreasing by 0.5% per year to an ultimate rate of 5%; dental and vision claims assumed to increase by 4% per year

NOTE 16 POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

B. Discretely Presented Component Units (Continued)

1. Montgomery County Community College (Continued)

Actuarial Assumptions (Continued)

Salary Increases	4.00% average, including inflation
Investment Rate of Return	3.54% (6/30/2022 Bond Buyer Index AA) 2.16% (6/30/2021 Bond Buyer Index AA)
Retirement Age	10% at ages 62-64, 30% at 65, 25% at 66, 35% at 67, 40% at 68, 50% at 69, 100% at age 70
Mortality	RP-2000 Combined Healthy with Scale AA

Discount Rate – The discount rate used to measure the OPEB liability was 3.54%.

Sensitivity of the OPEB Liability to changes in the Discount Rate

The following presents the OPEB liability of the Community College, as well as what the Community College's OPEB liability would if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	$ 73,012,445	$ 65,197,190	$ 58,620,524

Sensitivity of the OPEB Liability to changes in the Healthcare Cost Trend Rates

The following presents the OPEB liability of the Community College, as well as what the Community College's OPEB liability would 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:

	Healthcare Cost		
	1% Decrease (7.0%)	Trend Rates (8.0%)	1% Increase (9.0%)
Total OPEB Liability	$ 57,821,301	$ 65,197,190	$ 74,045,218

NOTE 17 NONEXCHANGE FINANCIAL GUARANTEE

In 2010, the Redevelopment Authority of the County of Montgomery (discretely presented component unit) (the Authority) issued $6,200,000 Guaranteed Revenue Bonds, Series of 2010 (the Bonds). The proceeds of the bonds were used to pay a developer to fund certain redevelopment activities. The Bonds are payable form the developer pursuant to a loan agreement between the Authority and the developer. The County, as guarantor, has agreed to execute the Guaranty Agreement fully guaranteeing the payment of the principal amount of the Bonds together with interest thereon when due. The County's obligations guaranteeing the payment of the Bonds is a general obligation of the County. The bonds mature annually through 2030.

The developer has defaulted on its obligations, and as a result, it is more likely than not that the County will be required to pay the remaining portion of the debt service payments based on the guarantee. The interest and principal payments are to be paid by the County. During 2022, the County made principal and interest payments totaling $563,963 on the Bonds. The cumulative amount that has been paid by the County as of December 31, 2022 is $4,223,547.

On September 23, 2010, the U.S. Department of Housing and Urban Development (HUD) issued a loan to the Authority of $10,000,000 under the Section 108 Program. Under the terms of the financing agreement, the County guarantees the payment of principal and interest on the loan with its Community Development Block Grant funds. The Authority's obligation to repay the Section 108 loan is limited to the payments received from a developer.

The developer has defaulted on its obligations, and as a result, it is more likely than not that the County will be required to pay the remaining portion of the debt service payments based on the guarantee. The interest and principal payments are to be paid by the County. During 2022, the County made principal and interest payments totaling $883,260 on the Section 108 loan. The cumulative amount that has been paid by the County as of December 31, 2022 is $5,936,748.

A liability has been recognized for an amount that is the County's best estimate of the discounted present value of the future outflows the County expects to incur as a result of the guarantees. The liability recognized for the nonexchange financial guarantee at December 31, 2022 is as follows:

	January 1, 2022	Increases	Decreases	December 31, 2022
RDA Series of 2010	$ 3,895,000	$ -	$ (340,000)	$ 3,555,000
RDA HUD 108 Agreement	6,330,000	-	(690,000)	5,640,000
Total Guaranteed Debt	$ 10,225,000	$ -	$ (1,030,000)	$ 9,195,000

NOTE 18 SUBSEQUENT EVENTS

Series of 2023 General Obligation Bond Issue

In November 2023, the County issued the Series of 2023 General Obligation Bonds in the amount of $155,605,000. The proceeds of the bonds will be used to fund the County's ongoing five-year capital improvement program and payment of costs incurred by the County in connection with the bond issue. Moody's Investors Service reaffirmed the County's Aaa (stable outlook) credit rating for the 2023 bond series. More detailed information about the County's long-term liabilities can be found in Note 6.

REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF MONTGOMERY, PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BASIS) AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2022

	Original and Final Budget	Actual (GAAP Basis)	Variance with Final Budget Favorable (Unfavorable)
REVENUES			
Real Estate Taxes, Net:			
Current Year	$ 235,102,025	$ 235,781,116	$ 679,091
Prior Years and Liened Taxes	4,864,000	5,038,300	174,300
Total Taxes	239,966,025	240,819,416	853,391
Grants and Entitlements	190,061,726	193,152,577	3,090,851
Departmental Earnings	49,299,937	48,450,059	(849,878)
District Justices	2,200,000	2,217,572	17,572
Investment Income	510,000	1,727,591	1,217,591
Fines and Forfeits	160,000	81,725	(78,275)
Other	4,374,695	8,710,006	4,335,311
Total Revenues	486,572,383	495,158,946	8,586,563
EXPENDITURES			
General Administration	61,309,048	47,905,009	13,404,039
Judicial Administration	85,451,011	79,697,291	5,753,720
Corrections	71,575,839	65,710,314	5,865,525
Public Safety	8,109,652	11,097,933	(2,988,281)
History, Cultural Arts, and Recreation	7,365,734	7,052,337	313,397
Adult Welfare	20,484,487	17,843,933	2,640,554
Child Welfare	76,449,158	94,597,295	(18,148,137)
General Welfare	103,095,196	84,563,514	18,531,682
Community Development and Housing	2,070,521	1,848,552	221,969
Roads and Bridges, Construction and Reconstruction	234,322	167,953	66,369
Insurance	2,418,940	3,616,395	(1,197,455)
Debt Service	55,946,912	58,379,111	(2,432,199)
Other	1,997,195	3,052,692	(1,055,497)
Right-to-Use - Lease Expenditures	-	7,982,325	(7,982,325)
Total Expenditures	496,508,015	483,514,654	12,993,361
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,935,632)	11,644,292	21,579,924
OTHER FINANCING SOURCES (USES)			
Transfers Out	(2,053,472)	-	2,053,472
Right-to-Use Assets - Leases Issued	-	7,982,325	7,982,325
Total Other Financing Sources (Uses)	(2,053,472)	7,982,325	10,035,797
NET CHANGE IN FUND BALANCE	$ (11,989,104)	19,626,617	$ 31,615,721
Fund Balance - Beginning of Year		121,433,248	
FUND BALANCE - END OF YEAR		$ 141,059,865	

See accompanying Notes to Required Supplementary Information.

COUNTY OF MONTGOMERY, PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – HEALTH CHOICES FUND (SPECIAL REVENUE FUND)
YEAR ENDED DECEMBER 31, 2022

	Original and Final Budget	Actual (GAAP Basis)	Variance with Final Budget Favorable (Unfavorable)
REVENUES			
Grants and Entitlements	$ 200,000,000	$ 261,912,117	$ 61,912,117
Investment Income	100,000	249,167	149,167
Total Revenues	200,100,000	262,161,284	62,061,284
EXPENDITURES			
General Welfare	202,259,622	241,512,931	(39,253,309)
Total Expenditures	202,259,622	241,512,931	(39,253,309)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,159,622)	20,648,353	22,807,975
NET CHANGE IN FUND BALANCE	$ (2,159,622)	20,648,353	$ 22,807,975
Fund Balance - Beginning of Year		29,208,056	
FUND BALANCE - END OF YEAR		$ 49,856,409	

See accompanying Notes to Required Supplementary Information.

COUNTY OF MONTGOMERY, PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – AMERICAN RESCUE PLAN FUND (SPECIAL REVENUE FUND)
YEAR ENDED DECEMBER 31, 2022

	Original and Final Budget	Actual (GAAP Basis)	Variance with Final Budget Favorable (Unfavorable)
REVENUES			
Grants and Entitlements	$ 80,697,749	$ 30,779,737	$ (49,918,012)
Investment Income	47,000	2,415,511	2,368,511
Total Revenues	80,744,749	33,195,248	(47,549,501)
EXPENDITURES			
Public Safety	32,319,448	30,779,737	1,539,711
Total Expenditures	32,319,448	30,779,737	1,539,711
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	48,425,301	2,415,511	(46,009,790)
NET CHANGE IN FUND BALANCE	$ 48,425,301	2,415,511	$ (46,009,790)
Fund Balance - Beginning of Year		17,390	
FUND BALANCE - END OF YEAR		$ 2,432,901	

See accompanying Notes to Required Supplementary Information.

NOTE 1 BUDGETARY ACCOUNTING

In accordance with provisions of Section 1981 of Public Law No. 723 of the Commonwealth, as amended, commonly known as the County Code, the County prepares and adopts a budget on or before December 31 for the following year. The budget, as authorized by the Board of Commissioners, presents appropriations of the General Fund, Health Choices Fund, Emergency Communications Fund, and Liquid Fuels Tax Fund for the year on a cash basis. The budget does not include appropriations for amounts that will be expended in payment of obligations incurred under appropriations in the prior year's budget or for amounts that will be expended for certain social services and reimbursed by the federal government and the Commonwealth. The Title IV-D Fund, Housing and Community Development Fund, Economic and Workforce Development Fund and Records Improvement Fund are not subject to budgetary controls. In general, the County maintains budgetary control at the fund level and further classifies the detail budgets by major expenditure classification (salaries, fringe benefits, materials, and supplies, purchased services, capital outlay and insurance). Budgetary transfers and/or additional appropriations from additional revenues received or from unexpended funds appropriated but not spent in prior years, etc., must be approved by the County Commissioners. Expenditures cannot legally exceed the appropriations at the budgetary control levels described above. Appropriations which are not expended lapse at the end of the fiscal year.

Neither receipts nor disbursements made from the General Fund to other governmental operations are budgeted. This practice results in actual receipts and disbursements of the General Fund being in excess of budgeted receipts and disbursements.

NOTE 2 EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended December 31, 2022, expenditures exceeded appropriations in the General Fund in the public safety, child welfare, insurance, debt service, right-to-us leases, and other expenditure categories. These excess expenditures were funded by greater than anticipated revenues or excess fund balance.

COUNTY OF MONTGOMERY, PENNSYLVANIA
SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS
TEN FISCAL YEARS ENDED DECEMBER 31*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:									
Service Cost	$ 11,607,087	$ 11,277,596	$ 11,783,601	$ 11,441,973	$ 10,922,408	$ 13,175,575	$ 12,782,691	$ 12,378,722	$ 14,074,061
Interest	54,308,310	51,420,722	49,713,220	48,124,954	44,855,053	45,078,863	44,130,068	42,411,156	41,312,108
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-
Difference in Expected and Actual Experiences	(5,235,334)	6,536,794	3,418,052	28,860,608	(21,967,380)	(6,152,308)	4,863,928	(104,436)	(5,317,780)
Changes of Assumptions	28,811,984	-	-	-	-	-	-	-	-
Benefit Payments	(49,743,544)	(46,521,260)	(43,063,091)	(41,268,808)	(41,838,792)	(40,026,585)	(36,519,223)	(37,494,819)	(40,923,212)
Net Change in Total Pension Liability	39,748,503	22,713,852	21,851,782	47,158,727	(8,028,711)	12,075,545	25,257,464	17,190,623	9,145,177
Total Pension Liability – Beginning	713,349,204	690,635,352	668,783,570	621,624,843	629,653,554	617,578,009	592,320,545	575,129,922	565,984,745
Total Pension Liability – Ending (A)	$ 753,097,707	$ 713,349,204	$ 690,635,352	$ 668,783,570	$ 621,624,843	$ 629,653,554	$ 617,578,009	$ 592,320,545	$ 575,129,922
Plan Fiduciary Net Position:									
Contributions – Employer	$ 17,854,046	$ 16,439,320	$ 13,731,498	$ 10,813,939	$ 9,040,723	$ 8,982,753	$ 8,703,065	$ 3,588,805	$ 3,777,950
Contributions – Member	10,161,687	9,280,955	9,007,960	8,453,035	8,175,000	7,658,122	7,144,335	6,902,496	7,506,732
Net Investment Income	(104,371,891)	73,970,722	68,857,403	95,597,581	(28,916,968)	70,083,196	34,326,292	1,369,072	38,440,594
Benefit Payments, Including Refunds of Member Contributions	(49,743,544)	(46,521,260)	(43,063,091)	(41,268,808)	(41,838,792)	(40,026,585)	(36,519,223)	(37,494,819)	(40,923,212)
Administrative Expense	(374,992)	(393,741)	(296,492)	(288,665)	(286,991)	(273,213)	(266,168)	(313,251)	(324,399)
Other	248	4,273	9,865	8,215	26,168	45,607	12,127	23,125	-
Net Change in Plan Fiduciary Net Position	(126,474,446)	52,780,269	48,247,143	73,315,297	(53,800,860)	46,469,880	13,400,428	(25,924,572)	8,477,665
Plan Fiduciary Net Position – Beginning	660,091,601	607,311,332	559,064,189	485,748,892	539,549,752	493,079,872	479,679,444	505,604,016	497,126,351
Plan Fiduciary Net Position – Ending (B)	$ 533,617,155	$ 660,091,601	$ 607,311,332	$ 559,064,189	$ 485,748,892	$ 539,549,752	$ 493,079,872	$ 479,679,444	$ 505,604,016
County's Net Pension Liability (Asset) (A) – (B)	$ 219,480,552	$ 53,257,603	$ 83,324,020	$ 109,719,381	$ 135,875,951	$ 90,103,802	$ 124,498,137	$ 112,641,101	$ 69,525,906
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.86 %	92.53 %	87.94 %	83.59 %	78.14 %	85.69 %	79.84 %	80.98 %	87.91 %
Covered Payroll	$ 144,981,894	$ 147,010,449	$ 141,494,468	$ 137,324,650	$ 131,718,476	$ 127,928,574	$ 128,329,597	$ 123,413,778	$ 147,264,187
County's Net Pension Liability (Asset) as a Percentage of Covered Payroll	151.38 %	36.23 %	58.89 %	79.90 %	103.16 %	70.43 %	97.01 %	91.27 %	47.21 %

* 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 MONTGOMERY, PENNSYLVANIA
SCHEDULE OF COUNTY CONTRIBUTIONS
TEN FISCAL YEARS ENDED DECEMBER 31*

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percent of Covered Payroll
2022	$ 17,772,559	$ 17,854,046	$ (81,487)	$ 144,981,894	12.31%
2021	16,347,939	16,439,320	(91,381)	147,010,449	11.18%
2020	16,917,319	13,731,498	3,185,821	141,494,468	9.70%
2019	12,078,161	10,813,939	1,264,222	137,324,650	7.87%
2018	10,588,820	9,040,723	1,548,097	131,718,476	6.86%
2017	10,745,106	8,982,753	1,762,353	127,928,574	7.02%
2016	10,880,062	8,703,065	2,176,997	128,329,597	6.78%
2015	9,689,879	3,588,805	6,101,074	123,413,778	2.91%
2014	10,736,127	3,777,950	6,958,177	147,264,187	2.57%

Notes to Schedule

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	21 Years
Asset Valuation Method	Fair Market Value
Inflation	3.00%
Salary increases	3.50% average, including inflation
Investment Rate of Return	7.50%, net of pension plan investment expense, including inflation
Retirement Age	Age 60 or 55 with 20 years service
Mortality	PubG-2010 Mortality Table for males and females set forward one year with generational mortality improvement using MP20

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

COUNTY OF MONTGOMERY, PENNSYLVANIA
SCHEDULE OF PENSION PLAN INVESTMENT RETURNS
TEN FISCAL YEARS ENDED DECEMBER 31*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual Money-Weighted Rate of Return, Net of Investment Expense	-16.13%	12.48%	13.56%	18.25%	-6.40%	14.69%	7.48%	0.04%	Not Provided

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

SUPPLEMENTARY INFORMATION SECTION

COUNTY OF MONTGOMERY, PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BASIS) AND ACTUAL – LIQUID FUELS TAX FUND
(SPECIAL REVENUE FUND)
YEAR ENDED DECEMBER 31, 2022

	Original and Final Budget	Actual (GAAP Basis)	Variance with Final Budget Favorable (Unfavorable)
REVENUES			
Grants and Entitlements	$ 243,544	$ -	$ (243,544)
Fees	16,793,528	17,031,741	238,213
Other	452,242	144,108	(308,134)
Total Revenues	17,489,314	17,175,849	(313,465)
EXPENDITURES			
Public Safety	19,730,764	16,762,783	(2,967,981)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,241,450)	413,066	(3,281,446)
OTHER FINANCING SOURCES (USES)			
Transfers In	2,053,472	-	(2,053,472)
NET CHANGE IN FUND BALANCE	$ (187,978)	413,066	$ (5,334,918)
Fund Balance - Beginning of Year		4,624,895	
FUND BALANCE - END OF YEAR		$ 5,037,961	

	Original and Final Budget	Actual (GAAP Basis)	Variance with Final Budget Favorable (Unfavorable)
REVENUES			
Grants and Entitlements	$ 598,000	$ 1,046,957	$ 448,957
Investment Income	900	440	(460)
Other	1,140,000	78,783	(1,061,217)
Total Revenues	1,738,900	1,126,180	(612,720)
EXPENDITURES			
Roads and Bridges, Construction and Reconstruction	1,812,522	1,057,986	(754,536)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(73,622)	68,194	(1,367,256)
NET CHANGE IN FUND BALANCE	$ (73,622)	68,194	$ (1,367,256)
Fund Balance - Beginning of Year		485,579	
FUND BALANCE - END OF YEAR		$ 553,773	

COUNTY OF MONTGOMERY, PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BASIS) AND ACTUAL – LIQUID FUELS TAX FUND
(SPECIAL REVENUE FUND)
YEAR ENDED DECEMBER 31, 2022

	Original and Final Budget	Actual (GAAP Basis)	Variance with Final Budget Favorable (Unfavorable)
REVENUES			
Grants and Entitlements	$ 598,000	$ 1,046,957	$ 448,957
Investment Income	900	440	(460)
Other	1,140,000	78,783	(1,061,217)
Total Revenues	1,738,900	1,126,180	(612,720)
EXPENDITURES			
Roads and Bridges, Construction and Reconstruction	1,812,522	1,057,986	(754,536)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(73,622)	68,194	(1,367,256)
NET CHANGE IN FUND BALANCE	$ (73,622)	68,194	$ (1,367,256)
Fund Balance - Beginning of Year		485,579	
FUND BALANCE - END OF YEAR		$ 553,773	

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and Cash Equivalents	$ 87,165,834	$ 16,445,209	$ 103,611,043
Investments	10,306,465	4,929,985	15,236,450
Accounts Receivable	2,383,202	-	2,383,202
Due From:			
Other Funds	1,871,318	614,134	2,485,452
Other Governmental Units	5,171,984	-	5,171,984
Total Assets	$ 106,898,803	$ 21,989,328	$ 128,888,131
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable and Accrued Expenses	$ 6,702,447	$ 1,061,704	$ 7,764,151
Due to Other Funds	12,935,480	144,874	13,080,354
Unearned Revenue	6,022,782	-	6,022,782
Due to Other Governments	6,336,094	-	6,336,094
Escrowed Amounts	6,136,838	-	6,136,838
Total Liabilities	38,133,641	1,206,578	39,340,219
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues and Property Taxes	243,049	-	243,049
FUND BALANCES			
Restricted:			
Special Revenue	68,550,879	-	68,550,879
Capital Projects	-	10,361,780	10,361,780
Assigned:			
Capital Projects	-	10,420,970	10,420,970
Unassigned	(28,766)	-	(28,766)
Total Fund Balances	68,522,113	20,782,750	89,304,863
Total Liabilities and Fund Balances	$ 106,898,803	$ 21,989,328	$ 128,888,131

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Grants and Entitlements	$ 82,697,273	$ 207,301	$ 82,904,574
Real Estate Taxes, Net	23,914,634	-	23,914,634
Investment Income	1,226,715	127,265	1,353,980
Fees	23,549,157	-	23,549,157
Other	11,166,231	33,935	11,200,166
Total Revenues	142,554,010	368,501	142,922,511
EXPENDITURES			
Judicial Administration	4,756,621	-	4,756,621
Public Safety	16,762,783	-	16,762,783
Community Development and Housing	15,586,297	-	15,586,297
General Welfare	45,857,462	-	45,857,462
Roads and Bridges, Construction and Reconstruction	1,385,463	-	1,385,463
Debt Service, Principal	1,030,000	-	1,030,000
Debt Service, Interest	1,772,051	-	1,772,051
Operational Costs	-	-	-
Capital Improvements	-	8,964,272	8,964,272
Other	47,870,358	-	47,870,358
Total Expenditures	135,021,035	8,964,272	143,985,307
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,532,975	(8,595,771)	(1,062,796)
NET CHANGE IN FUND BALANCES	7,532,975	(8,595,771)	(1,062,796)
Fund Balances - Beginning of Year	60,989,138	29,378,521	90,367,659
FUND BALANCES - END OF YEAR	$ 68,522,113	$ 20,782,750	$ 89,304,863

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2022

	Emergency Communications Funds	Liquid Fuels Tax Fund	County Community College Tax Fund	Liquid Fuels Vehicle Registration Fees Fund	Title IV-D Fund	Recycling Fund	Housing and Community Development Fund	Economic and Workforce Development Fund
ASSETS								
Cash and Cash Equivalents	$ 5,970,191	$ 539,561	$ 179,755	$ 8,429,117	$ 262,173	$ -	$ 5,398,435	$ 565,914
Investments	-	218	-	4,634,467	-	-	-	-
Accounts Receivable	-	-	834,239	-	1,177,852	-	-	374,590
Due From:								
Other Funds	896,493	156,321	703,296	-	-	-	149,246	-
Other Governmental Units	4,245,643	-	735	-	-	-	-	-
Total Assets	$ 11,112,327	$ 696,100	$ 1,718,025	$ 13,063,584	$ 1,440,025	$ -	$ 5,547,681	$ 940,504
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts Payable and Accrued Expenses	$ 953,214	$ 43,704	$ -	$ -	$ -	$ -	$ 885,115	$ -
Due to Other Funds	5,121,152	98,623	-	-	1,459,384	-	632,065	-
Unearned Revenue	-	-	-	-	-	-	556,265	969,270
Due to Other Governments	-	-	-	-	-	-	-	-
Escrowed Amounts	-	-	-	-	-	-	-	-
Total Liabilities	6,074,366	142,327	-	-	1,459,384	-	2,073,445	969,270
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenues and Property Taxes	-	-	243,049	-	-	-	-	-
FUND BALANCES								
Restricted	5,037,961	553,773	1,474,976	13,063,584	(19,359)	-	3,474,236	-
Restricted - Grant Projects	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(28,766)
Total Fund Balances	5,037,961	553,773	1,474,976	13,063,584	(19,359)	-	3,474,236	(28,766)
Total Liabilities and Fund Balances	$ 11,112,327	$ 696,100	$ 1,718,025	$ 13,063,584	$ 1,440,025	$ -	$ 5,547,681	$ 940,504

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2022

	Records Improvement Fund	Capital Shale Fund	Farmland Preservation Fund	Affordable Housing Fund	Correctional Facility Welfare Fund	Juvenile Probation Fund	Recorder of Deeds Veteran's Photo ID Program Fund	District Attorney Fund
ASSETS								
Cash and Cash Equivalents	$ 3,074,436	$ 5,529,569	$ 727,289	$ 4,330,670	$ 301,890	$ 240,597	$ 2,180	$ 1,053,748
Investments	-	-	4,962	119,031	-	-	-	4,134,087
Accounts Receivable	-	-	-	-	-	-	-	-
Due From:								
Other Funds	-	-	-	-	-	-	-	-
Other Governmental Units	-	-	-	-	-	-	-	-
Total Assets	$ 3,074,436	$ 5,529,569	$ 732,251	$ 4,449,701	$ 301,890	$ 240,597	$ 2,180	$ 5,187,835
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts Payable and Accrued Expenses	$ -	$ -	$ -	$ 326,156	$ -	$ -	$ -	$ 141
Due to Other Funds	24,800	-	432	1,871,292	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	3,128,352
Due to Other Governments	-	-	-	-	-	-	-	-
Escrowed Amounts	-	-	-	-	-	-	-	-
Total Liabilities	24,800	-	432	2,197,448	-	-	-	3,128,493
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenues and Property Taxes	-	-	-	-	-	-	-	-
FUND BALANCES								
Restricted	3,049,636	5,529,569	731,819	2,252,253	301,890	240,597	2,180	2,059,342
Restricted - Grant Projects	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	3,049,636	5,529,569	731,819	2,252,253	301,890	240,597	2,180	2,059,342
Total Liabilities and Fund Balances	$ 3,074,436	$ 5,529,569	$ 732,251	$ 4,449,701	$ 301,890	$ 240,597	$ 2,180	$ 5,187,835

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2022

	Surplus Asset Sales Fund	Clerk of Courts Fund	Prothonotary Fund	Recorder of Deeds Fund	Sheriff Fund	Register of Wills and Clerk of Orphans' Court Fund	Coroner Fund	Regional Task Force Fund
ASSETS								
Cash and Cash Equivalents	$ 406,252	$ 2,809,618	$ 1,381,859	$ 8,464,458	$ 4,195,518	$ 1,260,152	$ 51,772	$ 6,536,264
Investments	-	-	-	110,387	-	-	-	-
Accounts Receivable	-	-	-	-	-	32	(3,511)	-
Due From:								
Other Funds	-	-	-	-	-	-	-	-
Other Governmental Units	-	-	-	-	-	-	27,063	898,543
Total Assets	$ 406,252	$ 2,809,618	$ 1,381,859	$ 8,574,845	$ 4,195,518	$ 1,260,184	$ 75,324	$ 7,434,807
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts Payable and Accrued Expenses	$ -	$ 226,279	$ 246,657	$ 616,584	$ 167,665	$ 297,277	$ -	$ 2,857,552
Due to Other Funds	-	-	-	-	-	-	-	3,602,938
Unearned Revenue	-	-	-	-	-	-	-	33,270
Due to Other Governments	-	130,103	34,175	6,154,936	-	16,880	-	-
Escrowed Amounts	-	2,006,223	-	117,479	3,971,424	41,712	-	-
Total Liabilities	-	2,362,605	280,832	6,888,999	4,139,089	355,869	-	6,493,760
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenues and Property Taxes	-	-	-	-	-	-	-	-
FUND BALANCES								
Restricted	406,252	447,013	1,101,027	1,685,846	56,429	904,315	75,324	941,047
Restricted - Grant Projects	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	406,252	447,013	1,101,027	1,685,846	56,429	904,315	75,324	941,047
Total Liabilities and Fund Balances	$ 406,252	$ 2,809,618	$ 1,381,859	$ 8,574,845	$ 4,195,518	$ 1,260,184	$ 75,324	$ 7,434,807

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2022

	Liquid Fuels Act 44 Fund	Liquid Fuels Act 89 Fund	Room Occupancy Tax Fund	Domestic Relations Office Fund	Federal Rent Relief Fund	Pennsylvania Emergency Rental Assistance Fund	COVID-19 HIRP Fund	Local Victim Services Fund
ASSETS								
Cash and Cash Equivalents	$ 1,848,019	$ 1,461,364	$ -	$ 25,000	$ 6,441,354	$ 10,983,225	$ 1,303	$ -
Investments	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-
Due From:								
Other Funds	-	-	-	-	4,208,104	43,002	-	76,262
Other Governmental Units	-	-	-	-	-	-	-	-
Total Assets	$ 1,848,019	$ 1,461,364	$ -	$ 25,000	$ 10,649,458	$ 11,026,227	$ 1,303	$ 76,262
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts Payable and Accrued Expenses	$ -	$ 16,790	$ -	$ -	$ -	$ 65,313	$ -	$ -
Due to Other Funds	2,980	-	-	-	24,174	97,640	-	-
Unearned Revenue	-	-	-	-	43,002	-	-	-
Due to Other Governments	-	-	-	-	-	-	-	-
Escrowed Amounts	-	-	-	-	-	-	-	-
Total Liabilities	2,980	16,790	-	-	67,176	162,953	-	-
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenues and Property Taxes	-	-	-	-	-	-	-	-
FUND BALANCES								
Restricted	1,845,039	1,444,574	-	25,000	-	-	1,303	76,262
Restricted - Grant Projects	-	-	-	-	10,582,282	10,863,274	-	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	1,845,039	1,444,574	-	25,000	10,582,282	10,863,274	1,303	76,262
Total Liabilities and Fund Balances	$ 1,848,019	$ 1,461,364	$ -	$ 25,000	$ 10,649,458	$ 11,026,227	$ 1,303	$ 76,262

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2022

	Federal Emergency Relief Fund	Opioid Settlement Fund	Total Nonmajor Special Revenue Funds
ASSETS			
Cash and Cash Equivalents	$ 4,694,151	$ -	$ 87,165,834
Investments	7,350	1,295,963	10,306,465
Accounts Receivable	-	-	2,383,202
Due From:			
Other Funds	(4,361,406)	-	1,871,318
Other Governmental Units	-	-	5,171,984
Total Assets	$ 340,095	$ 1,295,963	$ 106,898,803
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable and Accrued Expenses	$ -	$ -	$ 6,702,447
Due to Other Funds	-	-	12,935,480
Unearned Revenue	-	1,292,623	6,022,782
Due to Other Governments	-	-	6,336,094
Escrowed Amounts	-	-	6,136,838
Total Liabilities	-	1,292,623	38,133,641
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues and Property Taxes	-	-	243,049
FUND BALANCES			
Restricted	340,095	3,340	47,105,323
Restricted - Grant Projects	-	-	21,445,556
Unassigned	-	-	(28,766)
Total Fund Balances	340,095	3,340	68,522,113
Total Liabilities and Fund Balances	$ 340,095	$ 1,295,963	$ 106,898,803

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2022

	Emergency Communications Funds	Liquid Fuels Tax Fund	Montgomery County Community College Tax Fund	Liquid Fuels Vehicle Registration Fees Fund	Title IV-D Fund	Recycling Fund	Housing and Community Development Fund	Economic and Workforce Development Fund
REVENUES								
Grants and Entitlements	$ -	$ 1,046,957	$ -	$ -	$ 4,680,565	$ -	$ 11,761,328	$ 7,044,032
Real Estate Taxes, Net	-	-	23,914,634	-	-	-	-	-
Investment Income	-	440	-	78,832	-	-	24,882	-
Fees	17,031,741	-	-	3,832,055	-	-	-	-
Other	144,108	78,783	-	-	-	-	25,870	-
Total Revenues	17,175,849	1,126,180	23,914,634	3,910,887	4,680,565	-	11,812,080	7,044,032
EXPENDITURES								
Judicial Administration	-	-	-	-	4,756,621	-	-	-
Public Safety	16,762,783	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	8,539,503	7,046,794
General Welfare	-	-	-	-	-	-	-	-
Roads and Bridges, Construction and Reconstruction	-	1,057,986	-	-	-	-	-	-
Debt Service, Principal	-	-	-	1,030,000	-	-	-	-
Debt Service, Interest	-	-	-	1,772,051	-	-	-	-
Operational Costs	-	-	-	-	-	-	-	-
Other	-	-	23,090,300	-	-	-	-	-
Total Expenditures	16,762,783	1,057,986	23,090,300	2,802,051	4,756,621	-	8,539,503	7,046,794
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	413,066	68,194	824,334	1,108,836	(76,056)	-	3,272,577	(2,762)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	413,066	68,194	824,334	1,108,836	(76,056)	-	3,272,577	(2,762)
Beginning of Year	4,624,895	485,579	650,642	11,954,748	56,697	-	201,659	(26,004)
FUND BALANCES (DEFICIT) - END OF YEAR	$ 5,037,961	$ 553,773	$ 1,474,976	$ 13,063,584	$ (19,359)	$ -	$ 3,474,236	$ (28,766)

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2022

	Records Improvement Fund	Capital Shale Fund	Farmland Preservation Fund	Affordable Housing Fund	Correctional Facility Welfare Fund	Juvenile Probation Fund	Recorder of Deeds Veteran's Photo ID Program Fund	District Attorney Fund
REVENUES								
Grants and Entitlements	$ -	$ 1,418,935	$ -	$ 1,561,381	$ -	$ -	$ -	$ -
Real Estate Taxes, Net	-	-	-	-	-	-	-	-
Investment Income	6,574	-	84	2,025	9,930	-	3	743,674
Fees	229,226	-	-	1,818,055	-	-	-	-
Other	-	-	503,042	-	1,374,973	11,934	-	327,797
Total Revenues	235,800	1,418,935	503,126	3,381,461	1,384,903	11,934	3	1,071,471
EXPENDITURES								
Judicial Administration	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	-	-
General Welfare	-	-	-	-	-	-	-	-
Roads and Bridges, Construction and Reconstruction	-	20,818	-	-	-	-	-	-
Debt Service, Principal	-	-	-	-	-	-	-	-
Debt Service, Interest	-	-	-	-	-	-	-	-
Operational Costs	-	-	-	-	-	-	-	-
Other	40	-	65,256	2,116,398	1,750,616	30,637	3,266	1,121,490
Total Expenditures	40	20,818	65,256	2,116,398	1,750,616	30,637	3,266	1,121,490
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	235,760	1,398,117	437,870	1,265,063	(365,713)	(18,703)	(3,263)	(50,019)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	235,760	1,398,117	437,870	1,265,063	(365,713)	(18,703)	(3,263)	(50,019)
Beginning of Year	2,813,876	4,131,452	293,949	987,190	667,603	259,300	5,443	2,109,361
FUND BALANCES (DEFICIT) - END OF YEAR	$ 3,049,636	$ 5,529,569	$ 731,819	$ 2,252,253	$ 301,890	$ 240,597	$ 2,180	$ 2,059,342

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2022

	Surplus Asset Sales Fund	Clerk of Courts Fund	Prothonotary Fund	Recorder of Deeds Fund	Sheriff Fund	Register of Wills and Clerk of Orphans' Court Fund	Coroner Fund	Regional Task Force Fund
REVENUES								
Grants and Entitlements	$ -	$ -	$ -	$ -	$ -	$ -	$ 70,506	$ 10,644,874
Real Estate Taxes, Net	-	-	-	-	-	-	-	-
Investment Income	-	-	-	13,287	-	5,309	-	33,953
Fees	-	28,706	111,131	343,839	15,387	62,755	-	-
Other	58,442	-	-	-	-	-	-	-
Total Revenues	58,442	28,706	111,131	357,126	15,387	68,064	70,506	10,678,827
EXPENDITURES								
Judicial Administration	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	-	-
General Welfare	-	-	-	-	-	-	-	-
Roads and Bridges, Construction and Reconstruction	-	-	-	-	-	-	-	-
Debt Service, Principal	-	-	-	-	-	-	-	-
Debt Service, Interest	-	-	-	-	-	-	-	-
Operational Costs	-	-	-	-	-	-	-	-
Other	-	9,347	70,224	52,588	23,117	6,786	70,506	10,745,982
Total Expenditures	-	9,347	70,224	52,588	23,117	6,786	70,506	10,745,982
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	58,442	19,359	40,907	304,538	(7,730)	61,278	-	(67,155)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	58,442	19,359	40,907	304,538	(7,730)	61,278	-	(67,155)
Beginning of Year	347,810	427,654	1,060,120	1,381,308	64,159	843,037	75,324	1,008,202
FUND BALANCES (DEFICIT) - END OF YEAR	$ 406,252	$ 447,013	$ 1,101,027	$ 1,685,846	$ 56,429	$ 904,315	$ 75,324	$ 941,047

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2022

	Liquid Fuels Act 44 Fund	Liquid Fuels Act 89 Fund	Room Occupancy Tax Fund	Domestic Relations Office Fund	Federal Rent Relief Fund	Pennsylvania Emergency Rental Assistance Fund	COVID-19 HIRP Fund	Local Victim Services Fund
REVENUES								
Grants and Entitlements	$ 220,657	$ 418,514	$ -	$ -	$ 24,045,989	$ 19,783,535	$ -	$ -
Real Estate Taxes, Net	-	-	-	-	-	-	-	-
Investment Income	2,622	2,946	-	-	47,236	113,828	9	-
Fees	-	-	-	-	-	-	-	76,262
Other	-	-	8,641,282	-	-	-	-	-
Total Revenues	223,279	421,460	8,641,282	-	24,093,225	19,897,363	9	76,262
EXPENDITURES								
Judicial Administration	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Community Development and Housing	-	-	-	-	-	-	-	-
General Welfare	-	-	-	-	19,655,989	26,201,473	-	-
Roads and Bridges, Construction and Reconstruction	-	306,659	-	-	-	-	-	-
Debt Service, Principal	-	-	-	-	-	-	-	-
Debt Service, Interest	-	-	-	-	-	-	-	-
Operational Costs	-	-	-	-	-	-	-	-
Other	20	32	8,641,282	-	-	-	-	-
Total Expenditures	20	306,691	8,641,282	-	19,655,989	26,201,473	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	223,259	114,769	-	-	4,437,236	(6,304,110)	9	76,262
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	223,259	114,769	-	-	4,437,236	(6,304,110)	9	76,262
Beginning of Year	1,621,780	1,329,805	-	25,000	6,145,046	17,167,384	1,294	-
FUND BALANCES (DEFICIT) - END OF YEAR	$ 1,845,039	$ 1,444,574	$ -	$ 25,000	$ 10,582,282	$ 10,863,274	$ 1,303	$ 76,262

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2022

	Federal Emergency Relief Fund	Opioid Settlement Fund	Total Nonmajor Special Revenue Funds
REVENUES			
Grants and Entitlements	$ -	$ -	$ 82,697,273
Real Estate Taxes, Net	-	-	23,914,634
Investment Income	137,325	3,756	1,226,715
Fees		-	23,549,157
Other		-	11,166,231
Total Revenues	137,325	3,756	142,554,010
EXPENDITURES			
Judicial Administration	-	-	4,756,621
Public Safety	-	-	16,762,783
Community Development and Housing	-	-	15,586,297
General Welfare	-	-	45,857,462
Roads and Bridges, Construction	-		
and Reconstruction	-	-	1,385,463
Debt Service, Principal	-	-	1,030,000
Debt Service, Interest	-	-	1,772,051
Operational Costs	-	-	-
Other	72,055	416	47,870,358
Total Expenditures	72,055	416	135,021,035
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	65,270	3,340	7,532,975
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
NET CHANGE IN FUND BALANCES	65,270	3,340	7,532,975
Beginning of Year	274,825	-	60,989,138
FUND BALANCES (DEFICIT) - END OF YEAR	$ 340,095	$ 3,340	$ 68,522,113

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2022

	Capital Reserve Fund	Cherry Street Garage Capital Reserve Fund	2016 Series Capital Bond Fund	2017 Series A & B Capital Bond Fund	2017 Series Road and Bridges Capital Bond Fund	2017 Series C & D Capital Bond Fund	Capital MVR Fund	Total Nonmajor Capital Projects Funds
ASSETS								
Cash and Cash Equivalents	$ 10,078,359	$ -	$ -	$ -	$ -	$ 375,000	$ 5,991,850	$ 16,445,209
Investments	-	794,187	1,003	-	-	2,090,508	2,044,287	4,929,985
Due from Other Funds	77,950	-	-	-	-	-	536,184	614,134
Total Assets	$ 10,156,309	$ 794,187	$ 1,003	$ -	$ -	$ 2,465,508	$ 8,572,321	$ 21,989,328
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts Payable and Accrued Expenses	$ 347,645	$ 38,010	$ -	$ -	$ -	$ -	$ 676,049	$ 1,061,704
Due to Other Funds	144,874	-	-	-	-	-	-	144,874
Total Liabilities	492,519	38,010	-	-	-	-	676,049	1,206,578
FUND BALANCES								
Restricted	-	-	-	-	-	2,465,508	7,896,272	10,361,780
Assigned - Capital Projects	9,663,790	756,177	1,003	-	-	-	-	10,420,970
Total Fund Balances	9,663,790	756,177	1,003	-	-	2,465,508	7,896,272	20,782,750
Total Liabilities and Fund Balances	$ 10,156,309	$ 794,187	$ 1,003	$ -	$ -	$ 2,465,508	$ 8,572,321	$ 21,989,328

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED DECEMBER 31, 2022

	Capital Reserve Fund	Cherry Street Garage Capital Reserve Fund	2016 Series Capital Bond Fund	2017 Series A & B Capital Bond Fund	2017 Series Road and Bridges Capital Bond Fund	2017 Series C & D Capital Bond Fund	Capital MVR Fund	Total Nonmajor Capital Projects Funds
REVENUES								
Grants and Entitlements	$ 207,301	$ -	$ -	$ -	$ -	$ -	$ -	$ 207,301
Investment Income	-	11,300	15	-	-	31,566	84,384	127,265
Other	33,935	-	-	-	-	-	-	33,935
Total Revenues	241,236	11,300	15	-	-	31,566	84,384	368,501
EXPENDITURES								
Capital Improvements	433,754	47,954	-	-	-	475,000	8,007,564	8,964,272
Debt Service, Issuance Costs	-	-	-	-	-	-	-	-
Total Expenditures	433,754	47,954	-	-	-	475,000	8,007,564	8,964,272
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(192,518)	(36,654)	15	-	-	(443,434)	(7,923,180)	(8,595,771)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Proceeds from Debt Issuance	-	-	-	-	-	-	-	-
Premium on Debt Issued	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	(192,518)	(36,654)	15	-	-	(443,434)	(7,923,180)	(8,595,771)
Fund Balances - Beginning of Year	9,856,308	792,831	988	-	-	2,908,942	15,819,452	29,378,521
FUND BALANCES (DEFICIT) - END OF YEAR	$ 9,663,790	$ 756,177	$ 1,003	$ -	$ -	$ 2,465,508	$ 7,896,272	$ 20,782,750

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2022

	Workers' Compensation Fund	General Liability and Property Damage Fund	Medical Self-Insurance Fund	Total Internal Service Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 2,223,345	$ 985,458	$ 3,165,009	$ 6,373,812
Investments	-	53,178	486	53,664
Accounts Receivable	-	-	1,319,571	1,319,571
Due from Other Funds	21,933	-	9,774,137	9,796,070
Total Assets	2,245,278	1,038,636	14,259,203	17,543,117
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Expenses	60,713	-	3,007,852	3,068,565
Due to Other Funds	2,723,979	2,835	2,211,842	4,938,656
Reserve for Claims	1,964,285	-	-	1,964,285
Total Liabilities	4,748,977	2,835	5,219,694	9,971,506
NET POSITION				
Unrestricted	$ (2,503,699)	$ 1,035,801	$ 9,039,509	$ 7,571,611

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2022

	Workers' Compensation Fund	General Liability and Property Damage Fund	Medical Self-Insurance Fund	Total Internal Service Funds
OPERATING REVENUES				
Charges for Services	$ 801,342	$ 2,000,000	$ 32,690,168	$ 35,491,510
OPERATING EXPENSES				
Claims	1,798,104	1,271,381	34,886,025	37,955,510
OPERATING INCOME (LOSS)	(996,762)	728,619	(2,195,857)	(2,464,000)
NONOPERATING REVENUES (EXPENSES)				
Investment Income	-	904	9,959	10,863
Transfers In	-	-	-	-
Other	-	200,739	-	200,739
Total Nonoperating Revenues (Expenses)	-	201,643	9,959	211,602
CHANGE IN NET POSITION	(996,762)	930,262	(2,185,898)	(2,252,398)
Net Position - Beginning of Year	(1,506,937)	105,539	11,225,407	9,824,009
NET POSITION - END OF YEAR	$ (2,503,699)	$ 1,035,801	$ 9,039,509	$ 7,571,611

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2022

	Workers' Compensation Fund	General Liability and Property Damage Fund	Medical Self-Insurance Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Charges for Services	$ 801,342	$ 2,000,000	$ 31,370,597	$ 34,171,939
Payments to Suppliers	(1,765,354)	(1,424,973)	(32,103,107)	(35,293,434)
Net Cash Provided (Used) by Operating Activities	(964,012)	575,027	(732,510)	(1,121,495)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Advances to Other Funds, Net	1,336,281	6,007	3,222,637	4,564,925
Other	-	200,739	-	200,739
Net Cash Provided by Noncapital Financing Activities	1,336,281	206,746	3,222,637	4,765,664
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of Investments, Net	-	(904)	(39)	(943)
Investment Income	-	904	9,959	10,863
Net Cash Provided (Used) by Investing Activities	-	-	9,920	9,920
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	372,269	781,773	2,500,047	3,654,089
Cash and Cash Equivalents - Beginning of Year	1,851,076	203,685	664,962	2,719,723
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 2,223,345	$ 985,458	$ 3,165,009	$ 6,373,812
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	$ (996,762)	$ 728,619	$ (2,195,857)	$ (2,464,000)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Changes in Operating Assets and Liabilities:				
Accounts Receivable	-	-	(1,319,571)	(1,319,571)
Accounts Payable and Accrued Expenses	28,939	(153,592)	2,782,918	2,658,265
Reserve for Claims	3,811	-	-	3,811
Net Cash Provided (Used) by Operating Activities	$ (964,012)	$ 575,027	$ (732,510)	$ (1,121,495)

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2022

	Clerk of Courts Custodial Fund	Tax Claim Fund	Prothonotary Custodial Fund	Sheriff Custodial Fund	Treasurer Vare Escrow Fund	Register of Wills and Clerk of Orphans' Court Trust Escrow
ASSETS						
Cash and Cash Equivalents	$ 2,306,520	$ 7,234,388	$ 1,296,540	$ 71,329	$ 74,673	$ 28
Investments	-	-	1,981,934	-	-	-
Agency Tax/Interest Receivables	-	10,314,130	-	-	-	-
Accounts Receivable	-	100,241	2,718	23,271	137	-
Total Assets	2,306,520	17,648,759	3,281,192	94,600	74,810	28
LIABILITIES						
Accounts Payable	-	499,376	-	-	-	18
Accrued Expenses	-	699,447	-	-	-	-
Held for Escrows	-	10,314,126	4,056	-	-	-
Due to:						
Taxing Authorities	-	735	-	-	-	-
Other Governmental Units	-	-	-	94,600	-	-
Total Liabilities	-	11,513,684	4,056	94,600	-	18
NET POSITION						
Restricted for:						
Clerk of Courts	2,306,520	-	-	-	-	-
Prothonotary	-	-	3,277,136	-	-	-
Vare Escrow	-	-	-	-	74,810	-
Register of Wills and Clerk of Orphans' Court	-	-	-	-	-	10
Correctional Facility Work Release	-	-	-	-	-	-
Tax Claim	-	6,135,075	-	-	-	-
Human Services Resident Accounts	-	-	-	-	-	-
Domestic Relations Office Support	-	-	-	-	-	-
Dependent Guardian	-	-	-	-	-	-
Total Net Position	$ 2,306,520	$ 6,135,075	$ 3,277,136	$ -	$ 74,810	$ 10

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION (CONTINUED)
CUSTODIAL FUNDS
DECEMBER 31, 2022

	Correctional Facility - Inmate and Work Release Custodial Fund	Radio Fund	Human Services Center - Resident Account Fund	Domestic Relations Office Support Cleaning Account	Dependent/ Guardian Fund	Total Custodial Funds
ASSETS						
Cash and Cash Equivalents	$ 955,029	$ -	$ 11,317	$ 23,502	$ 124,268	$ 12,097,594
Investments	-	-	-	-	-	1,981,934
Agency Tax/Interest Receivables	-	-	-	-	-	10,314,130
Accounts Receivable	-	-	-	-	-	126,367
Total Assets	955,029	-	11,317	23,502	124,268	24,520,025
LIABILITIES						
Accounts Payable	-	-	-	-	113,631	613,025
Held for Specified Purposes	-	-	-	-	-	699,447
Held for Escrows	-	-	-	23,201	(38,563)	10,302,820
Due to:						
Taxing Authorities	-	-	-	-	-	735
Other Governmental Units	-	-	-	-	-	94,600
Total Liabilities	-	-	-	23,201	75,068	11,710,627
NET POSITION						
Restricted for:						
Clerk of Courts	-	-	-	-	-	2,306,520
Prothonotary	-	-	-	-	-	3,277,136
Vare Escrow	-	-	-	-	-	74,810
Register of Wills and Clerk of Orphans' Court	-	-	-	-	-	10
Correctional Facility Work Release	955,029	-	-	-	-	955,029
Tax Claim	-	-	-	-	-	6,135,075
Human Services Resident Accounts	-	-	11,317	-	-	11,317
Domestic Relations Office Support	-	-	-	301	-	301
Dependent Guardian	-	-	-	-	49,200	49,200
Total Net Position	$ 955,029	$ -	$ 11,317	$ 301	$ 49,200	$ 12,809,398

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	Clerk of Courts Custodial Fund	Tax Claim Fund	Prothonotary Custodial Fund	Sheriff Custodial Fund	Treasurer Vare Escrow Fund	Register of Wills and Clerk of Orphans' Court Trust Escrow
ADDITIONS						
Grants and Entitlements	$ -	$ -	$ -	$ -	$ -	$ -
Real Estate Collections	-	34,621,832	-	-	-	-
Investment Income	7,103	41,220	269,585	-	-	-
Fine and Cost Collections	1,220,533	-	12,619,407	341,818	-	-
Inmate Collections	-	-	-	-	-	-
Other Additions	-	(2,036)	-	-	-	-
Total Additions	1,227,636	34,661,016	12,888,992	341,818	-	-
DEDUCTIONS						
Payments of Real Estate Tax	-	36,168,362	-	-	-	-
Payments of Fines and Costs	1,748,049	-	13,172,794	341,818	-	-
Payments of Inmate Collections	-	-	-	-	-	-
Other Deductions	-	6,503	-	-	-	-
Total Deductions	1,748,049	36,174,865	13,172,794	341,818	-	-
CHANGE IN NET POSITION	(520,413)	(1,513,849)	(283,802)	-	-	-
Net Position - Beginning of Year	2,826,933	7,648,924	3,560,938	-	74,810	10
NET POSITION - END OF YEAR	$ 2,306,520	$ 6,135,075	$ 3,277,136	$ -	$ 74,810	$ 10

COUNTY OF MONTGOMERY, PENNSYLVANIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION (CONTINUED)
CUSTODIAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	Correctional Facility - Inmate and Work Release Custodial Fund	Radio Fund	Human Services Center - Resident Account Fund	Domestic Relations Office Support Cleaning Account	Dependent/ Guardian Fund	Total Custodial Funds
ADDITIONS						
Grants and Entitlements	$ -	$ -	$ -	$ -	$ -	$ -
Real Estate Collections	-	-	-	-	-	34,621,832
Investment Income	6,892	-	8	1	377	325,186
Fine and Cost Collections	-	-	-	1,116,644	-	15,298,402
Inmate Collections	3,839,989	-	-	-	-	3,839,989
Other Additions	-	-	15,252	-	-	13,216
Total Additions	3,846,881	-	15,260	1,116,645	377	54,098,625
DEDUCTIONS						
Payments of Real Estate Tax	-	-	-	-	-	36,168,362
Payments of Fines and Costs	-	-	-	1,818,542	-	17,081,203
Payments of Inmate Collections	3,866,983	-	-	-	-	3,866,983
Other Deductions	-	-	11,229	-	376	18,108
Total Deductions	3,866,983	-	11,229	1,818,542	376	57,134,656
CHANGE IN NET POSITION	(20,102)	-	4,031	(701,897)	1	(3,036,031)
Net Position - Beginning of Year	975,131	-	7,286	702,198	49,199	15,845,429
NET POSITION - END OF YEAR	$ 955,029	$ -	$ 11,317	$ 301	$ 49,200	$ 12,809,398

STATISTICAL SECTION

The statement is intended to improve consistency and comparability in reporting and to provide clearer guidance regarding the applicability of the standards for the statistical section to all types of governmental entities. This part of the County's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

These schedules contain service and capital asset 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 MONTGOMERY, PENNSYLVANIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2013	2014	2015*	2016	2017	2018	2019**	2020***	2021****	2022
Governmental Activities										
Net Investment in Capital Assets	$ (120,451,778)	$ (122,732,863)	$ (124,788,457)	$ (140,209,424)	$ (195,350,506)	$ (97,990,942)	$ (70,066,676)	$ (27,520,717)	$ (26,353,305)	$ (2,624,743)
Restricted:										
Special Programs	42,012,998	47,155,619	11,692,566	48,958,683	38,884,796	39,427,062	27,319,690	28,236,985	29,500,271	54,682,089
Capital Projects	71,317,576	33,497,969	2,696,414	13,807,273	35,180,414	-	-	23,144,983	47,661,442	-
Special Revenue Funds	-	-	-	8,482,378	22,412,123	21,725,157	27,978,338	14,315,447	79,468,711	70,629,395
Capital Projects Funds	-	-	-	1,915,149	20,415,154	-	-	-	-	-
Unrestricted	(97,239,477)	(89,343,243)	(28,764,249)	(38,802,100)	13,241,194	(8,632,971)	(20,542,372)	(2,084,553)	(35,490,671)	12,749,047
Total Governmental Activities Net Position	$ (104,360,681)	$ (131,422,518)	$ (139,163,726)	$ (105,848,041)	$ (65,216,825)	$ (45,471,694)	$ (35,311,020)	$ 36,092,145	$ 94,786,448	$ 135,435,788
Business-Type Activities										
Net Investment in Capital Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities Net Position	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Primary Government										
Net Investment in Capital Assets	$ (120,451,778)	$ (122,732,863)	$ (124,788,457)	$ (140,209,424)	$ (195,350,506)	$ (97,990,942)	$ (70,066,676)	$ (27,520,717)	$ (26,353,305)	$ (2,624,743)
Restricted:										
Special Programs	42,012,998	47,155,619	11,692,566	48,958,683	38,884,796	39,427,062	27,319,690	28,236,985	29,500,271	54,682,089
Capital Projects	71,317,576	33,497,969	2,696,414	13,807,273	35,180,414	-	-	23,144,983	47,661,442	-
Special Revenue Funds	-	-	-	8,482,378	22,412,123	21,725,157	27,978,338	14,315,447	79,468,711	70,629,395
Capital Projects Funds	-	-	-	1,915,149	20,415,154	-	-	-	-	-
Unrestricted	(97,239,477)	(89,343,243)	(28,764,249)	(38,802,100)	13,241,194	(8,632,971)	(20,542,372)	(2,084,553)	(35,490,671)	12,749,047
Total Primary Government Net Position	$ (104,360,681)	$ (131,422,518)	$ (139,163,726)	$ (105,848,041)	$ (65,216,825)	$ (45,471,694)	$ (35,311,020)	$ 36,092,145	$ 94,786,448	$ 135,435,788

* 2015 Beginning balances were restated to reflect the effects of implementation of GASB 68.
** 2019 Beginning balances were restated to reflect the effects of implementation of GASB 84.
*** 2020 Beginning balances were restated to reflect corrections of errors.
**** 2021 Beginning balances were restated to reflect corrections of errors.

COUNTY OF MONTGOMERY, PENNSYLVANIA
CHANGES IN NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EXPENSES										
Governmental Activities:										
General Administration	$ 30,847,236	$ 34,572,953	$ 43,146,278	$ 40,051,146	$ 33,011,420	$ 34,759,718	$ 39,779,943	$ 77,886,491	$ 61,917,676	$ 77,960,192
Judicial Administration	77,871,319	77,363,935	68,313,836	78,933,188	74,360,346	78,087,003	80,413,232	82,798,666	89,189,934	94,934,532
Corrections	62,967,383	64,605,706	68,935,071	73,673,089	72,883,912	75,413,898	75,899,407	73,104,810	71,560,458	76,979,070
Public Safety	19,818,415	19,710,274	11,900,892	12,620,043	23,945,836	20,895,665	23,207,757	37,522,670	28,527,042	62,882,669
History, Cultural Arts, Recreation	6,552,009	6,873,926	8,097,991	5,136,120	3,014,193	7,770,347	8,371,619	21,768,983	16,194,766	23,310,288
Adult Welfare	66,565,899	30,449,853	18,017,835	19,652,681	23,733,695	22,485,202	21,516,953	18,756,142	20,381,515	21,340,923
Child Welfare	50,318,810	52,203,685	54,902,177	56,536,688	60,122,543	63,818,385	71,227,408	87,811,413	145,582,852	105,788,041
General Welfare	167,843,554	171,455,272	184,109,975	187,807,487	221,770,882	245,016,975	242,197,258	286,467,131	403,682,359	386,133,433
Community Development and Housing	9,209,812	12,083,722	2,471,145	17,172,228	46,096,078	45,098,157	43,672,329	20,540,852	24,673,743	17,972,208
Roads and Bridges, Construction, and Reconstruction	6,398,228	18,296,606	27,266,219	12,744,079	18,556,861	35,029,553	36,263,598	6,335,019	6,821,066	11,310,776
Economic and Workforce Development	-	-	-	-	-	-	-	-	-	-
Interest on Long-Term Debt	14,873,130	18,577,617	16,152,895	16,281,320	15,034,975	15,733,341	14,997,951	15,555,000	18,321,532	25,223,519
Total Governmental Activities Expense	513,265,795	506,193,549	503,314,314	520,608,069	592,530,741	644,108,244	657,547,455	728,547,177	886,852,943	903,835,651
Business-Type Activities	-	-	-	-	-	-	-	-	-	-
Total Primary Government Expenses	$ 513,265,795	$ 506,193,549	$ 503,314,314	$ 520,608,069	$ 592,530,741	$ 644,108,244	$ 657,547,455	$ 728,547,177	$ 886,852,943	$ 903,835,651
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	$ 16,251,591	$ 14,365,110	$ 16,273,445	$ 2,729,362	$ 16,195,753	$ 14,374,760	$ 15,006,376	$ 15,161,117	$ 15,614,133	$ 14,999,743
Judicial Government	23,320,715	22,647,759	22,008,661	6,726,181	29,800,305	26,449,666	27,611,844	27,901,130	28,734,819	27,613,074
Corrections	4,284,091	4,963,145	4,928,848	5,986,071	7,903,332	7,014,710	7,322,931	7,396,889	7,617,908	7,320,521
Public Safety	9,760,831	11,605,633	12,546,442	501,029	23,490,915	20,849,681	21,765,800	21,990,298	22,647,371	21,763,265
History, Cultural Arts, Recreation	262,048	221,898	269,445	439,736	853,622	757,644	790,934	801,469	825,417	793,194
Adult Welfare	14,567,727	6,733,027	2,545,555	1,704,164	2,172,067	1,927,848	2,012,556	2,037,066	2,097,934	2,016,035
Child Welfare	387,437	504,486	580,257	4,941,700	580,097	514,873	537,496	542,661	558,876	537,059
General Welfare	2,536,198	2,471,015	2,619,157	17,782,158	3,094,841	2,746,868	2,867,563	2,896,976	2,983,537	2,867,066
Community Development and Housing	-	21,457	21,457	1,526,686	1,582,999	1,405,012	1,466,747	1,486,057	1,530,460	1,470,714
Roads and Bridges, Construction, and Reconstruction	-	-	-	4,362,506	3,492,673	3,099,969	3,236,179	3,272,664	3,370,452	3,238,876
Operating Grants and Contributions	288,679,173	272,069,895	256,085,542	314,119,301	309,129,040	338,039,309	337,859,471	479,387,179	592,207,557	565,871,123
Capital Grants and Contributions	2,067,477	11,246,933	10,488,286	10,903,682	5,168,587	10,190,148	6,676,329	7,772,533	7,486,040	10,117,095
Total Governmental Activities	362,117,288	346,850,358	328,367,095	371,722,576	403,464,231	427,370,488	427,154,226	570,646,039	685,674,503	658,607,765
Business-Type Activities:										
Charges for Services	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	-	-	-	-	-	-	-	-	-	-
Total Primary Government Program Revenues	$ 362,117,288	$ 346,850,358	$ 328,367,095	$ 371,722,576	$ 403,464,231	$ 427,370,488	$ 427,154,226	$ 570,646,039	$ 685,674,503	$ 658,607,765

COUNTY OF MONTGOMERY, PENNSYLVANIA
CHANGES IN NET POSITION BY COMPONENT (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
NET (EXPENSE) REVENUE										
Governmental Activities	$ (151,148,507)	$ (159,343,191)	$ (174,947,219)	$ (148,885,493)	$ (189,066,510)	$ (216,737,756)	$ (230,393,229)	$ (157,901,138)	$ (201,178,440)	$ (245,227,886)
Business-Type Activities	-	-	-	-	-	-	-	-	-	-
Total Primary Government Net Expense	$ (151,148,507)	$ (159,343,191)	$ (174,947,219)	$ (148,885,493)	$ (189,066,510)	$ (216,737,756)	$ (230,393,229)	$ (157,901,138)	$ (201,178,440)	$ (245,227,886)
GENERAL REVENUES										
Governmental Activities:										
Taxes:										
Real Estate Taxes, Net	$ 183,039,705	$ 184,127,702	$ 185,096,994	$ 202,607,580	$ 229,189,940	$ 233,043,543	$ 230,714,946	$ 231,893,880	$ 247,551,292	$ 265,931,073
Room Occupancy Tax	-	-	-	-	-	-	-	443,148	6,290,055	8,641,282
Grants and Contributions - Unrestricted	226,181	232,075	297,049	281,518	305,673	365,536	149,513	-	-	-
Infrastructure Activity	-	-	-	-	-	-	-	-	-	-
Investment Income	98,194	288,675	213,194	-	-	-	-	-	-	-
Net Increase in Fair Value of Investments, Swaps	326,273	911,967	567,893	-	-	-	-	-	-	-
Gain on Sale of Capital Assets	-	13,692,595	-	-	-	69,659	-	-	-	-
Earnings on Investments	(774,024)	-	-	(4,163,364)	1,320,669	3,004,149	3,942,642	1,359,117	909,677	7,879,965
Miscellaneous	1,768,741	3,960,049	362,975	-	-	-	122,085	50,924	4,294,123	3,424,906
Transfers	(21,432,482)	(21,814,410)	(19,332,094)	(21,482,910)	-	-	-	-	-	-
Total Governmental Activities	163,252,588	181,398,653	167,206,011	177,242,824	230,816,282	236,482,887	234,929,186	233,747,069	259,045,147	285,877,226
Business-Type Activities	-	-	-	-	-	-	-	-	-	-
Total Primary Government	$ 163,252,588	$ 181,398,653	$ 167,206,011	$ 177,242,824	$ 230,816,282	$ 236,482,887	$ 234,929,186	$ 233,747,069	$ 259,045,147	$ 285,877,226
CHANGE IN NET POSITION										
Governmental Activities	$ 12,104,081	$ 22,055,462	$ (7,741,208)	$ 28,357,331	$ 41,749,772	$ 19,745,131	$ 4,535,957	$ 79,833,931	$ 57,866,707	$ 40,649,340
Business-Type Activities	-	-	-	-	-	-	-	-	-	-
Total Primary Government Change in Net Position	$ 12,104,081	$ 22,055,462	$ (7,741,208)	$ 28,357,331	$ 41,749,772	$ 19,745,131	$ 4,535,957	$ 79,833,931	$ 79,833,931	$ 40,649,340

Source: Statement of Activities, Annual Audited Financial Statements

COUNTY OF MONTGOMERY, PENNSYLVANIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2013	2014	2015*	2016	2017	2018	2019**	2020***	2021****	2022
General Fund										
Nonspendable:										
Prepaid Expenses and Other Assets	$ 1,332,888	$ 6,839,453	$ 1,579,655	$ 1,210,026	$ 2,101,234	$ 2,591,232	$ 744,012	$ 928,182	$ 1,249,285	$ 2,078,516
Assigned:										
Pension Contributions	-	-	-	-	-	-	-	5,000,000	5,000,000	-
Debt Service Expenditures	-	-	-	-	-	-	-	20,000,000	20,000,000	13,100,000
COVID-19 Recovery Initiatives	-	-	-	-	-	-	-	10,000,000	-	-
Unassigned	22,647,391	33,210,626	39,270,623	55,934,889	82,219,395	87,127,996	92,360,050	98,447,908	95,183,963	123,488,570
Total General Fund	23,980,279	40,050,079	40,850,278	57,144,915	84,320,629	89,719,228	93,104,062	134,376,090	121,433,248	138,667,086
All Other Governmental Funds										
Nonspendable:										
Prepaid Expenses and Other Assets	-	5,850	-	-	671,894	482,846	-	-	-	-
Restricted for Special Programs	33,325,969	38,535,180	35,465,700	48,958,683	38,884,796	39,427,062	27,319,690	28,236,985	29,500,271	52,289,310
Restricted for Capital Projects	-	-	-	13,807,273	32,194,495	-	23,487,759	3,807,314	47,661,442	111,962,443
Restricted:										
Reported in Nonmajor Special Revenue Funds	8,687,029	8,620,439	11,692,566	8,482,378	22,412,123	21,725,157	27,978,338	37,460,430	60,740,317	68,550,879
Reported in Nonmajor Capital Project Funds	69,216,918	33,497,969	2,696,414	1,915,149	20,415,154	5,056,131	12,507,950	6,710,900	18,728,394	10,361,780
Assigned:										
Capital Projects	2,100,658	1,849,399	4,616,244	15,693,821	12,849,315	-	-	-	-	-
Pension	-	-	-	-	-	700,748	-	-	-	-
Reported in Nonmajor Special Revenue Funds	-	-	-	-	-	968,362	1,008,570	-	-	-
Reported in Nonmajor Capital Project Funds	-	-	-	-	-	16,724,586	9,569,108	8,175,945	10,650,127	10,420,970
Unassigned	(1,597,588)	(1,293,996)	(2,014,377)	(4,957,073)	(1,945,246)	(2,863,571)	(373,898)	(21,536,390)	(26,004)	(28,766)
Total All Other Governmental Funds	111,732,986	81,214,841	52,456,547	83,900,231	125,482,531	82,221,321	101,497,517	62,855,184	167,254,547	253,556,616
Total Governmental Fund Balance	$ 135,713,265	$ 121,264,920	$ 93,306,825	$ 141,045,146	$ 209,803,160	$ 171,940,549	$ 194,601,579	$ 197,231,274	$ 288,687,795	$ 392,223,702

* 2015 Beginning balances were restated to reflect the effects of implementation of GASB 68.
** 2019 Beginning balances were restated to reflect the effects of implementation of GASB 84.
*** 2020 Beginning balances were restated to reflect corrections of errors.
**** 2021 Beginning balances were restated to reflect corrections of errors.

Source: Balance Sheet - Governmental Funds, Annual Audited Financial Statements.

COUNTY OF MONTGOMERY, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2013	2014	2015*	2016	2017	2018	2019**	2020***	2021****	2022
REVENUES										
Real Estate Taxes, Net:										
Current Year	$ 178,078,258	$ 179,228,161	$ 179,087,092	$ 200,144,742	$ 225,787,714	$ 225,236,501	$ 226,143,974	$ 226,526,063	$ 240,703,284	$ 259,695,750
Prior Years and Liened Taxes	5,488,435	4,776,004	6,307,315	2,462,838	4,800,233	5,438,343	4,650,776	4,467,915	6,733,149	5,038,300
Total Taxes	183,566,693	184,004,165	185,394,407	202,607,580	230,587,947	230,674,844	230,794,750	230,993,978	247,436,433	264,734,050
Grants and Entitlements	259,924,828	278,863,464	273,152,688	325,022,983	314,297,627	348,229,457	343,650,875	486,911,179	599,123,828	578,695,743
Parkhouse Providence Pointe	44,338,610	8,881,886	-	-	-	-	-	-	-	-
Departmental Earnings	36,440,743	35,163,060	44,637,356	43,927,263	50,832,558	51,246,918	49,456,007	45,829,277	48,097,569	48,450,059
District Justices	3,490,424	2,900,540	2,823,513	2,772,330	2,606,030	2,558,112	2,701,791	1,806,419	2,084,024	2,217,572
Investment Income	242,010	204,410	213,194	685,695	1,320,669	3,004,149	3,939,818	1,359,118	927,064	7,618,932
Contribution Fees	8,611,677	10,711,975	-	-	22,383,551	18,926,620	19,976,018	23,382,503	24,785,470	23,549,157
Fines and Forfeits	300,261	234,020	297,049	281,518	305,673	365,536	149,513	136,213	189,398	81,725
Room Occupancy	-	-	-	-	-	-	-	-	-	-
Other	11,171,768	14,222,205	19,340,638	7,987,485	13,335,695	7,186,802	11,247,611	17,062,520	22,070,882	20,625,562
Total Revenues	548,087,014	535,185,725	525,858,845	583,284,854	635,669,750	662,192,438	661,916,383	807,481,207	944,714,668	945,972,800
EXPENDITURES										
General Administration	29,045,341	31,584,178	31,682,109	30,699,975	34,163,618	34,914,715	43,769,849	50,376,551	55,037,550	47,905,009
Judicial Administration	68,355,199	70,192,225	69,423,926	75,656,350	73,145,509	79,049,870	80,967,726	78,981,274	80,189,310	84,453,912
Corrections	57,598,159	60,039,303	63,004,580	67,331,560	67,129,283	69,091,879	69,615,901	69,631,361	65,036,525	65,710,314
Public Safety	16,724,589	16,508,872	5,315,905	5,635,592	19,329,585	21,668,926	20,249,919	23,500,165	38,195,099	58,640,453
History, Cultural Arts, Recreation	4,634,451	4,731,622	4,784,455	4,946,171	5,463,327	5,807,883	6,035,196	6,457,376	6,559,235	7,052,337
Adult Welfare	63,962,694	29,927,033	19,213,583	19,168,500	20,245,839	19,067,412	19,713,207	18,702,348	18,481,437	17,843,933
Child Welfare	49,105,230	51,313,727	54,636,563	55,584,432	59,842,906	63,300,148	71,039,992	86,957,464	137,731,695	94,597,295
General Welfare	166,396,905	170,431,214	180,716,470	197,038,802	221,655,711	244,702,364	242,559,067	286,985,616	393,880,042	371,933,907
Community Development and Housing	9,209,812	12,083,722	8,846,096	11,138,365	10,648,252	10,538,446	13,557,104	18,451,953	24,766,221	17,434,849
Mass Transportation	4,272,142	4,490,369	4,281,050	5,856,564	4,642,221	4,671,490	5,070,409	-	-	-
Roads and Bridges, Construction, and Reconstruction	1,388,726	1,939,329	1,910,266	4,113,782	2,660,538	4,369,687	2,397,026	1,636,150	1,707,958	1,553,416
Employee Benefits	-	-	-	-	-	-	-	-	-	-
Insurance	1,784,149	1,695,611	2,238,383	1,408,760	1,506,006	1,991,345	3,162,215	1,512,404	1,723,328	3,616,395
Debt Service:										
Principal	40,362,209	61,079,573	38,384,591	23,225,000	26,400,000	31,996,037	32,187,500	32,071,213	33,379,000	39,875,614
Interest	-	-	-	16,506,088	17,204,166	14,023,789	14,729,638	16,327,072	19,033,470	21,305,548
Issuance Costs	-	-	-	1,448,068	887,610	197,105	741,626	-	-	-
Swap Termination	-	-	-	-	-	-	-	-	-	-
Operational Costs	430,314	495,713	510,984	177,299	79,394	102,486	98,966	13,921	1,750	-
Recycling Costs	361,146	321,594	-	-	-	-	-	-	-	-
Capital Improvements	12,539,412	47,021,241	38,625,482	44,955,857	26,173,805	57,162,795	51,894,464	63,263,022	70,825,396	132,198,082
Other	3,958,892	3,217,012	11,224,125	9,554,318	39,216,183	37,845,349	34,831,891	53,565,458	49,941,112	50,923,050
Right-to-Use - Lease Expenditures	-	-	-	-	-	-	-	-	-	7,982,325
Total Expenditures	530,129,370	567,072,338	534,798,568	574,445,483	630,393,953	700,501,726	712,621,696	808,433,348	996,489,128	1,023,026,439
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	17,957,644	(31,886,613)	(8,939,723)	8,839,371	5,275,797	(38,309,288)	(50,705,313)	(952,141)	(51,774,460)	(77,053,639)

COUNTY OF MONTGOMERY, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2013	2014	2015*	2016	2017	2018	2019**	2020***	2021****	2022
OTHER FINANCING SOURCES (USES)										
Operating Transfers In	$ 2,740,872	$ 2,718,218	$ 224,910	$ 702,441	$ 26,312,390	$ 10,181,373	$ 20,017,526	$ 62,206,871	$ 4,172,559	$ -
Operating Transfers Out	(6,067,792)	(5,007,895)	-	(2,555,529)	(27,012,390)	(10,181,373)	(20,017,526)	(62,417,269)	(4,172,559)	-
Operating Transfers to Component Units	(18,105,562)	(19,620,768)	(19,557,004)	(19,629,822)	-	-	-	-	-	-
Right-to-Use Assets - Leases Issued	-	-	-	-	-	-	-	-	-	7,982,325
Proceeds from Sale of Capital Assets	-	39,250,520	-	-	-	-	-	-	-	-
Proceeds from Debt Issuance	-	-	-	-	53,025,000	-	54,755,000	-	106,085,000	153,155,000
Repayment to Infrastructure Program	98,194	98,194	-	-	-	-	-	-	-	-
Refunding Bonds Issued	-	-	26,910,000	-	24,770,000	43,970,000	62,180,000	-	-	-
Premium on Refunding Bonds Issued	-	-	3,259,865	8,903,551	-	-	-	-	-	-
Premium on Debt Issued	-	-	-	-	5,024,636	4,700,433	21,327,032	-	36,318,385	22,255,901
Payment to Refunded Bond Escrow Agent	-	-	(29,856,143)	(53,771,291)	(27,908,862)	(45,386,756)	(70,520,406)	-	-	-
Swap Termination Fee	-	-	-	(6,470,400)	-	(2,837,000)	-	-	-	-
Deposit from Sale of Capital Assets	5,034,197	-	-	-	-	-	-	-	-	-
Proceeds from Bond Issue	55,000,000	-	-	111,720,000	-	-	-	-	-	-
Original Issue Premium	8,450,360	-	-	-	-	-	-	-	-	-
Bond Issue Costs	-	-	-	-	-	-	-	-	-	#REF!
Total Other Financing Sources (Uses)	47,150,269	17,438,269	(19,018,372)	38,898,950	54,210,774	446,677	67,741,626	(210,398)	142,403,385	#REF!
NET CHANGE IN FUND BALANCES	65,107,913	(14,448,344)	(27,958,095)	47,738,321	59,486,571	(37,862,611)	17,036,313	(1,162,539)	90,628,925	#REF!
Fund Balances - Beginning of Year	70,605,353	135,713,266	121,264,922	93,306,827	150,316,589	209,803,160	177,565,266	198,393,813	198,058,870	288,687,795
FUND BALANCES - END OF YEAR	$ 135,713,266	$ 121,264,922	$ 93,306,827	$ 141,045,148	$ 209,803,160	$ 171,940,549	$ 194,601,579	$ 197,231,274	$ 288,687,795	#REF!
Debt Service as a Percentage of Noncapital Expenditures	8.2%	12.1%	7.7%	7.7%	7.6%	7.1%	7.2%	5.6%	5.6%	6.4%

* 2015 Beginning balances were restated to reflect the effects of implementation of GASB 68.
** 2019 Beginning balances were restated to reflect the effects of implementation of GASB 84.
*** 2020 Beginning balances were restated to reflect corrections of errors.
**** 2021 Beginning balances were restated to reflect corrections of errors.

Source: Balance Sheet - Governmental Funds, Annual Audited Financial Statements

COUNTY OF MONTGOMERY, PENNSYLVANIA
ASSESSED VALUE AND ESTIMATED MARKET VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Year Ended December 31	Residential	Commercial	Farm	Industrial	Total Taxable Assessed Value	Exempt[1]	Total Direct Tax Rate	Estimated Actual Market Value	Assessed Value as a Percentage of Market Value
2013	$ 43,232,428,013	$ 13,003,918,743	$ 309,645,365	$ 1,992,772,589	$ 58,538,764,710	$ 6,871,867,986	3.152	$ 101,806,547,322	57.5%
2014	43,447,113,902	13,187,912,715	312,411,055	1,990,183,258	58,937,620,930	6,901,141,321	3.152	104,871,211,619	56.2%
2015	43,624,943,735	13,413,497,080	313,196,595	1,989,969,213	59,341,606,623	6,838,349,055	3.152	105,590,047,372	56.2%
2016	43,817,422,923	13,531,318,200	318,473,955	1,978,935,448	59,646,150,526	6,940,283,775	3.459	110,251,664,558	54.1%
2017	44,025,102,509	13,727,566,541	317,867,335	1,950,615,369	60,021,151,754	6,984,007,188	3.849	117,919,748,043	50.9%
2018	44,230,342,985	13,948,819,906	318,456,215	1,921,476,269	60,419,095,375	7,065,694,780	3.849	122,553,945,994	49.3%
2019	44,401,318,304	14,089,890,968	318,701,485	1,891,060,325	60,700,971,082	7,274,819,310	3.849	129,426,377,574	46.9%
2020	44,585,183,154	14,307,543,171	321,774,790	1,873,766,195	61,088,267,310	7,317,564,560	3.849	136,662,790,403	44.7%
2021	44,763,028,515	14,529,940,379	329,505,885	1,888,965,942	61,511,440,721	7,368,821,393	4.022	155,725,166,382	39.5%
2022	45,329,312,700	14,910,871,792	324,666,285	1,928,908,682	62,004,751,704	7,470,427,313	4.313	174,661,272,406	35.5%

Notes:
[1] Exempt property includes railroads and utilities, which is not included in any category listed above.

Source: County Board of Assessment Office

COUNTY OF MONTGOMERY, PENNSYLVANIA
REAL PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS
(MILLS PER $1,000 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS
(UNAUDITED)

Year Ended December 31	County Direct Rates		Overlapping Rates		Total Direct and Overlapping Rates
	General Purposes	Total County Direct	Borough or Township[1]	School District[1]	
2013	3.152	3.152	3.6899	26.8077	33.6496
2014	3.152	3.152	3.7637	27.4332	34.3489
2015	3.152	3.152	3.8577	27.9182	34.9279
2016	3.459	3.459	3.9469	28.4781	35.8840
2017	3.459	3.849	4.0646	29.0601	36.9737
2018	3.459	3.849	4.2810	29.7325	37.8625
2019	3.459	3.849	4.3052	30.3861	38.5403
2020	3.459	3.849	4.3970	30.9751	39.2211
2021	3.632	4.022	4.5736	31.4664	40.0620
2022	3.923	4.313	4.7843	32.2342	41.3315

Note:
[1] Each unit within these classes levies its own millage rate. The rates shown are weighted-averages.

COUNTY OF MONTGOMERY, PENNSYLVANIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
COUNTY DIRECT RATES										
General Purposes	3.1520	3.1520	3.1520	3.4590	3.4590	3.4590	3.4590	3.4590	3.6320	3.9230
Community College	0.0000	0.0000	0.0000	0.0000	0.3900	0.3900	0.3900	0.3900	0.3900	0.3900
TOTAL DIRECT RATE	3.1520	3.1520	3.1520	3.4590	3.8490	3.8490	3.8490	3.8490	4.0220	4.3130
BOROUGH RATES										
Ambler	6.7800	6.7800	6.9400	7.3600	7.3600	7.3600	7.3600	7.8600	7.8600	7.8600
Bridgeport	12.3800	12.2300	12.2300	12.2300	12.2300	12.2300	12.2300	12.2300	12.2300	12.2300
Bryn Athyn	9.4160	9.6800	9.9700	10.3000	10.6090	10.8760	10.8760	10.8760	10.8760	10.8760
Collegeville	4.0000	4.0000	4.0000	4.0000	4.4000	4.9000	4.9000	5.2000	5.2000	6.2000
Conshohocken	3.5000	3.5000	3.5000	3.5000	3.5000	3.5000	3.5000	4.5000	4.5000	4.5000
East Greenville	5.2500	6.2500	6.2500	6.2500	6.7500	6.2500	6.2500	6.2500	6.2500	6.7500
Green Lane	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
Hatboro Borough	7.8780	7.8780	7.8780	7.8780	7.8780	9.2390	9.2390	9.7890	9.7890	10.0020
Hatfield Borough	1.0000	1.0000	1.3500	1.7000	2.0000	2.0000	2.0000	2.0000	2.2500	3.2500
Jenkintown	7.1430	7.4430	7.4430	7.5930	7.7530	7.7530	8.1530	8.5530	8.5530	10.0530
Lansdale	3.5000	3.5000	4.5000	4.5000	4.5000	5.5000	5.5000	5.7500	5.7500	6.2500
Narberth	8.7750	8.7750	8.7750	8.7750	9.5500	9.7100	9.7100	9.8650	9.8650	11.9650
Norristown	12.3600	12.7000	12.7000	12.7000	12.7000	14.7000	14.7000	15.0000	16.0000	16.0000
North Wales	4.0010	4.0010	4.0010	4.0010	5.0010	5.0010	5.0010	5.0010	5.5010	6.0000
Pennsburg	5.4750	5.4750	5.4750	5.4750	5.9750	7.2250	7.2250	7.2250	7.2250	8.7250
Pottstown	10.2120	10.3110	10.3110	10.3110	10.3400	11.5800	12.6750	13.1610	13.5430	13.9450
Red Hill	2.7000	2.7000	2.7000	2.7000	2.7000	2.7000	2.7000	2.7000	2.7000	2.7000
Rockledge	6.3500	6.3500	6.3500	6.3500	6.3500	7.3500	7.3500	7.3500	8.8500	8.8500
Royersford	8.2000	8.2000	8.2000	8.2000	8.4500	9.4500	9.4500	10.2000	10.2000	8.7000
Schwenksville	4.4000	4.4000	4.9000	4.9400	5.9400	5.9400	5.9400	5.9400	7.4000	6.9400
Souderton	5.2750	5.3875	5.5100	5.5100	5.5100	5.7800	5.7800	5.7800	5.9500	6.4000
Telford	5.5875	5.7375	6.0600	6.0600	6.0600	6.6400	6.6400	6.7400	6.7400	6.9900
Trappe	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.9700	0.9700
West Conshohocken	1.4170	1.5270	1.5270	1.5270	1.5270	1.1800	1.1800	1.1800	1.1800	1.1800
MUNICIPALITIES										
Abington	3.9711	3.9711	3.9711	4.2030	4.2030	4.4430	4.4430	4.8510	4.8510	5.9220
Cheltenham	7.1413	7.4801	7.8846	8.0972	8.4165	9.1785	9.1785	9.5695	9.5695	9.5695
Douglass	1.7000	1.7000	1.8000	1.8000	1.8000	2.3000	2.3000	2.6000	3.0000	3.0000
East Norriton	2.7270	2.7270	2.7270	2.7270	2.7270	2.7270	2.7270	2.7270	2.7270	2.7270
Franconia	1.3975	1.5475	1.8415	1.9240	1.9240	1.9790	1.9790	2.0300	2.0300	2.2542
Hatfield	4.3450	5.2210	5.2210	5.2210	5.2210	5.2210	5.2210	5.2210	5.2210	5.2210
Horsham	1.0000	1.0000	1.0000	1.0000	1.0000	1.2000	1.2000	1.2000	1.3000	1.4800
Limerick	1.8950	2.0040	2.0040	2.5930	2.5930	2.5930	2.5930	2.5930	2.5930	2.5930
Lower Frederick	1.8500	1.8500	1.8500	2.3500	2.3500	2.4150	2.4150	2.8200	2.8200	2.8200
Lower Gwynedd	1.2230	1.2230	1.2230	1.2230	1.2230	1.2230	1.2230	1.2230	1.2230	1.2230
Lower Merion	4.1900	4.1900	4.1900	4.1900	4.1900	4.1900	4.1900	4.1900	4.1900	4.1900
Lower Moreland	3.5160	3.7450	3.9350	4.0640	4.1830	4.8030	4.8030	4.9400	5.1300	5.1300
Lower Pottsgrove	2.7880	2.8680	2.8680	3.3680	3.3680	3.6180	3.6180	3.8680	3.8680	4.1180
Lower Providence	1.5120	1.5920	1.7670	1.7670	1.7670	2.0870	2.0870	2.0870	2.3075	2.5875
Lower Salford	2.6065	2.6065	2.6890	2.6890	2.6890	2.6890	2.6890	2.6890	2.6890	2.6890
Marlborough	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500
Montgomery	1.4900	1.4900	1.4900	1.4900	1.4900	1.4900	1.4900	1.4900	1.4900	2.4900
New Hanover	1.6800	1.6800	1.6800	1.6800	1.6800	1.5870	1.5870	1.5870	1.5870	1.5870
Perkiomen	0.6200	0.6200	0.6200	0.6200	0.6200	0.6200	0.6200	0.6200	0.6200	0.6200
Plymouth	1.6000	1.6000	1.8500	2.1000	2.1000	2.1600	2.1600	2.3200	2.4200	2.5200
Salford	1.4000	1.4000	1.4000	1.4000	1.4000	1.4000	1.4000	1.4000	1.4000	1.4000
Skippack	0.3508	0.3508	0.3508	0.3508	0.3508	0.3200	0.3200	0.3200	0.3200	0.3200
Springfield	3.5840	3.4670	3.6760	3.6760	3.9650	4.4410	4.4410	4.4410	4.5160	4.5160
Towamencin	3.8080	3.8080	3.8080	3.8080	3.8080	3.8080	3.8080	3.8080	4.5580	4.5580
Upper Dublin	5.3100	5.4160	5.5250	5.6610	5.6610	5.8460	5.8460	5.9920	6.1420	6.1420
Upper Frederick	1.6200	1.6200	1.6200	1.6200	1.6200	1.6200	1.6200	1.6200	1.6200	1.6200
Upper Gwynedd	1.0120	2.0120	2.0120	2.0120	2.0410	2.0410	2.0410	2.0410	2.0410	1.8740
Upper Hanover	1.4500	1.4500	1.4500	1.4500	1.4500	1.4500	1.4500	1.4500	1.4500	1.4500

COUNTY OF MONTGOMERY, PENNSYLVANIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
MUNICIPALITIES (CONTINUED)										
Upper Merion	2.1590	2.1590	2.1590	2.1590	2.1590	2.1590	2.1590	2.7900	2.7900	3.3800
Upper Moreland	4.4580	4.4580	4.6800	4.8200	4.9390	5.2690	5.2690	5.4690	5.6670	5.9500
Upper Pottsgrove	3.7750	3.7750	3.7750	4.3000	4.3000	4.0000	4.0000	4.0000	4.0000	4.0000
Upper Providence	0.0000	0.0000	0.0000	0.0000	1.2000	1.2000	1.2000	1.2000	1.2000	2.5000
Upper Salford	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
West Norriton	3.4870	3.4870	3.5300	4.4750	4.4750	4.4750	4.4750	4.4750	4.4750	4.4750
West Pottsgrove	2.0000	1.5000	2.5000	2.5000	2.5000	2.5000	2.5000	3.0000	3.0000	3.0000
Whitemarsh	2.0379	2.0379	2.0379	2.0379	2.0379	2.0379	2.0379	2.3633	2.3633	2.3633
Whitpain	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000
Worcester	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
SCHOOL DISTRICT RATES										
Abington	27.8000	29.0600	29.8900	30.8300	31.7700	31.7700	31.7700	31.7700	32.7200	33.8300
Boyertown	22.9700	23.2700	23.8600	24.2700	25.0200	26.3700	27.3300	28.2000	29.0460	29.9170
Bryn Athyn	1.0000	1.0000	1.0000	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Cheltenham	42.3072	43.6856	44.5156	45.0943	45.9511	47.0539	48.2773	49.5325	51.0180	51.8400
Colonial	19.6007	20.1103	20.5125	20.9638	21.4040	21.9170	22.7720	23.3640	23.9950	24.3950
Hatboro-Horsham	25.8160	26.3580	26.8480	27.4870	28.1410	28.8020	29.4640	30.0240	30.5910	31.4900
Jenkintown	36.5970	37.3655	38.0726	38.9836	40.3000	41.2672	42.2143	43.3043	43.3043	45.8543
Lower Merion	24.3817	25.3335	26.2321	27.3963	28.0740	28.7477	29.4088	30.1734	30.7768	31.2045
Lower Moreland	30.9354	31.5831	32.3712	33.3179	34.3069	35.1906	35.8576	36.7205	37.3908	38.4943
Methacton	27.3300	27.9000	27.9000	28.7400	29.4585	30.0431	30.3781	30.8534	31.2645	31.6522
Norristown	31.7440	32.5720	33.1790	34.3890	35.8790	36.9190	37.9520	39.2040	39.2040	39.2040
North Penn	22.7049	23.1819	23.6223	24.1890	24.6704	25.5090	26.0957	26.7742	27.5369	28.4712
Perkiomen Valley	29.7600	30.5100	30.8700	31.6000	32.3500	33.2300	33.7200	34.5100	34.8500	35.4500
Pottsgrove	36.8101	37.5095	37.7158	37.7158	37.8630	37.8630	38.1020	38.1020	38.4830	38.8870
Pottstown	38.1460	39.2522	39.2522	39.2522	39.2522	40.6260	41.9667	41.9667	41.9667	41.9667
Souderton	28.2550	28.5376	28.6502	28.7820	28.9259	29.6201	30.0495	30.3200	30.5837	31.4400
Springfield Twp	29.9642	30.5361	31.0766	31.6638	32.3913	33.0654	33.7102	34.4687	35.3304	36.3197
Spring-Ford	25.2540	25.7460	26.0610	26.2442	26.2442	26.8599	27.4777	28.1869	28.7379	29.6712
Upper Dublin	29.6536	30.5431	31.4099	32.2861	33.0254	33.6826	34.4202	35.2634	36.1344	36.8570
Upper Merion	17.9900	18.3600	18.9600	18.9600	19.4300	19.8900	20.3400	20.7600	20.7600	21.4600
Upper Moreland	27.6800	28.2600	28.7969	29.4016	30.1366	30.8598	31.7559	32.5816	32.5815	34.6745
Upper Perkiomen	21.9521	22.3363	23.0622	23.6388	24.3479	24.5407	25.2278	25.2278	25.7323	25.8585
Wissahickon	17.9250	17.9310	18.2610	18.7900	19.4400	20.0200	20.5900	21.1200	21.7200	22.4500

COUNTY OF MONTGOMERY, PENNSYLVANIA
PRINCIPAL TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO
(UNAUDITED)

		2022 Assessment			2013 Assessment		
Business	Type of Business	Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation
Merck Sharp & Dohme Corporation	Pharmaceuticals	$ 512,242,260	$ 1	0.82%	$ 564,672,640	$ 1	0.96%
Simons Properties	Commercial Real Estate	465,305,284	$ 2	0.74%			
Neilson-Sunderland Partnership	Real Estate Investment	272,733,329	$ 3	0.44%	200,058,240	$ 5	0.34%
Wyeth / Pfizer	Pharmaceuticals	185,832,820	$ 4	0.30%	185,832,820	$ 6	0.32%
The Westover Companies	Property Management	170,184,480	$ 5	0.27%	110,015,750	$ 10	0.19%
RV of 1 LP	Real Estate Investment	147,327,760	$ 6	0.24%			
PREIT	Real Estate Investment	145,366,640	$ 7	0.23%			
Brandywine Operating Partnership	Real Estate and Investment Services	134,505,040	$ 8	0.22%	261,000,720	$ 4	0.45%
Johnson and Johnson	Pharmaceuticals and Medical Devices	126,647,370	$ 9	0.20%			
Tower Bridge Associates	Investment Services	126,033,915	$ 10	0.20%			
Total Principal Taxpayers 2022		$ 1,773,936,638		2.84%			
King of Prussia Associates	Commercial Real Estate				374,562,149	$ 2	0.64%
Liberty Properties	Real Estate Investment				354,575,650	$ 3	0.61%
Glaxo - Smith Kline	Pharmaceuticals				120,772,723	$ 7	0.21%
Pulver - Tower Bridge Associates	Real Estate Developer				119,324,090	$ 8	0.20%
A.C.T.S., Inc.	Retirement Communities				110,222,360	$ 9	0.19%
Total Principal Taxpayers 2013					$ 2,401,037,142		4.10%

Source: County Board of Assessment Office

COUNTY OF MONTGOMERY, PENNSYLVANIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Year Ended December 31	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
2013	185,209,756	178,078,258	96.1%	5,488,435	183,566,693	99.1%	4,707,378	2.54%
2014	186,493,180	179,228,161	96.1%	4,776,004	184,004,165	98.7%	4,644,677	2.49%
2015	187,658,793	179,087,092	95.4%	6,307,315	185,394,407	98.8%	4,323,762	2.30%
2016	207,211,277	200,144,742	96.6%	2,462,838	202,607,580	97.8%	4,442,122	2.14%
2017	208,926,445	203,086,678	97.2%	4,800,233	207,886,911	99.5%	1,617,865	0.77%
2018	209,872,929	202,225,103	96.4%	5,438,343	207,663,446	98.9%	3,857,057	1.84%
2019	211,118,388	205,286,135	97.2%	5,816,262	211,102,397	100.0%	2,816,548	1.33%
2020	212,585,105	203,153,757	95.6%	5,774,306	208,928,063	98.3%	3,033,868	1.43%
2021	225,324,209	217,181,825	96.4%	3,620,760	220,802,585	98.0%	2,752,391	1.22%
2022	244,665,717	236,100,264	96.5%	5,016,065	241,116,329	98.5%	2,060,873	0.84%

Source: Auditor-Controller

COUNTY OF MONTGOMERY, PENNSYLVANIA
RATIOS OF OUTSTANDING DEBT
LAST TEN FISCAL YEARS
(UNAUDITED)

Year Ended December 31	Governmental Activities General Obligation (GO)	Total Primary Government	Total Debt to Market Value	Total Debt per Capita	Total Debt to Personal Income
2013	446,166,110	446,166,110	0.438%	548	0.824%
2014	402,604,299	402,604,299	0.384%	493	0.712%
2015	380,871,495	380,871,495	0.361%	465	0.652%
2016	423,534,436	423,534,436	0.384%	515	0.708%
2017	470,274,018	470,274,018	0.399%	569	0.737%
2018	438,840,037	438,840,037	0.358%	530	0.657%
2019	473,700,209	473,700,209	0.366%	570	0.695%
2020	437,504,796	437,504,796	0.320%	511	0.608%
2021	542,456,111	542,456,111	0.346%	630	0.711%
2022	677,260,028	677,260,028	0.385%	836	1.198%

Sources: Annual Financial Statements
United States Census Bureau

COUNTY OF MONTGOMERY, PENNSYLVANIA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2022
(UNAUDITED)

Direct Debt of County and Related Entities	Net Debt Outstanding	Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Overlapping:			
Montgomery County Community College[1]	$ 84,774,374	100%	$ 84,774,374
Direct:			
County of Montgomery	677,260,028	100%	677,260,028
Total Direct and Overlapping Debt	$ 762,034,402		$ 762,034,402
Ratio of Total Direct and Overlapping Debt:			
Total Assessed Value			0.43%
Per Capita			$ 881.29
Total Assessed Value	$ 176,038,759,039		
Population	864,683		

Note:
[1] Montgomery County Community College debt is as of June 30, 2022

Source: Montgomery County Finance Office

COUNTY OF MONTGOMERY, PENNSYLVANIA
RATIOS OF OUTSTANDING DEBT
LAST TEN FISCAL YEARS
(UNAUDITED)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Limit	$ 1,514,102,856	$ 1,521,895,566	$ 1,510,014,186	$ 1,542,733,159	$ 1,642,310,270	$ 1,768,179,018	$ 1,863,319,786	$ 1,917,924,745	$ 2,076,334,546	$ 2,398,450,851
Total Net Debt Applicable to Limit	426,720,000	385,035,000	361,935,000	399,825,000	444,127,457	410,834,920	427,967,420	395,085,000	468,800,000	587,590,000
Legal Debt Margin	$ 1,087,382,856	$ 1,136,860,566	$ 1,148,079,186	$ 1,142,908,159	$ 1,198,182,813	$ 1,357,344,098	$ 1,435,352,366	$ 1,522,839,745	$ 1,607,534,546	$ 1,810,860,851
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	28.18%	25.30%	23.97%	25.92%	27.04%	23.23%	22.97%	20.60%	22.58%	24.50%

Source: Montgomery County Finance Office, Annual Financial Statements

COUNTY OF MONTGOMERY, PENNSYLVANIA
DEMOGRAPHIC ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Year Ended December 31	(1) Population	(2) Per Capita Income	(4) Public School Enrollment	(3) Unemployment Rate	(2) Personal Income
2013	813,704	$ 66,564	104,953	5.8%	$ 54,163,111,000
2014	816,608	69,255	105,163	4.6%	56,554,548,000
2015	819,264	71,306	105,825	4.2%	58,418,435,000
2016	821,725	72,780	106,274	4.2%	59,805,193,000
2017	826,075	77,207	109,486	3.4%	63,778,569,000
2018	828,562	80,606	115,859	3.1%	66,790,654,000
2019	830,915	82,037	115,747	3.9%	68,165,713,000
2020	856,553	86,340	116,690	5.4%	71,996,142,000
2021	860,578	88,671	115,441	3.3%	76,308,438,000
2022	865,044	93,666	116,115	3.0%	80,991,052,000

(1) United States Census Bureau estimates
(2) Bureau of Economic Analysis
(3) United States Department of Labor, Bureau of Labor Statistics
(4) PA Department of Education

COUNTY OF MONTGOMERY, PENNSYLVANIA
TOP PRINCIPAL EMPLOYERS
LAST TEN FISCAL YEARS
(UNAUDITED)

Employer	Location	2022 Rank	2013 Rank
Merck Sharp & Dohme Corporation	West Point	1	1
Abington Memorial Hospital	Abington	2	2
Main Line Hospitals Inc.	Lower Merion	3	4
PA State Government	Various	4	3
Albert Einstein Medical Center	Norristown	5	
SmithKline Beecham Corporation	Swedeland	6	7
SEI Investments Company	Oaks	7	
Giant Food Stores LLC	Various	8	5
United Parcel Service Inc	Horsham	9	9
Lockheed Martin Corporation	Upper Merion	10	10
Montgomery County	Norristown		6
Federal Government	Various		8

Source: Pennsylvania Center for Workforce Information and Analysis

COUNTY OF MONTGOMERY, PENNSYLVANIA
COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Full-Time Employees by Function										
General Government	308	279	279	275	274	274	278	288	295	305
Parkhouse*	551	-	-	-	-	-	-	-	-	-
Judicial	852	845	833	845	840	834	843	802	804	775
Public Safety	298	298	298	298	296	306	307	300	278	278
Corrections	398	393	405	395	404	409	408	416	368	363
Public Property	90	95	93	96	98	88	89	89	83	93
Human Services	480	479	474	474	484	462	471	521	504	499
Parks, Trails and Historic Sites	59	63	63	69	71	75	76	73	74	80
Commerce	22	37	32	19	18	33	30	30	33	34
Total Full-Time	3,058	2,489	2,477	2,471	2,485	2,481	2,502	2,519	2,439	2,427

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Part-Time Employees by Function										
General Government	95	23	24	31	28	23	22	31	22	22
Parkhouse*	142	-	-	-	-	-	-	-	-	-
Judicial	117	125	122	136	142	139	127	118	100	98
Public Safety	105	109	112	112	123	114	155	166	155	159
Corrections	6	7	9	8	8	9	7	7	5	8
Public Property	9	8	11	8	10	6	11	6	3	2
Human Services	21	17	19	24	19	21	21	23	25	27
Parks, Trails and Historic Sites	38	38	41	33	34	32	32	34	29	27
Commerce	-	2	-	-	-	1	1	1	1	1
Total Part-Time	533	329	338	352	364	345	376	386	340	344
Total Employees	3,591	2,818	2,815	2,823	2,849	2,826	2,878	2,905	2,779	2,771

* Closed Parkhouse Department in 2014

Source: Montgomery County Human Resources Office, Information Technology Office

COUNTY OF MONTGOMERY, PENNSYLVANIA
MISCELLANEOUS STATISTICS
DECEMBER 31, 2022
(UNAUDITED)

Date Founded:	1784
Form of Government:	County
Area:	487 Square Miles
Number of Municipalities:	38 Townships 24 Boroughs
Miles of Roads:	75 County
County Bridges:	133
Airports:	6
Passenger Rail Stations:	41
Fire / Ambulance Protection:	97 Fire Stations 76 Ambulance and EMS Stations
Police Protection:	50 Municipal Police Departments 2 State Police Barracks 1 County Detective
Hospitals And Medical Centers:	18
Number of School Districts:	23
Number of Colleges:	20

Major County Parks:

Park	Acres	Active Trail/Miles
Central Perkiomen Valley Park	800	19
Green Lane Park	3400	25
Lock 60 at the Schuykill Canal Park	-	5
Lorimer Park	230	5.4
Lower Perkiomen Valley Park	107	-
Norristown Farm Park	690	8
Upper Schuykill Valley Park	15	-

County Employees:	2,427 Full-Time 344 Part-Time
Public Libraries:	36
Registered Voters:	607,301

Source: Montgomery County Human Resources Department, Department of Public Safety, Parks and Recreation Department, Voter Services, various other departments

COUNTY OF MONTGOMERY, PENNSYLVANIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS*
(UNAUDITED)

	2022	2021	2020	2019	2018	2017	2016*
General Administration							
Total number of real estate assessment appeals	651	1,505	2,141	2,072	1,958	1,957	1,533
Total bids/request for proposals issued for goods and services	96	138	94	85	81	74	113
Total bids and proposals received for goods and services	395	690	450	400	384	431	533
% of registered voters that voted in the general election	68%	38%	84%	38%	68%	32%	78%
% of registered voters that voted in the primary election	39%	27%	45%	21%	20%	16%	44%
Judicial Administration							
Criminal cases pending	5,770	8,803	7,226	4,093	4,692	4,723	5,835
Family Court new cases	7,654	7,715	6,748	7,130	7,083	7,325	7,310
Total filings through District Justices offices	126,642	118,415	99,415	166,778	163,695	166,505	164,720
Corrections							
Prison inmate population (average)	916	839	1,008	1,579	1,834	1,960	1,917
Number of inmates participating in work release program	46	32	333	368	341	446	351
Public Safety							
Total number of 911 calls handled by the Emergency Operations Center	694,606	740,595	840,990	772,713	798,373	763,973	787,646
Average 911 call dispatch time	5.98 seconds	5 seconds	4.3 seconds	3 seconds	3.1 seconds	2.7 seconds	3.4 seconds
Total number of defendants transported	5,104	1,221	3,308	13,416	13,168	13,675	13,000
Total number of incidents and bomb related activities responded to by bomb unit	630	341	226	491	337	142	245
History, Cultural Arts & Recreation							
Total attendance at Montgomery County parks	3,168,052	2,896,038	2,828,321	2,340,782	1,931,091	2,278,936	2,294,949
Total attendance at Montgomery County historic sites	113,121	114,963	186,672	122,383	66,380	138,721	125,574
Adult, Child, and General Welfare							
% successful exits out of homelessness into housing	43.4%	63.9%	64.9%	61.0%	58.4%	59.3%	61.4%
% increase/decrease in vaccine administrations through the Health clinics	43.9%	104.0%	-36.7%	-4.7%	-0.3%	-13.1%	5.1%
% of aging stay of assessments completed within 15 days	98.9%	98.5%	99.9%	99.0%	97.8%	98.0%	95.3%
Community Development & Housing							
Total acres preserved with Farmland Easement Programs	10,457	10,372	10,193	9,884	9,630	9,373	9,230
Number of zoning submittals reviewed by Planning Department	106	136	105	127	142	127	142
Number of community planning contracts	35	35	35	36	36	34	34
Roads & Bridges, Construction & Reconstruction							
Bridges owned	132	133	133	133	133	133	133
Number of highway miles maintained	75	75	75	75	75	75	75

* Future years will be included until ten years are shown.

Source: Montgomery County Departmental Records

COUNTY OF MONTGOMERY, PENNSYLVANIA
CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS*
(UNAUDITED)

Governmental	2022	2021	2020	2019	2018	2017
General Administration:						
Motor Vehicles	13	8	7	10	8	8
Buildings	8	8	8	8	8	7
Judicial Administration:						
Motor Vehicles	144	150	136	132	137	137
Buildings	2	2	2	2	2	2
Corrections:						
Motor Vehicles	42	33	30	32	30	28
Buildings	8	8	8	8	8	8
Public Safety:						
Motor Vehicles	150	138	125	131	133	122
Buildings	9	10	10	10	10	10
History, Cultural Arts and Recreation:						
Motor Vehicles	62	43	39	43	31	32
Number Of Major Parks	9	9	9	9	9	9
Number Of Historic Sites	5	5	5	5	5	5
Acreage Of Major Parks	6,000	6,000	6,000	6,000	6,000	6,000
Miles Of Trails	60	60	60	60	60	60
Buildings	12	10	10	10	10	9
Adult/Child/General Welfare:						
Motor Vehicles	24	21	19	22	22	21
Buildings	4	5	5	5	5	5
Roads & Bridges, Construction & Reconstruction:						
Motor Vehicles	42	42	38	37	36	39
County-Owned Bridges	132	133	133	133	133	133

* Future years will be included until ten years are shown.

Source: Montgomery County Departmental Records

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