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COUNTY OF YORK, PENNSYLVANIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2008

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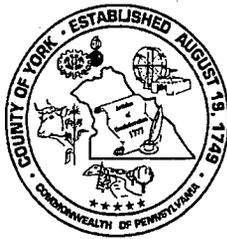
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Office of County Controller

Robert P. Green
Controller

Deborah K. Myers
Deputy Controller



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Room 232
York, Pennsylvania 17401-1596
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County of York, Pennsylvania

June 25, 2009

TO: THE COMMISSIONERS OF YORK COUNTY, PENNSYLVANIA

The Comprehensive Annual Financial Report (CAFR) regarding the County of York, Pennsylvania for the fiscal year ended December 31, 2008, is submitted herewith. This CAFR was prepared by the County Controller's Office. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data as presented is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and changes in financial position of the County as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain a clear understanding of the County's financial affairs have been included.

The organization, form and the contents of this CAFR, the accompanying financial statements, and the statistical tables were prepared in accordance with the standards established by the Government Accounting Standards Board (GASB), the Government Finance Officers Association (GFOA), the American Institute of Certified Public Accountants (AICPA), and the County Code of the Commonwealth of Pennsylvania.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

FINANCIAL REPORTING ENTITY

This CAFR includes all funds of the County. The County provides a full range of services. These services include the court system, prison, nursing home, 911 emergency operations center, and human service programs. Consistent with the guidance contained in GASB 39, "Determining Whether Certain Organizations are Component Units", an amendment of GASB 14, "The Reporting Entity", the criteria used by the County to evaluate whether additional entities should be included in the County's reporting entity as component units includes whether the County can impose its will on these entities and whether these entities bring the County financial benefit or burden. The component units included in the reporting entity are the York County Solid Waste and Refuse Authority (YCSWRA), the York County Industrial Development Authority (YCIDA), the York County Library System (YCLS), and the York County Planning Commission (YCPC).

The activities of the Fire Chiefs and Fire Fighters Association of York County (FCFFAYC), the Historical Society of York County (HSYC), the York County Convention and Tourist Bureau (YCTB), the York County Emergency Medical Services Training Institute (YCEMSTI), the York County Industrial Development Corporation (YCIDC), the York County Conservation District (YCCD), the York County Rail Trail Authority (YCRTA), the Penn State Cooperative Extension Service (PSCES), the York County Transportation Authority (YCTA), and the General Authority of Southcentral Pennsylvania (GASP) have not met the financial accountability criteria of GASB 39 and are accordingly excluded from this CAFR.

Other related organizations that have been excluded are the York County Private Industry Council (YCPIC), the York County Hospital Authority (YCHA), and the York County Air Transportation Authority (YCATA). The County Commissioners are responsible for appointing the members of the board for these organizations, but the County's accountability does not extend beyond making appointments.

ECONOMIC CONDITION AND OUTLOOK

York County is located in south-central Pennsylvania in the Susquehanna River Valley. The County is bounded on the east by the Susquehanna River and Lancaster County, on the west by Adams County (which includes the Gettysburg area), on the north by the Harrisburg area and the south by Baltimore, Harford, and Carroll Counties (Maryland). Interstate-83, a major north-south highway, and US-30, a major east-west highway, transects York County, creating a major crossroads accessible to the Eastern Seaboard. This centrally located highway network provides access to 26 industrial parks, which include many of the County's manufacturing facilities. Manufacturing employs 21.1% of the County's workforce. The four major industries are manufacturing, retail trade, education/health services, and professional/business services. The County is one of the largest agricultural producers in Pennsylvania and ranks in the top three counties in the production of a number of commodities.

York County's excellent location provides many cultural and economic advantages. Harrisburg, the state capital, and Baltimore, the second largest port on the East Coast, lie within an hour's drive on Interstate 83 while Philadelphia and Washington D.C. are within a two-hour drive. Major airports serving York County include Baltimore-Washington International Airport (BWI) and Harrisburg International Airport (HIA).

The County's population has increased 12.4% from 1990 to 2000, while the state's population increased only 3.4%. The average household income increased from \$33,773 in 1990 to \$45,268 in 1999, a 34.04% increase. In 2008, York County's average unemployment rate was 4.8%, ranking below both the state and national unemployment rates of 5.4% and 5.8%, respectively.

The County is preparing for the future through strong planning efforts led by the County and municipal governments. The York County Chamber of Commerce and York County Industrial Development Corporation provide strong business advisory and economic development services to maintain our strong economic base and business involvement in community leadership. Many of the County's social service providers, including the United Way, hospitals, and educational organizations, have joined with the business community in a long-range planning effort to strengthen planning, health care, and public education in York County.

Long-Term Financial Planning

Unreserved, undesignated fund balance in the general fund was 2.0% of total general fund revenues at December 31, 2008. The County does not have formal policy guideline for budgetary and planning purposes. However, the County informally budgets to approximate breakeven revenues and expenses on an annual basis and to retain a consistent amount of unreserved, undesignated fund balance from year to year. The County is not currently planning any significant increases in operations or major projects, other than those already in progress.

MAJOR INITIATIVES

Farmland Preservation

York County has been one of the lead counties in Pennsylvania in the move to preserve farmland and has established a Farmland Preservation Board. As of December 2008, the Board has been able to preserve 217 farms, totaling 34,990 acres. Approval has also been received to preserve 21 more farms, totaling 2,442 acres, in 2009. York County ranks third in Pennsylvania and eleventh in the United States in the number of farmland acres preserved. The acquisitions are funded by a combination of County, State, and Federal funds.

York County Solid Waste and Refuse Authority

The York County Solid Waste and Refuse Authority (Authority) coordinates the environmentally responsible, economic, and efficient management of all municipal solid waste generated in York County. The Authority is the owner of the York County Resource Recovery Center in Manchester Township and the York County Sanitary Landfill in Hopewell Township. The Authority also owns and operates the Yardwaste Transfer Site, the Recyclable Materials Drop-Off Center, and the Education Center. The Authority is a component unit of the County of York.

The Authority's Municipal Waste Management Plan provides a 25-year blueprint for managing the County's municipal solid waste through an integrated system. This Plan includes the utilization of the York County Resource Recovery Center, emphasizes recycling, reuse, and waste reduction, and incorporates major participation from the private sector. The Authority conducts countywide programs such as household hazardous waste collection days, phone book recycling, and Christmas tree mulching.

The Authority also sells electrical power generated from the processing of solid waste to a utility.

York County Prison

York County's prison was constructed in 1979 and had a capacity for 210 prisoners. By 1989, the population of the facility was close to 600, stretching the facility and the staff beyond reasonable expectations and creating a potential for disaster. An expansion project to increase the capacity to house 1,200 inmates was completed in November 1993. This expansion enabled the County to bring its prison into compliance with federal, state and local laws concerning occupancy. The expansion also allowed the County to take advantage of earning additional revenue by providing space to house federal prisoners and detainees for the Immigration and Naturalization Services (INS).

York County's capability to house federal prisoners and INS detainees has been so successful that the County decided to further expand the prison facility. Another expansion project, which was funded by variable rate general obligation bonds, Series 1997, began in mid 1997 and was completed in early 1999. This project increased the prison's capacity to house 1,650 inmates. Renovation of the gym and out-mate program areas at the prison, along with the temporary installation of modular housing, was made available through the issuance of Series 2000 general obligation bonds. The prison now has the capacity to house 2,300 inmates and is the largest INS detention facility in the United States. In 2008, federal prisoners and INS detainees accounted for approximately 31% of the average prison population. Revenues received in 2008 were \$14,396,219.

In October 2006, the County completed building a minimum-security dormitory building and updated the food service and medical facilities at the Prison at a cost \$17.4 million. This minimum-security dormitory building allows the Prison to house 150 inmates adjudicated to the work release program by the Court of Common Pleas.

Capital Project

In 2006, the Board of Commissioners approved a bond issuance for additional capital projects in the amount of \$83.3 million. Included in this project are plans for a new Emergency Services Center of \$32.9 million, \$17.0 million is government center renovations, \$30.0 million for a Youth Development Center, and \$3.4 for miscellaneous capital projects.

Judicial Center

A seven story, 330,000 square foot Judicial Center was completed in 2004 that consolidates the 19th District Court of Common Pleas and all court related offices. Court Administration, District Attorney, Public Defender, Sheriff, Prothonotary, Clerk of Courts, Register of Wills/Clerk of Orphans Court, Probation, Domestic Relations, Divorce Masters, Law Library, and CASA offices are located at the new Judicial Center. Victim Assistance and Access York, which are non-County offices, are also located on the first floor of the Judicial Center. The new Judicial Center has twelve courtrooms equipped with state of the art audiovisual capabilities. This technology allows the courts to link with the Prison, District Justice Offices, or any other location across the country having the same technology, allowing for long distance arraignments, testimonies, depositions and other court related activities that will reduce travel and processing costs. Cameras are installed in each courtroom and there are separate secured areas for judges, defendants, jury, and the general public. The Judicial Center is designed with one level of subterranean parking and a shell floor that will provide six additional courtrooms to accommodate growth through the year 2020. As a result of the events of September 11, 2001, the County has augmented security and security technology at the Judicial Center. Included in the security system is a state of the art ion scanning system. The new Judicial Center was fully occupied in August 2004.

County Administrative Center

Renovations were completed in May 2006 on the existing Courthouse, converting it to the County Administrative Center. Preserving the historic and stately atmosphere of the building, while providing a state of the art facility for use by the public and staff alike, were the primary objectives for the renovations. This was accomplished by utilizing period color schemes and retention of marble staircases and tile floors. The original purpose for the building was to preserve and represent through the restoration of Courtroom No. 1 which is used as a ceremonial courtroom for such functions as naturalization ceremonies and high-profile court cases. The Commissioners are located in this building along with the following offices: Solicitor, Controller, Treasurer, Voter Registration and Elections, Information Technology, Human Resources, Payroll, Purchasing, Recorder of Deeds, Assessment, Facilities Management, and the Planning Commission.

County Human Service Center

The existing Government Center building will be converted to serve as the County's consolidated Human Service Center. The architectural design work is estimated to start in 2009. Changes to the parking lot will include visitor parking with ADA compliance. Construction on the Government Center building is scheduled to start in 2010. York County Human Services Agencies to be located in the center include Children and Youth, Aging, Mental Health and Mental Retardation, Drug & Alcohol, Community Services, and Veteran Affairs.

Business Continuity Plan/Continuity of York County Government

The York County Board of Commissioners approved the initiation of the project in July 2006, sponsored by the Information Services Department, to develop a Business Continuity Plan for re-establishing essential services and continuing the business of York County Government in the event of a major or minor incident. In today's world, it's not a matter of IF but WHEN there will be a natural or man-made incident that will disrupt normal business operations. Being prepared will allow York County to respond to an incident in a timely, orderly and efficient fashion, while reducing the severity of the impact to operations and to the citizens that are served. The Information Services Department had previously developed a Disaster Recovery Plan for assuring that computers and automated systems could be restored in a disaster. However, Information Services recognized that recovering computer systems were only one piece of being able to continue business operations.

In 2008, York County completed and tested continuity plans for the remaining two (2) downtown County buildings. In June 2008, the Board of Commissioners approved plans for the Government Center, which houses the Human Services Division. In October of 2008 plans for the Administrative Center, which houses departments that service employees and the public, were approved. Continuity plans for the Judicial Center had been completed and approved in 2007. The County is on track to have plans for all areas of York County Government developed by July 2009.

York County Department of Emergency Services Center Project

The Board of Commissioners of York County has approved a comprehensive upgrade of the 911 communications system, known as the Emergency Services Center Project that includes upgrading and/or replacement of the following: radio and alerting infrastructure, subscriber units, installation of a computer aided dispatch system (CAD), and a new consolidated 911 and Emergency Management (EMA) facility. The project will create a public safety grade 911 Communications System and a combined Emergency Management and 911 facility that will serve the County's needs for the next 20 years.

York County Emergency Services implemented the new Computer Aided Dispatching (CAD) system in October of 2006. The CAD system allows dispatchers to process and dispatch to emergency service providers more efficiently and effectively. Also, the new/upgraded telephone system was implemented in 2006.

The new Emergency Services Center was completed and occupied in December of 2007 and consolidated existing functions of the 911 Center, Emergency Management Agency, and Emergency Operations Center to support the County's emergency services providers. In addition to 22 new tower-site developments, improvements, upgrades and replacements of existing tower sites have been completed to enhance radio interoperability reception throughout the County. The remaining radio system is expected to be complete by November 2009. The long-term backup facility will be ready for operation in June of 2009. This facility will serve as an alternate operations center. Upon complete implementation of the new radio system, decommissioning of the current legacy radio infrastructure will occur.

The estimated cost of the project, which will be funded through a general obligation bond issuance, is approximately \$70 million.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The basic financial statements include both government-wide financial statements and fund financial statements. The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, which incorporates long-term assets as well as long-term debt and obligations. The governmental fund financial statements are presented using a current financial resources measurement focus and the modified accrual basis of accounting. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt is recognized as expenditures when due.

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; (2) the reliability of financial records for preparing financial statements; and (3) maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived and that 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: (1) adequately safeguard assets; (2) provide reasonable assurance of proper recording of financial transactions; and (3) maintain accountability for assets.

The County maintains budgetary controls, which ensure compliance with legal provisions embodied in the annual appropriated budget that is adopted by the County Commissioners by December 31st, of each year. The Commissioners and Controllers offices maintain budgetary control at the major expenditure classification through monitoring and review. Appropriations lapse at the close of the fiscal year to the extent that they have not been expended.

CASH MANAGEMENT

The County invests temporary excess cash in repurchase agreements and certificates of deposit. The average yield on maturing investments in the governmental fund types for repurchase agreements and certificates of deposit during 2008 was 2.62%. Interest earnings of the governmental fund types were \$2,835,627 in 2008.

The County's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized in accordance with the Commonwealth of Pennsylvania's Act 72, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. Additionally, a financial institution's trust department held investments of the Pension Trust Fund.

RISK MANAGEMENT

During 2008, York County participated in the Pennsylvania State Association of County Commissioners Unemployment Compensation Trust. As a member of this plan, the County is able to keep its contribution rate low and is able to earn credits on future premiums based on favorable experience factors. The County has elected to self-insure itself for workers compensation and medical insurance benefits. More detailed information on this subject can be found in Note #21 to the Financial Statements. The County employs a full-time risk management director who provides accident prevention and other risk control technique training to minimize accident related losses.

INDEPENDENT AUDIT

The County had an independent audit of all its funds performed for the year ended December 31, 2008. The report of our independent Certified Public Accountants, Zelenkofske Axelrod LLC, appears in the Financial Section of this CAFR.

CERTIFICATE OF ACHIEVEMENT
FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of York for its comprehensive annual financial report for the fiscal year ended December 31, 2007. This is the seventeenth consecutive year that York County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGMENTS

The completion of this CAFR represents the eighteenth time York County has prepared such a report and demonstrates a commitment to continue the excellence in financial reporting previously recognized. It could not have been completed in such a comprehensive manner, nor on a timely basis, without the input and support from a number of people whom I wish to acknowledge and express my thanks and appreciation to now: Felicia Dell, Director of the York County Planning Commission; John Fedor, Director/Chief Assessor of the York County Assessment Office; the York County school districts and local municipalities and especially to Deborah Myers, Deputy Controller, and all the employees on my staff who have contributed on a daily basis to making this report possible.

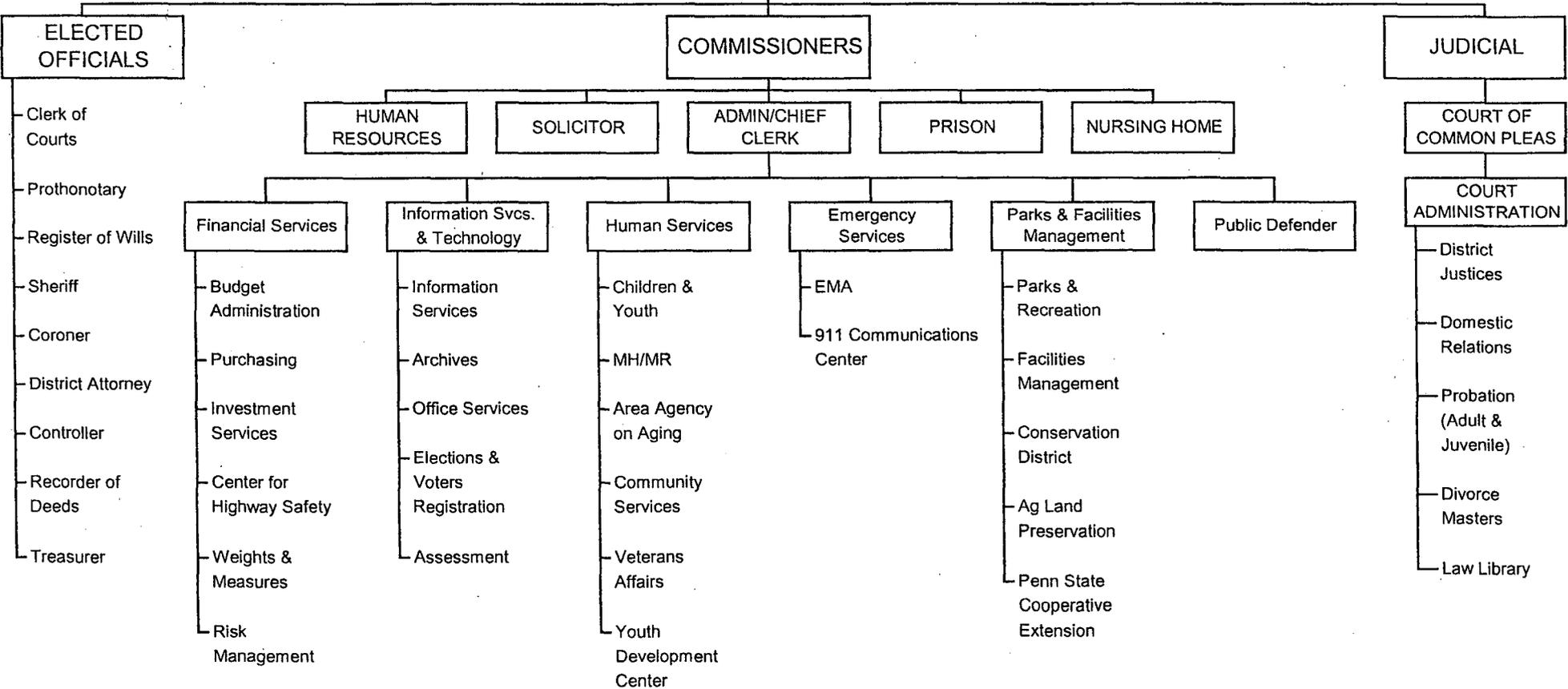
Sincerely,

A handwritten signature in black ink, appearing to read 'Rob Green', written in a cursive style.

Robert P. Green
Controller

YORK COUNTY GOVERNMENT

VOTERS



YORK COUNTY OFFICIALS

December 31, 2008

JUDICIARY COURT OF COMMON PLEAS

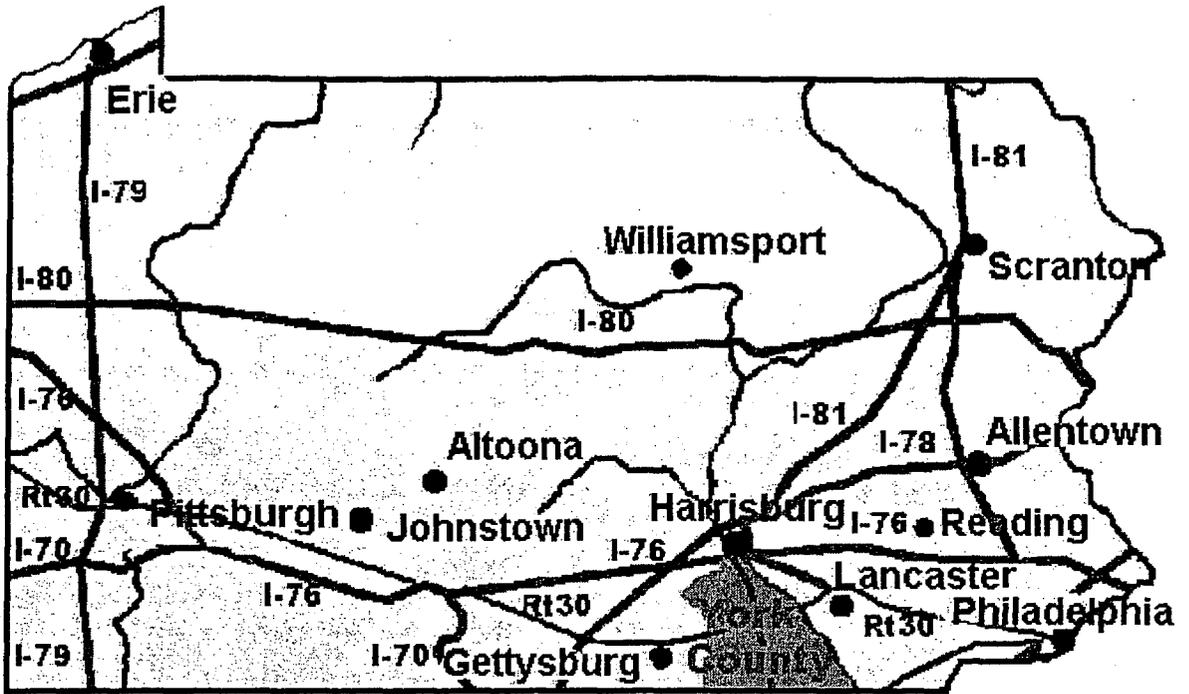
PRESIDENT JUDGE
JUDGE

HONORABLE RICHARD K. RENN
HONORABLE JOSEPH C. ADAMS
HONORABLE PENNY L. BLACKWELL
HONORABLE MICHAEL E. BORTNER
HONORABLE MICHAEL J. BRILLHART
HONORABLE JOHN H. CHRONISTER
HONORABLE SHERYL ANN DORNEY
HONORABLE THOMAS H. KELLEY, VI
HONORABLE JOHN S. KENNEDY
HONORABLE STEPHEN P. LINEBAUGH
HONORABLE MARIA MUSTI COOK
HONORABLE GREGORY M. SNYDER
HONORABLE JOHN W. THOMPSON, JR.
HONORABLE JOHN C. UHLER

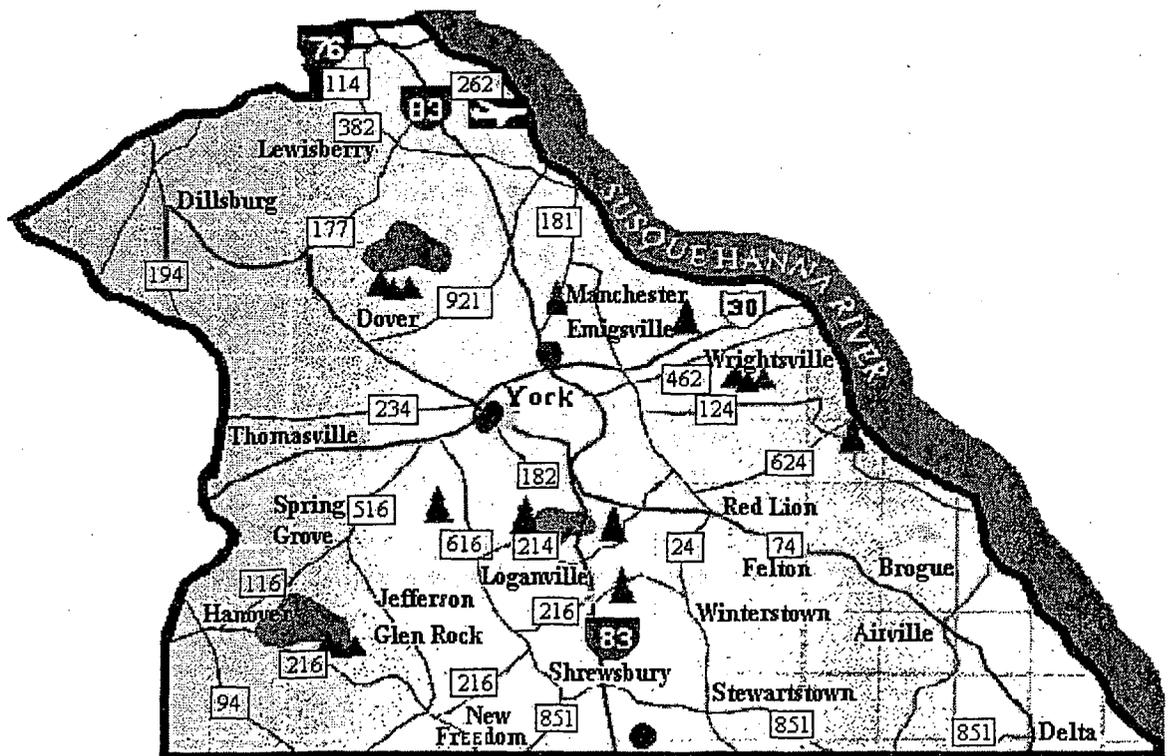
ELECTED COUNTY OFFICIALS

COUNTY COMMISSIONER, CHAIRPERSON
COUNTY COMMISSIONER
COUNTY COMMISSIONER
COUNTY CONTROLLER
COUNTY CORONER
COUNTY TREASURER
RECORDER OF DEEDS
REGISTER OF WILLS
CLERK OF COURTS
PROTHONOTARY
SHERIFF
DISTRICT ATTORNEY

M. STEVEN CHRONISTER
CHRISTOPHER B. REILLY
P. DOUGLAS HOKE
ROBERT P. GREEN
BARRY L. BLOSS
BARBARA L. BAIR
RANDI L. REISINGER
BRADLEY C. JACOBS
DONALD R. O'SHELL, JR.
PAMELA S. LEE
RICHARD P. KEUERLEBER, III
H. STANLEY REBERT



COMMONWEALTH OF PENNSYLVANIA



YORK COUNTY

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of York
Pennsylvania

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "Jeffrey R. Emmer".

President

A second handwritten signature in black ink, appearing to read "Jeffrey R. Emmer".

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Zelenkofske Axelrod LLC

INDEPENDENT AUDITORS' REPORT

County Commissioners
County of York
York, Pennsylvania

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the COUNTY OF YORK, as of and for the year ended December 31, 2008, which collectively comprise the COUNTY OF YORK's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the COUNTY OF YORK's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the discretely presented component units' financial statements for the York County Solid Waste and Refuse Authority, the York County Industrial Development Authority, and the York County Planning Commission, which represent 99.3%, 98.7%, and 91.7% of the assets, net assets, and revenues, respectively, of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for those aggregate discretely presented component units, is based solely upon the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the York County Solid Waste and Refuse Authority, the York County Industrial Development Authority, and the York County Library System were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the COUNTY OF YORK, as of December 31, 2008, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Harrisburg	Lehigh Valley	Philadelphia	Pittsburgh
830 Sir Thomas Court, Suite 100 Harrisburg, PA 17109 717.561.9200 Fax 717.561.9202	1101 West Hamilton Street Allentown, PA 18101-1043 610.871.5077 Fax 717.561.9202	2370 York Road, Suite A-5 Jamison, PA 18929 215.918.2277 Fax 215.918.2302	3800 McKnight E. Drive, Suite 3805 Pittsburgh, PA 15237 412.367.7102 Fax 412.367.7103

Zelenkofske Axelrod LLC

County Commissioners
County of York
York, Pennsylvania

As described in Note 1 to the financial statements, in 2008 the COUNTY OF YORK adopted the provisions of Governmental Accounting Standards Board's Statement No. 49, "*Accounting and Financial Reporting for Pollution Remediation Obligations*", the remaining provisions of Statement No. 50 "*Pension Disclosures*", Statement No. 55, "*The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*", and Statement No. 56, "*Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*".

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2009 on our consideration of the COUNTY OF YORK's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, schedule of employer contributions and funding progress, schedule of funding progress for postemployment benefits other than pensions and budgetary comparison information on pages 19 through 31; 120; 121; and 122 through 125 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the COUNTY OF YORK's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Zelenkofske Axelrod LLC

County Commissioners
County of York
York, Pennsylvania

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Zelenkofske Axelrod LLC

ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania
June 25, 2009

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County of York, Pennsylvania

Management's Discussion and Analysis

Introduction

The following discussion and analysis of the County of York's financial statements provides an overview of the financial performance for the fiscal year ended December 31, 2008. It is recommended that it be read in conjunction with the basic financial statements and the accompanying notes to those statements in order to obtain a thorough understanding of the County of York's financial condition as of December 31, 2008. Certain reclassifications were made to prior year amounts to conform to the current year presentation.

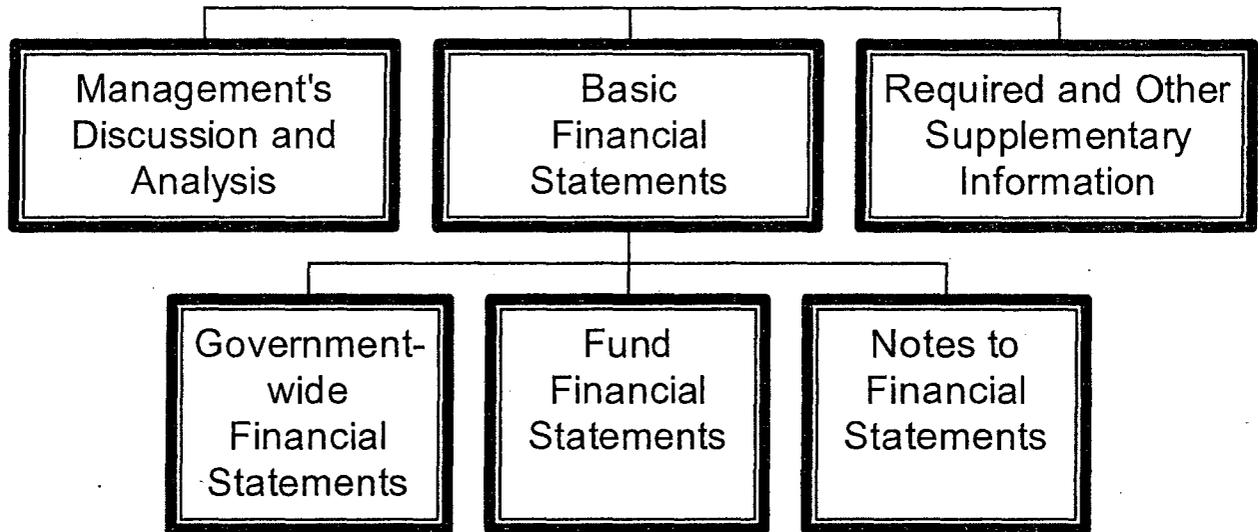
Financial Highlights

- The County had \$172,580,594 of governmental activities general obligation debt outstanding as of December 31, 2008. This represents an increase of \$15,639,404 or 10.0% from the previous year. The increase pertains to numerous bond issuances/refundings that were offset by additional Series 2006 General Obligation Bond proceeds that were transferred from the governmental activities to the business-type activities. As a result of the transfer, the business-type activities debt increased by \$13,143,999 or 35.2% from the previous year. As of December 31, 2008, the business-type activities general obligation debt outstanding was \$50,536,704.
- The assets of the County's governmental activities exceeded its liabilities as of December 31, 2008 by \$69,992,605 (net assets). Of this amount, \$4,690,702 was unrestricted.
- York County's total primary government net assets decreased by \$25.3 million. Net assets of the governmental activities decreased by \$23.1 million or 24.8%. The largest governmental activities decrease (\$8.9 million) related to public safety operations, caused by increased demand for services and decreased revenues. The second largest governmental activities decrease (\$5.5 million) was a result of litigation that was settled in 2008. The remaining decrease is further detailed on page 23 of this MD&A. The net assets of the business-type activities decreased by \$2.2 million or 12.5%. The decrease was due primarily to \$1.2 million of unfunded OPEB expense. The remaining \$1.0 million was primarily due to increased operating expenses of the County Nursing Home.
- At the end of the fiscal year, York County's governmental funds reported combined ending fund balances of \$30,374,049 a decrease of \$26,827,066 in comparison with the prior year. Approximately 14.9% of this total amount, \$4,514,853 is available for spending at the government's discretion (unreserved fund balances) within the boundaries set forth in the governmental fund's purpose, which is consistent with prior years. The majority of this decrease is reflected in the Capital Projects Bond Account Fund (\$17,235,222 or 63.9% decrease from the prior year) resulting from a transferring of bond proceeds of \$13.4 million to the 911 and the County Nursing Home Funds.
- At the end of the fiscal year, unreserved fund balances for the General Fund was \$4,514,853 or 2.3% of total General Fund expenditures and transfers out.

Overview of the Financial Statements

This discussion and analysis (MD&A) section serves as an introduction to the basic financial statements and provides an analysis and overview of the County's financial activities. The basic financial statement includes three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes required and other supplementary information.

Required Components of the Comprehensive Annual Financial Report



Government-Wide Financial Statements

The government-wide financial statements are presented in a manner similar to private-sector business financial statements. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The government-wide financial statements include two statements: Statement of Net Assets and Statement of Activities. Fiduciary activities, whose resources are not available to finance County programs, are excluded from these statements.

The Statement of Net Assets presents the County's total assets and liabilities with the difference reported as net assets. Over time, increases or decreases in the net assets may serve as a gauge as to whether the financial position of the County is improving or deteriorating.

Government-Wide Financial Statements (Continued)

The Statement of Activities presents information showing the change in the County's net assets during the current fiscal year. All revenues and expenses are reported in this statement regardless of the timing of cash flows. The focus of this statement is on the net cost of providing various activities to the citizens of the County.

Both the Statement of Net Assets and the Statement of Activities have separate sections for the two different types of primary government activities, as well as activities of the County's discretely presented component units. These two types of primary government activities are:

Governmental activities – The activities reflected in this section are general government; public safety; roads and bridges; health, education and welfare; judicial; cultural and recreation; and conservation and community development. These activities are mostly supported by operating grants and contributions, charges for services, real estate taxes, and departmental revenues.

Business-type activities – These activities include the nursing home and 911 operations. These activities are intended to recover their cost of operation, including depreciation, primarily through user charges.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's funds with an emphasis on major funds, not the County as a whole. Funds are accounting groups that the County uses to keep track of specific sources of funding and spending for particular purposes. State law requires some activities to be accounted for in separate funds, while other funds are established to control and manage resources designated for specific purposes.

The County has three types of funds:

- **Governmental funds** – Most of the County's basic services are included in governmental funds, which focus on: 1) the flow of cash and other financial assets that can readily be converted into cash, and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine the financial resources available in the near future to finance the County's programs.
- **Enterprise funds** – Used to report the same functions presented as business-type activities in the government-wide financial statements that provide services for the County's other programs and activities. The County reports two enterprise funds, the nursing home and 911 operations. Both funds are considered major funds.
- **Fiduciary funds** – The County is the trustee, or fiduciary, for its employees' pension plan. In addition, the County is also responsible for an agency fund, which represents clearing accounts for assets held by the County in its role as custodian until the funds are allocated to the private parties, organizations or government agencies to which they belong.

Fund Financial Statements (Continued)

The County is responsible for ensuring that the assets reported in the fund are used for their intended purpose. All of the County's fiduciary assets and liability balances are reported in the statement of fiduciary net assets. A statement of changes in fiduciary net assets is presented for the pension trust fund only. All fiduciary activities are excluded from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

Financial Analysis of the County as a Whole

This is the seventh year that the County has presented its financial statements using the new reporting model required by GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis (MD&A) – for State and Local Governments*. Because this reporting model significantly changes both the recording and presentation of financial data, this is the sixth year that the County can provide a comparative analysis of financial data for the MD&A.

Net Assets

The following table presents the County's Net Assets at December 31:

	Governmental Activities		Business-Type Activities	
	2008	2007	2008	2007
	(\$ in millions)			
Assets				
Capital assets, net	\$ 227.4	\$ 199.9	\$ 65.1	\$ 57.7
Other assets	108.3	132.7	11.4	7.8
Total assets	335.7	332.6	76.5	65.5
Liabilities				
Current liabilities	71.4	66.5	4.1	5.5
Long-term liabilities	194.3	173.0	57.0	42.4
Total liabilities	265.7	239.5	61.1	47.9
Net assets				
Invested in capital assets, net of related debt	56.7	60.7	19.6	20.3
Restricted	8.6	8.7	1.9	0.5
Unrestricted	4.7	23.7	(6.1)	(3.2)
Total net assets	\$ 70.0	\$ 93.1	\$ 15.4	\$ 17.6

Financial Analysis of the County as a Whole (Continued)

The County derives its revenues from property taxes which the County imposed a real estate millage rate increase from 3.91 mills to 4.0 mills. Total real estate assessed values increased by 1.5% for 2008. In 2008, property tax revenue decreased by \$590,995 or 0.6%. Total expenditures exceeded revenues for fiscal year 2008.

Net assets of the County of York's governmental activities decreased by \$23.1 million or 24.8% (\$70.0 million compared to \$93.1 million). \$8.9 million of the decrease was due to public safety, which consisted of a \$5.6 million increase in expenses as a result of increased demand for services and a \$3.3 million decrease in revenues, most notably a \$2.6 million decrease in charges for service revenue related to the prison due to a reduction in INS prisoner headcount. \$5.5 million of the decrease was due to litigation expenses related to a claim that was settled during 2008. \$4.1 million of the decrease was due to an increase in culture and recreation expenses related to the purchase of a park, but were not capitalizable. \$3.0 million of the decrease related to the amount of the annual required contribution that was not funded for OPEB benefits in the current year. The remaining \$1.6 million of the decrease was due to various other items.

Governmental Activities unrestricted net assets—the part of net assets that can be used to finance the day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—changed from \$23.7 million at December 31, 2007 to \$4.7 million at the end of this year.

The net assets of our business-type activities decreased by \$2.2 million or 12.5% (\$15.4 million compared to \$17.6 million). \$1.2 million of this decrease was due to the amount of the annual required contribution that was not funded for OPEB benefits in the current year. The remaining \$1.0 million was due to increased operating expenses related to salary and benefit expense and increased program services provided at the County Nursing Home. Unrestricted net assets of business-type activities further deteriorated from a negative \$3.2 million in 2007 to a negative \$6.1 million in 2008.

York County's total assets as of December 31, 2008 are \$412.2 million, an increase of \$14.1 million. Capital assets increased \$34.9 million totaling \$292.5 million, which includes infrastructure. The increase is primarily due to purchases of land in the amount of \$26.7 million for development of parks. The remaining \$8.2 million of the increase was related to various other capital asset additions. Long-term liabilities increased \$35.9 million totaling \$251.3 million. \$28.8 million of the increase was due to the issuance of new bonds for capital projects, \$3.8 million was due to current year OPEB cost in excess of payments made, and \$3.1 million was due to an increase in the litigation liability for a settled claim.

Changes in Net Assets

The following table presents the County's Changes in Net Assets for the Years ended December 31:

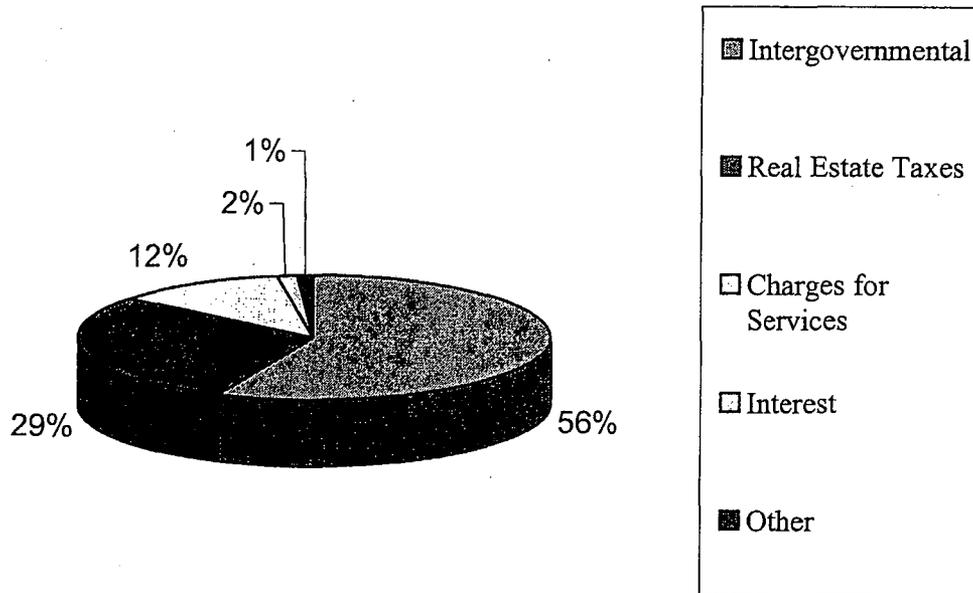
	Governmental Activities		Business-Type Activities	
	2008	2007	2008	2007
	(\$ in millions)			
Revenue				
Program revenues:				
Charges for services	\$ 40.2	\$ 40.8	\$ 36.2	\$ 37.6
Operating grants and contributions	195.5	188.2	-	-
General revenues:				
Real estate taxes	99.6	100.2	-	-
Other	1.9	3.0	-	-
Unrestricted investment earnings	5.5	8.6	-	1.0
Hotel taxes	1.5	1.5	-	-
Total revenues	344.2	342.3	36.2	38.6
Expenses				
General government	14.5	14.3	-	-
Public safety	73.7	68.1	-	-
Roads and bridges	1.5	1.5	-	-
Health, education and welfare	192.7	185.3	-	-
Judicial	38.7	37.7	-	-
Cultural and recreation	11.6	5.5	-	-
Community development	9.6	10.8	-	-
Other	5.5	-	-	-
Interest expense	8.0	8.2	-	-
Nursing home	-	-	38.9	36.3
911 operations	-	-	11.0	10.5
Total expenses	355.8	331.4	49.9	46.8
Increase (decrease) in net assets before				
transfers	(11.6)	10.9	(13.7)	(8.2)
Transfers	(11.5)	(9.8)	11.5	9.8
Change in net assets	(23.1)	1.1	(2.2)	1.6
Net assets – beginning	93.1	92.0	17.6	16.0
Net assets – ending	\$ 70.0	\$ 93.1	\$ 15.4	\$ 17.6

Financial Analysis of the County as a Whole (Continued)

Governmental Activities

The following chart graphically depicts the sources of revenues for the fiscal year ended December 31, 2008:

Sources of Revenues Total Revenues of \$344.2 Million



Total government-wide revenues of \$344.2 million were derived primarily from intergovernmental grants, representing 56% of the total. Intergovernmental grants accounted for \$195.5 million. The second largest source of revenue came from real estate taxes of \$99.6 million, which comprised 29% of the total. Revenue to house INS detainees accounted for 36% of \$40.2 million in charges for services, which represented 12% of total revenues, followed by interest revenues at \$5.5 million, and other miscellaneous revenues at \$3.4 million.

Total revenues increased by \$1.9 million during 2008. Intergovernmental revenue increased by \$7.3 million primarily related to an increased state allocation for the Mental Retardation/Mental Health Program. Interest decreased by \$3.1 million due to market conditions.

Financial Analysis of the County as a Whole (Continued)

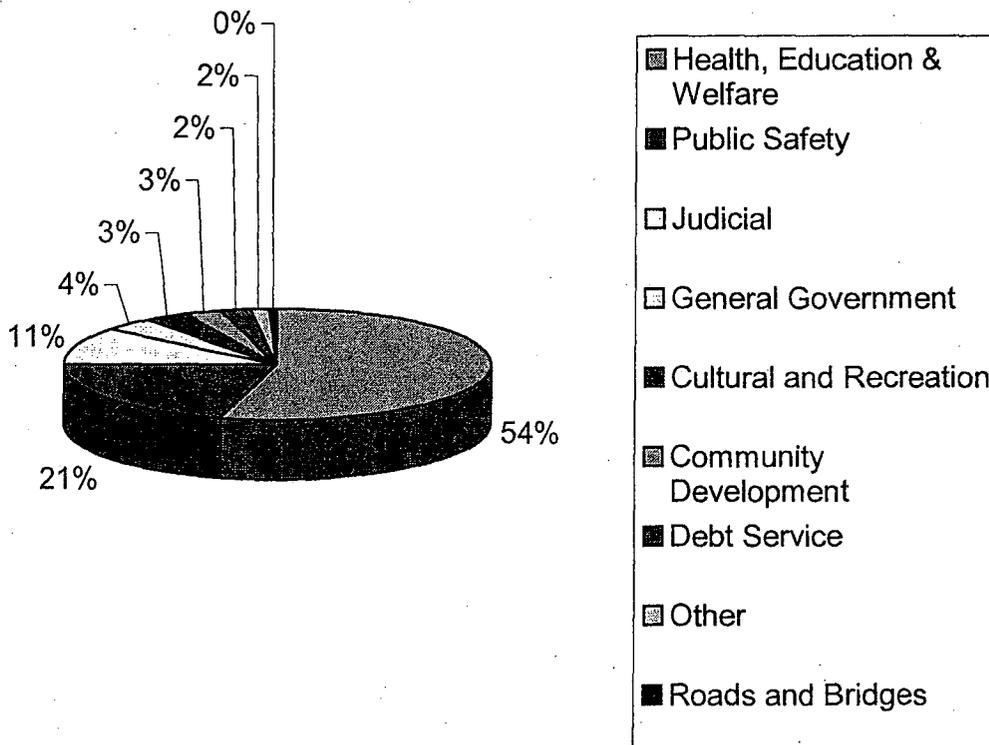
Business-Type Activities

Total business-type revenues of \$36.2 million, a decrease of \$2.4 million from 2007, were derived from charges for sales and services from the County Nursing Home of \$31.7 million and telephone surcharge revenues from 911 operations of \$4.5 million. The decrease of \$2.4 million primarily related to a decrease in revenues from the County Nursing Home of \$1.1 million and the reduction of unrestricted investment earnings of \$1.0 million.

Governmental Activities

The following chart graphically depicts the functional expenses for the fiscal year ended December 31, 2008:

Functional Expenses
Total Expenses of \$355.8 Million



Financial Analysis of the County as a Whole (Continued)

Governmental Activities (Continued)

Total expenses in 2008 were \$355.8 million. The expenses cover a wide range of services, with health, education, and welfare being the largest at \$192.7 million comprising 54% of total expenses. Within health, education, and welfare; Human services, MH/MR, and Children and Youth had the largest expenses at \$81.3 million, \$67.9 million, and \$30.3 million, respectively. The second largest category is public safety at \$73.7 million comprising 21% of total expenses. The other categories are as follows: judicial at \$38.7 million, general government at \$14.5 million, cultural and recreation at \$11.6 million, community development at \$9.6 million, interest expense at \$8.0 million, and roads and bridges at \$1.5 million. Other expenses of \$5.5 million were related to litigation expense.

Expenditures increased in 2008 by \$24.4 million. The major increase was to health, education, and welfare and public safety by \$7.4 million and \$5.6 million, respectively. These expenditures increased due to the increases in demand for services. Also the \$5.5 million in litigation added to the increase in expenses.

Business Type Activities

Total expenses in 2008 were \$49.9 million, an increase of \$3.1 million from 2007. The County nursing home comprised 78.0% of the total, having total operating and administrative expenses of \$38.9 million, which included depreciation expense of \$0.6 million. The 911 operations incurred \$11.0 million in total operating expenses, which included bond interest expense of \$2.3 million and depreciation expense of \$0.4 million. Expenditures increased primarily due to the increase in salary and fringe benefit expense and an increase in program services related to the County Nursing Home.

Financial Analysis of the County's Funds

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

Governmental Funds

The following funds are considered the County's major governmental funds: the General Fund, York HealthChoices Management Fund, Children and Youth Services Fund, Mental Health/Mental Retardation Fund, and Capital Projects Bond Account Fund. For the fiscal year ended December 31, 2008, the County of York governmental funds had a combined ending fund balance of \$30.4 million, a decrease of \$26.8 million from fiscal year 2007.

The General Fund is the primary operating fund of the County of York. The General Fund had a fund balance of \$14.1 million, a decrease of \$9.6 million. Revenues increased only \$2.5 million compared to the increase of expenditures of \$35.1 million. The General Fund had a deficiency of revenues under expenditures by \$22.5 million for 2008 before other financing sources/(uses).

Financial Analysis of the County's Funds (Continued)

Governmental Funds (Continued)

The expenditure increase was primarily related to purchases of land in the amount of \$26.4 million for parks. The remaining increases are due to additional workforce and other increases related to demand for services and inflation.

The General Fund supplements the Children and Youth Fund and the Mental Health/Mental Retardation Fund through transfers for the amount of the fund's expenditures in excess of their revenues. The General Fund transfer to Children and Youth Services in 2008 was \$3.6 million. Mental Health/Mental Retardation Fund had contributions from the General Fund of \$0.9 million. The General Fund did not supplement the York HealthChoices Management Fund in 2008.

The Capital Projects Bond Account Fund had a fund balance at the end of December 31, 2008 of \$9.7 million. The Capital Projects Bond Account Fund had a decrease in fund balance by \$17.2 million, which was a contributing factor for the total combined governmental funds ending fund balance to decrease by \$26.8 million. The fund balance decreased due to a transfer of bond proceeds of \$13.4 million to the 911 fund and \$5.8 million was expended on various capital projects including prison expansion and construction of district justice's offices which was offset by an additional \$2.3 million in borrowings (issuance of debt).

The fund balance for Other Nonmajor Funds remained the same from 2007 to 2008 at \$6.5 million. Affordable Housing Fund had \$0.4 million more in expenditures for rental housing units for the elderly and the Drug Task Force Fund had \$0.4 million more in revenues.

Enterprise Funds

The County's enterprise funds provide the same type of information found in the government-wide financial statements but in more detail.

As of December 31, 2008, the net assets of the County's nursing home amounted to \$(0.1) million and those for 911 operations amounted to \$15.5 million. The nursing home's net assets decreased by \$2.7 million and the 911 operation's net assets increased by \$0.5 million primarily by due to excess transfers from the General Fund. Other factors concerning the finances of these two funds reflect those highlighted in the analysis of the County's business-type activities.

Financial Analysis of the County's Funds (Continued)

Capital Asset and Debt Administration

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, amounted to \$292.6 million as of December 31, 2008. This represented an increase of \$35.0 million, or 13.6% over the previous year's total of \$257.6 million. Capital assets consist primarily of land; buildings and improvements; furniture, fixtures and equipment; construction in progress; easements; and infrastructure. Infrastructure consists of bridges, roads, and the rail trail. The following is a summary of capital assets as of December 31:

	Governmental Activities		Business-Type Activities		Balance as of December 31	
	2008	2007	2008	2007	2008	2007
Land	\$ 52,790,754	\$ 26,322,829	\$ 260,065	\$ 17,000	\$ 53,050,819	\$ 26,339,829
Construction in progress	22,417,065	23,320,966	29,345,874	50,852,344	51,762,939	74,173,310
Buildings and improvements	170,097,245	166,386,767	30,816,409	9,259,142	200,913,654	175,645,909
Leasehold assets	-	-	997,500	997,500	997,500	997,500
Furniture, Fixtures, and Equipment	11,805,941	10,620,428	23,700,048	15,628,784	35,505,989	26,249,212
Bridges, roads and rail trail	19,736,641	19,736,641	-	-	19,736,641	19,736,641
Easements	14,721,618	11,472,075	-	-	14,721,618	11,472,075
Less accumulated depreciation	(64,143,889)	(57,987,082)	(19,971,255)	(19,029,314)	(84,115,144)	(77,016,396)
Total capital assets, net	\$ 227,425,375	\$ 199,872,624	\$ 65,148,641	\$ 57,725,456	\$ 292,574,016	\$ 257,598,080

The County purchased land for the development of new parks that accounted for a \$26.4 million increase in land. Easements increased by \$3.2 million due to the purchase of agricultural land easements. The County continues its plan to purchase Magisterial District offices. During 2008, three offices were purchased which accounted for \$3.3 million of the \$3.7 million increase in buildings for governmental activities. The County completed the construction of the new Emergency Services Center project, which increased buildings and improvement by \$21.6 million and equipment by \$8.1 million for business-type activities.

Financial Analysis of the County's Funds (Continued)

Long-Term Debt

As of December 31, 2008, the County had \$223,117,298 of general obligation debt outstanding. This was an increase of \$28.8 million, or 14.8% from the previous year. The following details activity related to general obligation bonds during 2008:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Beginning balance at January 1, 2008	\$ 156,941,190	\$ 37,392,705
Debt issued	163,010,958	-
Bonds refunded	(130,237,555)	-
Less principal payments	(3,765,895)	(224,105)
Transfers to Enterprise Funds	(13,368,104)	13,368,104
Ending balance at December 31, 2008	<u>\$ 172,580,594</u>	<u>\$ 50,536,704</u>

Bond Rating

All bonds issued carry a municipal bond insurance policy from FSA, which assures payment of the respective principal and interest to the registered owners of the bonds. All bonds issued are rated AA- by Standard & Poor's' Rating Services:

More detailed information concerning long-term debt activity and capital asset activity is disclosed in Note 6 and Note 5, respectively, of the financial statements.

General Fund Budgetary Highlights

The Board of Commissioners reviews statements of operations and budget reports on a monthly basis. The Board of Commissioners does not revise the original budget but monitors revenues and expenditures for any variances during the year.

Department directors also review budget reports on a monthly basis and provide justification to the Board of Commissioners for any variances.

The County's original revenue budget was not revised during 2008. Actual revenue received totaled \$159.1 million or 97.3% of the original budget. Departmental revenues and real estate taxes contributed to a majority of the variance.

The County's original expenditure budget was not revised during 2008. Actual expenditures totaled \$181.6 million or 122.5% of the original budget. There were several areas that incurred significant variances to the budget. One major contributing factor was capital outlay of \$30.8 million, which the County does not budget for. Another contributing factor was the negative variance for cultural and recreation of \$2.8 million which related to the purchases of agricultural easements of \$3.2 million.

Economic Factors and Next Year's Budget and Rates

The key economic factors affecting the County include the following:

- The County's real estate millage rate increased from 4.0 mills to 4.03 mills.
- The County's general fund expenses are up \$12.0 million.
- The rising wage and medical health care costs.
- The County budgeted \$5.9 million for the annual required contribution to the retirement fund.

The County's real estate revenues will increase by approximately \$4.3 million due from an increase in the County's tax base and an increase in the millage rate. The County's employee benefits are budgeted at \$28.4 million with only 7 new positions being added. Health care costs still continue to increase but the County is trying to maintain an increased rate of only 6.4% for 2009. Government administration budgeted expenses increased only \$0.1 million. The court system and public safety budgeted expenses increased \$6.5 million, which includes court and court related functions, corrections, and public safety. The County's budget for 2009 reflects the annual required retirement contribution to be approximately \$5.9 million, which represents not funding the ARC payment by \$2.0 million.

These factors were considered in preparing the County's 2009 budget. Amounts available for appropriation in the general fund budget are \$182.2 million.

Contacting the County's Financial Management

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

**County of York
Controller's Office
28 East Market Street, Room 232
York, PA 17401-1596**

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BASIC FINANCIAL STATEMENTS

County of York, Pennsylvania

Statement of Net Assets

December 31, 2008

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and cash equivalents	\$ 30,483,650	\$ 115,806	\$ 30,599,456	\$ 3,876,725
Receivables:				
Taxes, net	4,971,942	-	4,971,942	-
Accounts	11,228,559	5,620,431	16,848,990	22,453,463
Due from other governments	8,059,246	-	8,059,246	-
Advances to providers and other governments	131,548	-	131,548	-
Loans and notes	1,869,377	-	1,869,377	10,744,854
Internal balances	4,158,758	(4,158,758)	-	-
Investments	7,721,347	-	7,721,347	5,856,793
Bond issuance costs, net	1,175,361	500,954	1,676,315	-
Restricted cash	24,381,758	2,678,496	27,060,254	23,209,985
Restricted investments	2,930,099	6,618,324	9,548,423	126,174,904
Inventory	7,853,615	-	7,853,615	-
Other assets	3,293,820	62,229	3,356,049	3,636,686
Project assets	-	-	-	121,154,502
Capital assets not being depreciated	75,207,819	29,605,939	104,813,758	11,244,183
Capital assets being depreciated, net of depreciation	152,217,556	35,542,702	187,760,258	63,028,946
Total assets	\$ 335,684,455	\$ 76,586,123	\$ 412,270,578	\$ 391,381,041
Liabilities				
Accounts payable and accrued liabilities	\$ 27,433,427	\$ 3,291,629	\$ 30,725,056	\$ 2,325,109
Due to other governments	967,185	-	967,185	-
Deposits held in escrow	4,338,764	584,433	4,923,197	-
Accrued interest payable	678,794	199,238	878,032	-
Unearned revenue	37,755,298	83,690	37,838,988	13,497,926
Other liabilities	216,300	-	216,300	1,065,119
Long-term liabilities:				
Due within one year	14,898,829	1,092,833	15,991,662	7,126,324
Due in more than one year	179,403,253	55,891,863	235,295,116	173,490,136
Total liabilities	265,691,850	61,143,686	326,835,536	197,504,614
Net assets (deficit)				
Invested in capital assets, net of related debt	56,686,414	19,613,487	76,299,901	25,843,586
Restricted:				
Net pension asset/prepaid pension expense	477,670	-	477,670	604,785
Program purposes	6,493,878	-	6,493,878	-
Capital activity and debt service	-	1,931,678	1,931,678	134,349,768
Legal purposes	1,643,941	-	1,643,941	15,035,121
Unrestricted (Deficit)	4,690,702	(6,102,728)	(1,412,026)	18,043,167
Total net assets	\$ 69,992,605	\$ 15,442,437	\$ 85,435,042	\$ 193,876,427

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

County of York, Pennsylvania

Statement of Activities

Year ended December 31, 2008

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government			
				Governmental Activities	Business-Type Activities	Total	
Primary government:							
Governmental activities:							
General government	\$ 14,419,988	\$ 4,047,166	\$ 489,157	\$ (9,883,665)	\$ -	\$ (9,883,665)	\$ -
Public safety	73,715,098	23,832,635	2,512,450	(47,370,013)	-	(47,370,013)	-
Roads and bridges	1,599,298	-	825,491	(773,807)	-	(773,807)	-
Health, education, and welfare:							
Drug and alcohol	3,906,906	196,567	3,701,123	(9,216)	-	(9,216)	-
Mental health/mental retardation	67,920,977	-	66,487,690	(1,433,287)	-	(1,433,287)	-
Office of aging	9,258,164	129,533	8,701,376	(427,255)	-	(427,255)	-
Children and youth	30,257,264	891,376	25,797,085	(3,568,803)	-	(3,568,803)	-
Human services	81,322,176	-	76,352,212	(4,969,964)	-	(4,969,964)	-
Judicial	38,718,385	9,605,638	4,697,532	(24,415,215)	-	(24,415,215)	-
Cultural and recreation	11,559,587	1,068,990	1,811,168	(8,679,429)	-	(8,679,429)	-
Conservation and community development	9,606,441	431,326	4,107,192	(5,067,923)	-	(5,067,923)	-
Interest expense	7,992,510	-	-	(7,992,510)	-	(7,992,510)	-
Total governmental activities	350,276,794	40,203,231	195,482,476	(114,591,087)	-	(114,591,087)	-
Business-type activities:							
Nursing home	38,935,764	31,660,066	-	-	(7,275,698)	(7,275,698)	-
911 operations	11,015,753	4,544,574	-	-	(6,471,179)	(6,471,179)	-
Total business-type activities	49,951,517	36,204,640	-	-	(13,746,877)	(13,746,877)	-
Total primary government	\$ 400,228,311	\$ 76,407,871	\$ 195,482,476	(114,591,087)	(13,746,877)	(128,337,964)	-
Component units:							
York County Solid Waste and Refuse Authority	\$ 41,170,212	\$ 46,707,216	\$ -	-	-	-	5,537,004
York County Industrial Development Authority	1,239,194	121,350	1,878,606	-	-	-	760,762
York County Library System	5,149,930	85,710	5,092,795	-	-	-	28,575
York County Planning Commission	3,708,838	2,433,502	1,400,000	-	-	-	124,664
Total component units	\$ 51,268,174	\$ 49,347,778	\$ 8,371,401	-	-	-	6,451,005
General revenues:							
Property taxes	-	-	-	99,583,850	-	99,583,850	-
Unrestricted investment earnings	-	-	-	5,460,750	56,518	5,517,268	(121,202)
Hotel tax	-	-	-	1,461,458	-	1,461,458	-
Other	-	-	-	1,948,805	-	1,948,805	-
Loss on disposal of capital assets	-	-	-	(1,917)	-	(1,917)	-
Special item - litigation expense	-	-	-	(5,500,000)	-	(5,500,000)	-
Transfers	-	-	-	(11,518,292)	11,518,292	-	-
Total general revenues, special items, and transfers	-	-	-	91,434,654	11,574,810	103,009,464	(121,202)
Change in net assets	-	-	-	(23,156,433)	(2,172,067)	(25,328,500)	6,329,803
Net assets - beginning, as restated (Note 24)	-	-	-	93,149,038	17,614,504	110,763,542	187,546,624
Net assets - ending	\$ 69,992,605	\$ 15,442,437	\$ 85,435,042	\$ 69,992,605	\$ 15,442,437	\$ 85,435,042	\$ 193,876,427

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

County of York, Pennsylvania

Balance Sheet – Governmental Funds

December 31, 2008

	General Fund	York HealthChoices Management Fund	Mental Health/Mental Retardation Fund	Children and Youth Fund	Capital Projects Bond Account Fund	Other Nonmajor Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 7,943,203	\$ 7,367,638	\$ 5,621,360	\$ 1,500	\$ -	\$ 9,549,949	\$ 30,483,650
Restricted cash	4,819,884	16,008,944	60,298	-	882	3,491,750	24,381,758
Investments	977,438	155,165	5,586,816	-	-	1,001,928	7,721,347
Restricted investments	333	785,063	-	-	2,093,058	51,645	2,930,099
Receivables:							
Taxes, net	4,971,942	-	-	-	-	-	4,971,942
Accounts	5,046,465	2	5,615	22,251	332,483	5,821,743	11,228,559
Due from other funds	6,373,870	-	24,383	3,799,789	-	585,155	10,783,197
Due from other governments	2,591,716	-	1,609	3,373,353	-	2,092,568	8,059,246
Advances to providers	-	-	131,548	-	-	-	131,548
Loans	1,869,377	-	-	-	-	-	1,869,377
Inventory	-	-	-	-	7,853,615	-	7,853,615
Other assets	525,364	-	72,687	-	-	-	598,051
Total assets	\$ 35,119,592	\$ 24,316,812	\$ 11,504,316	\$ 7,196,893	\$ 10,280,038	\$ 22,594,738	\$ 111,012,389
Liabilities and fund balances							
Liabilities:							
Accounts payable and accrued liabilities	\$ 10,046,676	\$ 6,169,234	\$ 4,803,386	\$ 2,634,296	\$ 498,360	\$ 3,281,475	\$ 27,433,427
Due to other funds	3,947,718	401,493	635,560	1,287,706	32,406	319,556	6,624,439
Deposits held in escrow	3,462,185	502,692	-	-	-	373,887	4,338,764
Due to other governments	-	809,763	-	-	-	157,422	967,185
Deferred revenue	3,532,114	16,433,630	6,065,370	3,274,891	-	11,968,520	41,274,525
Total liabilities	20,988,693	24,316,812	11,504,316	7,196,893	530,766	16,100,860	80,638,340
Fund balances:							
Reserved for legal purposes	1,643,941	-	-	-	-	-	1,643,941
Reserved for loans receivable	1,869,377	-	-	-	-	-	1,869,377
Reserved for capital projects	-	-	-	-	1,895,657	-	1,895,657
Reserved for inventory	-	-	-	-	7,853,615	-	7,853,615
Reserved for county nursing home	4,518,042	-	-	-	-	-	4,518,042
Reserved for 911	1,584,686	-	-	-	-	-	1,584,686
Reserved for program purposes	-	-	-	-	-	6,493,878	6,493,878
Unreserved:							
Designated for specific purposes	1,366,509	-	-	-	-	-	1,366,509
Undesignated	3,148,344	-	-	-	-	-	3,148,344
Total fund balances	14,130,899	-	-	-	9,749,272	6,493,878	30,374,049
Total liabilities and fund balances	\$ 35,119,592	\$ 24,316,812	\$ 11,504,316	\$ 7,196,893	\$ 10,280,038	\$ 22,594,738	\$ 111,012,389

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

County of York, Pennsylvania

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets

December 31, 2008

Total Fund Balances of Governmental Funds:	\$	30,374,049
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital Assets, including Infrastructure assets, used in governmental activities are not current financial resources and, therefore, are not reported in the funds.		227,425,375
The funds record only the tax revenue received through a period of 60 days subsequent to year-end. The statement of net assets includes a receivable for the County's anticipated collections on the levy.		3,519,227
The funds record bond issuance costs as a current period expenditure while those costs are capitalized on the statement of net assets and amortized over the life of the bonds.		1,175,361
Other assets not available to pay for current period's expenditures and therefore not reported in the funds.		115,075
The pension assets resulting from contributions in excess of the annual required contribution are not financial resources and therefore are not reported in the funds.		477,670
Long-term liabilities are not due and payable in the current period and accordingly 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 Assets. Long-term liabilities at year-end consist of:		
General obligation bonds and notes payable		(172,580,594)
Litigation liability		(9,998,562)
Unamortized premium		(1,642,823)
Deferred refunding loss		2,103,024
Accrued interest payable		(678,794)
Workers compensation claims liability		(1,407,928)
Accrued compensated absences		(3,221,248)
Liability for other postemployment benefits		(5,450,927)
Claims and judgments		(216,300)
Total Net Assets of Governmental Activities	\$	<u>69,992,605</u>

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

County of York, Pennsylvania

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year ended December 31, 2008

	General Fund	York HealthChoices Management Fund	Mental Health/Mental Retardation Fund	Children & Youth Fund	Capital Projects Bond Account Fund	Other Nonmajor Funds	Total Governmental Funds
Revenues							
Real estate taxes	\$ 102,903,780	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,903,780
Intergovernmental	12,791,260	54,141,556	66,487,690	25,797,085	10,179	36,254,706	195,482,476
Departmental	32,898,440	-	-	891,376	-	1,200,442	34,990,258
Fines and costs	5,212,973	-	-	-	-	-	5,212,973
Hotel tax	1,461,458	-	-	-	-	-	1,461,458
Investment	3,771,130	611,307	480,154	-	240,575	357,584	5,460,750
Other	102,248	58,000	47,566	-	-	1,740,991	1,948,805
Total revenues	159,141,289	54,810,863	67,015,410	26,688,461	250,754	39,553,723	347,460,500
Expenditures							
Current:							
General government	12,709,550	-	-	-	620,769	-	13,330,319
Public safety	71,660,684	-	-	-	2,163,973	84,862	73,909,519
Roads and bridges	-	-	-	-	-	1,086,155	1,086,155
Health, education, and welfare:							
Drug and alcohol	-	-	-	-	-	3,906,906	3,906,906
Mental health/mental retardation	-	-	67,920,977	-	-	-	67,920,977
Office of aging	-	-	-	-	-	9,258,164	9,258,164
Children and youth	-	-	-	30,257,264	-	-	30,257,264
Human services	8,982,626	54,810,863	-	-	-	16,104,868	79,898,357
Judicial	30,742,474	-	-	-	-	5,276,608	36,019,082
Cultural and recreation	11,009,557	-	-	-	-	1,697	11,011,254
Conservation and community development	4,502,436	-	-	-	-	5,071,519	9,573,955
Capital outlay	30,817,452	-	-	-	3,002,813	-	33,820,265
Debt service:							
Principal retirement	3,765,895	-	-	-	-	-	3,765,895
Interest and fiscal charges	7,420,959	-	-	-	845,254	-	8,266,213
Total expenditures	181,611,633	54,810,863	67,920,977	30,257,264	6,632,809	40,790,779	382,024,325
Deficiency of revenues under expenditures	(22,470,344)	-	(905,567)	(3,568,803)	(6,382,055)	(1,237,056)	(34,563,825)
Other financing sources (uses)							
Transfers in	141,294	-	905,567	3,568,803	-	1,368,914	5,984,578
Transfers out	(16,932,558)	-	-	-	(429,019)	(141,293)	(17,502,870)
Transfers of bond proceeds	-	-	-	-	(13,368,104)	-	(13,368,104)
Payments to redeem bonds and notes	(14,517,555)	-	-	-	(115,720,000)	-	(130,237,555)
Bond discount	-	-	-	-	(150,188)	-	(150,188)
Proceeds of refunding bonds and notes	14,517,555	-	-	-	116,485,000	-	131,002,555
Issuance of debt	29,679,259	-	-	-	2,329,144	-	32,008,403
Total other financing sources (uses)	12,887,995	-	905,567	3,568,803	(10,853,167)	1,227,621	7,736,819
Net change in fund balances	(9,582,349)	-	-	-	(17,235,222)	(9,435)	(26,827,006)
Fund balances, January 1, as restated (Note 24)	23,713,248	-	-	-	26,984,494	6,503,313	57,201,055
Fund balances, December 31	\$ 14,130,899	\$ -	\$ -	\$ -	\$ 9,749,272	\$ 6,493,878	\$ 30,374,049

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

County of York, 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, 2008

Net change in fund balances - total governmental funds \$ (26,827,006)

Amounts reported for governmental activities in the Statement of Activities
are different because:

Governmental funds report capital purchases as expenditures. In the Statement of Activities, the cost of these assets is depreciated over the estimated useful lives and is reported as depreciation expense. The difference in the current period between capital expenditures (\$33,820,265), loss on disposal of fixed assets (\$1,917), and depreciation expense (\$6,265,597) is a reconciling item. 27,552,751

Additional tax revenue recorded on statement of activities. The funds report only receipts through 60 days of subsequent period. Statement of Activities includes full amount of levy deemed collectible by the County. (3,319,930)

Net pension asset reported in the statement of activities does not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. (24,139)

The issuance of long-term liabilities provide financial resources to governmental funds and contribute to the change in fund balance. However, the issuance of debt does not affect the Statement of Activities since it increases long-term liabilities in the Statement of Net Assets. Accordingly, the repayment of principal and the proceeds of bond issuance are reported as an expenditure and revenue in the governmental funds, respectively, but reduce/increase the liability in the Statement of Net Assets. The amounts related to the above items that make up differences are:

Litigation liability expense	(5,500,000)
Payments for litigation liability	2,424,858
Payments to redeem bonds and notes	130,237,555
Proceeds from refunding bonds and notes issuance	(131,002,555)
Proceeds from bonds and notes issuance	(32,008,403)
Transfer of principal to business type activities	13,368,104
Principal repayments on general obligation bonds	3,765,895

Pursuant to the modified basis of accounting, governmental funds do not recognize expenditures for transactions that are not normally paid with expendable available financial resources. Pursuant to the accrual basis of accounting, the Statement of Activities reports expenses and liabilities regardless of when financial resources are available. In addition, interest on long-term debt is not recognized in the governmental funds until due, while it is accrued in the Statement of Activities. The differences for the items discussed above are:

Compensated absence expense	91,094
Workers compensation expense	(324,281)
Other postemployment benefit expense	(2,634,531)
Accrual of interest on long-term debt	3,599
Amortization of bond premium	270,104
Amortization of issuance costs	(1,138,389)
Amortization of deferred refunding loss	1,908,841

Change in net assets of governmental activities \$ (23,156,433)

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

County of York, Pennsylvania

Statement of Fund Net Assets (Deficit) – Enterprise Funds

December 31, 2008

	County Nursing Home		
	Fund	911 Fund	Total
Assets			
Current assets:			
Cash	\$ 1,165	\$ 114,641	\$ 115,806
Accounts receivable	5,273,599	346,832	5,620,431
Due from other funds	-	31,714	31,714
Bond issuance costs, net	-	500,954	500,954
Restricted cash	584,433	2,094,063	2,678,496
Restricted investments	6,258,842	359,482	6,618,324
Other assets	62,229	-	62,229
Total current assets	12,180,268	3,447,686	15,627,954
Noncurrent assets:			
Capital assets not being depreciated	2,239,479	27,366,460	29,605,939
Capital assets being depreciated, net of depreciation	4,352,643	31,190,059	35,542,702
Total noncurrent assets	6,592,122	58,556,519	65,148,641
Total assets	\$ 18,772,390	\$ 62,004,205	\$ 80,776,595
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 2,653,311	\$ 638,318	\$ 3,291,629
Due to other funds	3,716,238	474,234	4,190,472
Deposits held in escrow	584,433	-	584,433
Accrued interest payable	29,737	169,501	199,238
Unearned revenue	83,690	-	83,690
Total current liabilities	7,067,409	1,282,053	8,349,462
Noncurrent liabilities:			
Due within one year:			
Compensated absences	435,414	109,738	545,152
Capital lease obligation	-	191,719	191,719
Liability for workers' compensation self-insurance	155,915	-	155,915
General obligation debt	22,496	177,551	200,047
Total due within one year	613,825	479,008	1,092,833
Due in more than one year:			
Compensated absences	210,601	53,078	263,679
Capital lease obligation	-	407,638	407,638
Liability for other postemployment benefits	2,184,633	298,542	2,483,175
Liability for workers' compensation self-insurance	1,043,431	-	1,043,431
General obligation debt	7,777,504	43,916,436	51,693,940
Total due in more than one year	11,216,169	44,675,694	55,891,863
Total noncurrent liabilities	11,829,994	45,154,702	56,984,696
Total liabilities	18,897,403	46,436,755	65,334,158
Net assets (deficit)			
Invested in capital assets, net of related debt	4,393,029	15,220,458	19,613,487
Restricted for capital activity	-	1,931,678	1,931,678
Unrestricted (deficit)	(4,518,042)	(1,584,686)	(6,102,728)
Total net assets	\$ (125,013)	\$ 15,567,450	\$ 15,442,437

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

County of York, Pennsylvania

Statement of Revenues, Expenses, and Changes in Fund Net Assets (Deficit) – Enterprise Funds

Year ended December 31, 2008

	County Nursing Home Fund	911 Fund	Total
Operating revenues:			
Charges for sales and services:			
Charges for services	\$ 31,660,066	\$ -	\$ 31,660,066
Telephone surcharge revenue	-	4,544,574	4,544,574
Total operating revenues	31,660,066	4,544,574	36,204,640
Operating expenses:			
Operating/administrative	38,274,338	8,248,283	46,522,621
Depreciation	613,242	420,754	1,033,996
Total operating expenses	38,887,580	8,669,037	47,556,617
Operating loss	(7,227,514)	(4,124,463)	(11,351,977)
Nonoperating revenue (expense)			
Investment income	134	56,384	56,518
Loss on disposal of fixed assets	(18,447)	-	(18,447)
Bond interest	(29,737)	(2,346,716)	(2,376,453)
Total nonoperating expense	(48,050)	(2,290,332)	(2,338,382)
Loss before transfers	(7,275,564)	(6,414,795)	(13,690,359)
Transfers in	4,615,216	6,903,076	11,518,292
Change in net assets	(2,660,348)	488,281	(2,172,067)
Total net assets, January 1, as restated (Note 24)	2,535,335	15,079,169	17,614,504
Total net assets (deficit), December 31	\$ (125,013)	\$ 15,567,450	\$ 15,442,437

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

County of York, Pennsylvania

Statement of Cash Flows -- Enterprise Funds

Year ended December 31, 2008

	County		
	Nursing Home Fund	911 Fund	Total
Cash flows from operating activities			
Cash received on patient accounts	\$ 31,844,704	\$ -	\$ 31,844,704
Cash received from telephone surcharge revenue	-	4,781,627	4,781,627
Cash payments for material and supplies	(3,521,033)	(122,792)	(3,643,825)
Cash payments for patient services	(7,262,779)	-	(7,262,779)
Cash payments for program services	(24,824,360)	(3,294,302)	(28,118,662)
Cash payments for salaries and employee benefits	-	(6,191,479)	(6,191,479)
Net cash used in operating activities	(3,763,468)	(4,826,946)	(8,590,414)
Cash flows from investing activities			
Investment income	134	56,384	56,518
Investment purchases	(8,611,745)	(1,606,246)	(10,217,991)
Investment redemptions	2,352,903	2,309,891	4,662,794
Net cash provided by / (used in) investing activities	(6,258,708)	760,029	(5,498,679)
Cash flows from noncapital financing activities			
Transfers from other funds	4,615,216	6,903,076	11,518,292
Net cash provided by noncapital financing activities	4,615,216	6,903,076	11,518,292
Cash flows from capital and related financing activities			
Transfer of bond proceeds from capital projects account fund	7,800,000	5,568,104	13,368,104
Interest expense	-	(2,387,468)	(2,387,468)
Payments on capital lease	-	(184,080)	(184,080)
Principal payments on bonds	-	(224,105)	(224,105)
Purchases of capital assets	(2,455,833)	(7,199,679)	(9,655,512)
Net cash provided by / (used in) capital and related financing activities	5,344,167	(4,427,228)	916,939
Net decrease in cash and cash equivalents	(62,793)	(1,591,069)	(1,653,862)
Cash and cash equivalents, January 1	648,391	3,799,773	4,448,164
Cash and cash equivalents, December 31	\$ 585,598	\$ 2,208,704	\$ 2,794,302
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss	\$ (7,227,514)	\$ (4,124,463)	\$ (11,351,977)
Adjustments to reconcile operating loss to net cash provided by operating activities:			
Depreciation	613,242	420,754	1,033,996
Changes in assets and liabilities in:			
Accounts receivable	184,638	237,053	421,691
Due from other funds	-	(31,714)	(31,714)
Other assets	21,518	-	21,518
Accounts payable	1,288,893	(1,347,506)	(58,613)
Due to other funds	-	(130,629)	(130,629)
Deposits held in escrow	(62,793)	-	(62,793)
Vacation payable	23,557	4,870	28,427
Liability for other postemployment benefits	1,034,257	144,689	1,178,946
Liability for workers' compensation self-insurance	360,734	-	360,734
Total adjustments	3,464,046	(702,483)	2,761,563
Net cash used in operating activities	\$ (3,763,468)	\$ (4,826,946)	\$ (8,590,414)
Noncash financing activities:			
Amortization of bond issuance costs	\$ -	\$ (20,038)	\$ (20,038)
Amortization of bond premium	-	54,291	54,291
	\$ -	\$ 34,253	\$ 34,253

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

County of York, Pennsylvania

Statement of Fiduciary Net Assets – Fiduciary Funds

December 31, 2008

	Pension Trust Fund	Agency Funds
Assets		
Cash and cash equivalents	\$ 5,959,740	\$ 13,203,455
Investments:		
U.S. government obligations	19,297,179	995,197
Stocks	44,578,568	-
Corporate bonds	14,589,874	-
Fixed income mutual funds	26,058,246	-
Equity mutual funds	38,683,692	-
Other	434,320	645
Receivables:		
Delinquent taxes on behalf of other governments	-	12,126,195
Other	43	79,560
Total assets	<u>\$ 149,601,662</u>	<u>\$ 26,405,052</u>
Liabilities		
Liabilities:		
Due to other governments	\$ -	\$ 4,755,452
Other liabilities	-	21,649,600
Total liabilities	<u>-</u>	<u>\$ 26,405,052</u>
Net assets		
Net assets held in trust for pension benefits	<u>149,601,662</u>	
Total net assets	<u>\$ 149,601,662</u>	

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

County of York, Pennsylvania
Statement of Changes in Fiduciary Net Assets – Pension Trust Fund
Year ended December 31, 2008

Additions:	
Employer contributions	\$ 7,383,314
Employee contributions	<u>4,617,739</u>
Total contributions	12,001,053
Investment income (depreciation):	
Net depreciation in fair value of investments	(57,737,658)
Interest	1,657,067
Dividends	<u>3,964,000</u>
Total investment income (depreciation)	<u>(52,116,591)</u>
Total additions (depreciation)	<u>(40,115,538)</u>
Deductions:	
Benefit payments	8,039,089
Refunds of contributions	<u>1,291,021</u>
Total deductions	<u>9,330,110</u>
Net decrease	(49,445,648)
Net assets held in trust for pension benefits, beginning of year	<u>199,047,310</u>
Net assets held in trust for pension benefits, end of year	<u>\$ 149,601,662</u>

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

County of York, Pennsylvania

Combining Statement of Net Assets – Discretely Presented Component Units

December 31, 2008

	Solid Waste and Refuse Authority	Industrial Development Authority	Library System	Planning Commission	Total
Assets					
Cash and cash equivalents	\$ 2,237,693	\$ 320,167	\$ 595,941	\$ 722,924	\$ 3,876,725
Accounts receivable	21,562,785	456,663	549	433,466	22,453,463
Notes receivable	-	10,744,854	-	-	10,744,854
Investments	-	4,960,985	895,808	-	5,856,793
Restricted cash	23,209,985	-	-	-	23,209,985
Restricted investments	126,174,904	-	-	-	126,174,904
Other assets	2,954,767	-	383,086	298,833	3,636,686
Project assets	-	121,154,502	-	-	121,154,502
Capital assets not being depreciated	6,572,449	4,671,734	-	-	11,244,183
Capital assets being depreciated, net of depreciation	33,868,093	28,121,801	896,284	142,768	63,028,946
Total assets	\$ 216,580,676	\$ 170,430,706	\$ 2,771,668	\$ 1,597,991	\$ 391,381,041
Liabilities and net assets					
Liabilities:					
Accounts payable and accrued liabilities	\$ 2,082,327	\$ 6,207	\$ 114,647	\$ 121,928	\$ 2,325,109
Unearned revenue	13,457,756	-	40,170	-	13,497,926
Other liabilities	1,065,119	-	-	-	1,065,119
Long-term liabilities:					
Due within one year	6,875,000	251,324	-	-	7,126,324
Due in more than one year	41,957,544	131,532,592	-	-	173,490,136
Total liabilities	65,437,746	131,790,123	154,817	121,928	197,504,614
Net assets:					
Invested in capital assets, net of related debt	(8,392,002)	33,196,536	896,284	142,768	25,843,586
Restricted					
Net pension asset	-	-	366,164	238,621	604,785
Capital activity and debt service	134,349,768	-	-	-	134,349,768
Legal purposes	15,035,121	-	-	-	15,035,121
Unrestricted	10,150,043	5,444,047	1,354,403	1,094,674	18,043,167
Total net assets	\$ 151,142,930	\$ 38,640,583	\$ 2,616,851	\$ 1,476,063	\$ 193,876,427

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

County of York, Pennsylvania

Combining Statement of Activities – Discretely Presented Component Units

Year ended December 31, 2008

	Solid Waste and Refuse Authority	Industrial Development Authority	Library System	Planning Commission	Total
Program revenues:					
Charges for goods and services	\$ 46,707,216	\$ 121,350	\$ 85,710	\$ 2,433,502	\$ 49,347,778
Operating grants and contributions	-	1,878,606	5,092,795	1,400,000	8,371,401
Total program revenues	46,707,216	1,999,956	5,178,505	3,833,502	57,719,179
General revenues:					
Unrestricted investment earnings (loss)	-	250,412	(389,399)	17,785	(121,202)
Total revenue	46,707,216	2,250,368	4,789,106	3,851,287	57,597,977
Expenses	41,170,212	1,239,194	5,149,930	3,708,838	51,268,174
Change in net assets	5,537,004	1,011,174	(360,824)	142,449	6,329,803
Net assets, January 1	145,605,926	37,629,409	2,977,675	1,333,614	187,546,624
Net assets, December 31	\$ 151,142,930	\$ 38,640,583	\$ 2,616,851	\$ 1,476,063	\$ 193,876,427

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

County of York, Pennsylvania

Notes to Financial Statements

December 31, 2008

(1) Summary of Significant Accounting Policies

The Reporting Entity

The County of York, Pennsylvania (the County) is located in south central Pennsylvania, to the south of the City of Harrisburg, the capital of the Commonwealth of Pennsylvania. It is a third-class County founded in 1749 and operates under an elected three-member Board of Commissioners. The County provides services in many areas to its residents, including various general government services, public safety, health and welfare, and community enrichment programs.

The financial statements of the County of York include the accounts of all County operations. The County's major operations include administrative, judicial, general government, corrections, emergency services, human services and the youth development center. In addition, the County owns and operates Pleasant Acres Nursing and Rehabilitation Center (the County Nursing Home) and the County Prison.

Consistent with the guidance contained in Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, an amendment of GASB Statement No. 14, *The Financial Reporting Entity*, the criteria used by the County to evaluate the possible inclusion of related entities (Authorities, Boards, Councils, etc.) within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given case, the County reviews the applicability of the following criteria.

The County is financially accountable for:

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

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

The Reporting Entity (Continued)

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

- Organizations that are fiscally dependent on the County. Fiscal dependency is established if the organization is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the County.

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

Blended Component Units

Some component units, despite being legally separate from the primary government (County), are so intertwined with the primary government that they are, in substance, the same as the primary government and are reported as part of the primary government.

The Mental Health/Mental Retardation and Drug and Alcohol programs and York and Adams HealthChoices Management funds, which have substantially the same governing body as the primary government, are component units that are reported in this way in the Basic Financial Statements.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Discretely Presented Component Units

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

- York County Solid Waste and Refuse Authority
- York County Industrial Development Authority
- York County Library System
- York County Planning Commission

Separate financial statements of the discretely presented component units can be obtained from the York County Controller's office.

York County Solid Waste and Refuse Authority

The York County Solid Waste and Refuse Authority (YCSWRA) coordinates the environmentally responsible economic and efficient management of all municipal solid waste generated in the County. The YCSWRA board of directors is appointed by the County Commissioners and the County currently guarantees YCSWRA's Series of 1997 revenue bonds (See note 13).

Additionally, the Commissioners are required to approve the County Solid Waste Plan as prepared by YCSWRA and any significant changes thereto.

York County Industrial Development Authority

The York County Industrial Development Authority (the Authority) was established under the Industrial and Commercial Development Authority Law of the Commonwealth of Pennsylvania to provide a means for developers within the County to obtain funds through the issuance of tax-exempt Industrial Development obligations. All of the bond issues must be approved by the County Commissioners and the County has an ongoing liability for two of these bond issues (See note 13). The Authority is administered by a ten-member board of directors, all of whom are appointed by the County Commissioners.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Discretely Presented Component Units (Continued)

Revenues are primarily derived from application and servicing fees received from developers seeking to issue tax-exempt obligations.

The activities of the Authority are conducted within the geographic boundaries of the County primarily for the benefit of County residents through the creation of employment opportunities.

York County Library System

The York County Library System (Library System) is a private nonprofit organization. Two of the seven board directors are appointed by the County Commissioners. The County had dedicated 0.1 mill of the property tax rate for 2008 as a library tax, which constitutes a significant portion of the Library System's revenues. The Library System cannot issue bonded debt without substantive approval by the County, which makes the Library System fiscally dependent on the County.

York County Planning Commission

The York County Planning Commission (Commission) was formed in 1959 by the Board of County Commissioners. All board members are appointed by the County Commissioners. Since its formation, the primary goal of the Commission has been the preparation of a comprehensive plan for the County. Other responsibilities include activity dealing with data processing, traffic engineering, human services and historical preservation. The County has assumed a financial obligation to provide financial support.

Related Organization

The County Commissioners are also responsible for appointing the members of the York County Hospital Authority, but the County's accountability does not extend beyond making appointments. The York County Hospital Authority was formed to acquire tax-free financing for hospitals and health care organizations in the York County area. The County Commissioners appoint the five-member board of directors. The County makes no financial contribution to the York County Hospital Authority and is not responsible for its budget or debt.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Jointly Governed Organization

York/Adams HealthChoices

York/Adams HealthChoices is a department within York County formed out of collaboration between the County and Adams County to provide service to those residents who live in these counties who are eligible to participate in the behavioral health and substance abuse components of the Medical Assistance program. The County holds ultimate financial responsibility for this program.

Basis of Presentation

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Government-Wide Financial Statements

The government-wide financial statements (statement of net assets and statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. The focus of the government-wide financial statements is more on sustainability of the County as an entity and the change in aggregate financial position resulting from activities of the fiscal period. As a general rule, the effect of interfund activity has been eliminated from these statements. The County's policy is to eliminate internal activity by distinguishing overhead costs which are eliminated during consolidation from interfund services provided and used. The County does not allocate indirect costs on the statement of activities. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and other charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

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

Government-Wide Financial Statements (Continued)

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

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given functional category (public safety, general government, etc.) or business-type activity (911 operations, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific functional category or business-type activity. Expenses reported for functional activities do not include allocated indirect expenses. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given functional category or business-type activity and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular functional category or business-type activity. Taxes and other items that are not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

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

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt are recognized as fund liabilities when due. As the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, reconciliations are presented which briefly explain the adjustments necessary to reconcile the governmental fund financial statements to the government-wide financial statements.

The County's enterprise funds, presented in the enterprise fund financial statements, are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. With respect to the government-wide financial statements and the enterprise funds, the County has elected not to apply FASB Statements issued after November 30, 1989.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the County Nursing Home and 911 Fund enterprise funds are charges to customers for sales and services. Operating expenses of the enterprise funds include the costs of providing services, such as personnel, contracting and supplies as well as depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

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

The following major funds are used by the County:

Governmental Funds

The General Fund is the principal fund of the County that accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the County, other than enterprise fund activities, are financed through revenues of the General Fund.

The York HealthChoices Management fund is used to account for amounts received from various federal and state agencies. These funds are restricted to provide a mandatory managed care program for those who are eligible to participate in medical assistance.

The Mental Health and Mental Retardation Fund is used to account for amounts received from various federal, state, and local sources. These funds are restricted to provide assistance and medical care to those individuals with mental health and developmental disability problems.

The Children and Youth Services Fund is used to account for amounts received from various federal, state, and local sources. These funds are restricted to provide support services to at-risk juveniles.

Capital Projects Bond Account Fund accounts for the financial resources used for acquisitions and capital construction of major capital facilities (other than those financed by proprietary funds).

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

Enterprise Funds

Enterprise Funds are used to account for operations of the County Nursing Home and 911 activities that are financed and operated in a manner similar to private business enterprises, where the intent of the County is that the costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges or cost reimbursement plans.

- The County Nursing Home Fund is used to account for the financial activity of the County Nursing Home.
- The 911 Fund is used to account for the emergency response communications network of the County.

Fiduciary Funds

In addition to the major funds discussed above, the County also reports fiduciary funds.

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

- The Pension Trust Fund is used to account for the retirement pension plan contributions of the County and its employees.
- The Tax Claim Bureau Agency Fund is used to account for the collection of delinquent taxes for the County and on behalf of school districts and municipalities.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

- The Unclaimed Money Fund is used to account for unclaimed funds awaiting escheat.
- The Row Offices Agency Fund is used to account for cash held by elected row officers (Recorder of Deeds, Prothonotary, Treasurer, Sheriff, Clerk of Courts and Register of Wills) awaiting disbursement to the County, other governments, or citizens for whom it was collected.
- The Landfill Escrow Fund is used to account for funds that are available for remedial measures and emergency actions which may become necessary to prevent or abate adverse effects on the environment after closure of municipal waste landfills operating within the County's boundaries.

Pooled Cash and Temporary Investments

Cash balances and temporary investments of the General Fund, the Human Services, and Children and Youth special revenue funds, the County Nursing Home and 911 enterprise funds, and the Capital Projects Bond Account Fund are pooled by the County. Balances are segregated by fund, but accounted for centrally for receipt and disbursement purposes. Interest on investments is allocated to the funds based on their equity in pooled cash and temporary investments. The cash and temporary investments are recorded in the general fund with corresponding due to/from other fund balances reported in each fund.

Cash Equivalents

For purposes of the statement of cash flows (Enterprise Funds), the County considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Investments

Investments are stated at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments in collateralized mortgage obligations are valued on the basis of future principal and interest payments and are discounted at prevailing interest rates for similar instruments. Certain nonparticipating contracts such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost.

Bond Issuance Costs

Certain issuance costs (underwriting and legal costs) are deferred and amortized over the life of the related bonds on the straight line method. In the governmental fund financial statements, such costs are immediately recognized as expenditures.

Easements

In order to preserve farmland and open space, the County purchases agricultural easements. An agricultural easement restricts the use of land from commercial development in perpetuity and encourages the continued agricultural use of land. An easement is thus considered an intangible asset of the County and recorded in the government-wide financial statements. Easements are amortized on the straight-line method over a maximum useful life of 40 years.

Capital Assets

The cost of capital assets acquired for general government purposes is recorded as an expenditure in the governmental funds and as an asset in the government-wide financial statements to the extent the County's capitalization threshold has been met.

Capital assets, which include land, buildings and improvements, furniture, fixtures and equipment, construction in progress, and infrastructure assets including bridges, roads and rail trail, are recorded in the government-wide financial statements and enterprise fund financial statements. Capital assets are defined by the County as assets with a value of \$5,000 or more and useful life longer than one year. The York County Nursing Home includes capital assets with a threshold of \$500 or more and useful life in excess of one year. This capitalization threshold is applied to individual capital assets rather than to groups/sets of capital assets (e.g., chairs, desks, etc.). Such assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

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 capital assets, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations. In accordance with GASB Statement No. 34, the County's infrastructure has been capitalized retroactively to 1980.

Capital assets of the County are depreciated using the straight-line method over the estimated useful lives of purchased, donated and leased assets as follows:

Bridges, roads, and rails	20-50 years
Buildings and improvements	40 years
Furniture, fixtures, and equipment	5-15 years
Leasehold assets	5 years
Easements	40 years

The County has an art collection that is not capitalized, because the collection meets the criteria for non-capitalization in accordance with GASB Statement No. 34. Specifically, the collection is held for reasons other than financial gain. The collection is protected, kept unencumbered, cared for and preserved, and is subject to an organizational policy requiring that the proceeds from sales of collection items be used to acquire other items for collections.

Compensated Absences

All compensated absences are accrued when incurred in the government-wide and enterprise fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Long-Term Obligations

In the government-wide and enterprise funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

For the government fund financial statements, premiums and discounts are recognized immediately.

Unearned and Deferred Revenues

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

Net Assets/Fund Balance

Reserved fund balances/restricted net assets represent those portions of fund equity/net assets not available for appropriation of expenditures or that are legally segregated for a specific future use.

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

Leases

For capital leases in the governmental fund types, acquisition costs are recorded as expenditures with an offsetting entry to other financing sources. For capital leases in the proprietary fund types, acquisition costs are capitalized with an offsetting entry to capital lease payable.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Intergovernmental Revenues

Intergovernmental revenues represent revenues received from the Commonwealth of Pennsylvania and federal agencies generally to fund specific programs. Awards made on the basis of entitlement periods are recorded as intergovernmental revenues when entitlement occurs. Reimbursement type grants are recorded as revenues when the related expenditures are incurred. In the governmental funds financial statements, grants are recorded when revenues are also measurable and available.

Hotel Room Rental Tax

The County of York receives a 3% hotel room rental tax from the operators of each hotel within York County. The 3% is allocated to the York County Convention and Visitors Bureau to be used to promote tourism in York County. The revenue from this tax is recognized when assessed for the government-wide financial statements and received in the governmental funds.

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments due to future audits, reviews, and investigations by third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as adjustments become known or as years are no longer subject to audits, reviews, and investigations.

Inventory

Inventories are valued at cost, using the specific identification method. Inventory consists of portable radios, mobile radios, pagers, and base stations that will be transferred to various York County fire, emergency management services, and police departments. Inventories are recorded as expenditures once transferred.

Reclassification

Certain reclassifications were made to prior year amounts to conform to the current year presentation.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Adoption of Governmental Accounting Standards Board Statements

The County adopted the requirements of GASB statement No. 49, "*Accounting and Financial Reporting for Pollution Remediation Obligations*". The adoption of this statement had no effect on previously reported amounts.

The County adopted the remaining requirements of GASB Statement No. 50, "*Pension Disclosures*". The adoption of this statement resulted in the modification of the employee retirement plan footnote (See note 11).

The County adopted the requirements of GASB statement No. 55, "*The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*". The adoption of this statement had no effect on previously reported amounts.

The County adopted the requirements of GASB statement No. 56, "*Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*". The adoption of this statement had no effect on previously reported amounts.

Pending Changes in Accounting Principles

In June 2007, the GASB issued Statement No. 51, "*Accounting and Financial Reporting for Intangible Assets*". The County is required to adopt Statement No. 51 for its calendar year 2010 financial statements.

In November 2007, the GASB issued Statement No. 52, "*Land and Other Real Estate Held as Investments by Endowments*". The County is required to adopt Statement No. 52 for its calendar year 2009 financial statements.

In June 2008, the GASB issued Statement No. 53 "*Accounting and Financial Reporting for Derivative Instruments*". The County is required to adopt Statement No. 53 for its calendar year 2010 financial statements.

In March 2009, the GASB issued Statement No. 54 "*Fund Balance Reporting and Governmental Fund Type Definitions*". The County is required to adopt statement No. 54 for its calendar year 2011 financial statements.

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(2) Deposit and Investment Risk

As of December 31, 2008, the County had the following debt investments and maturities within its excess operating fund accounts:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Government Agencies	\$ 1,996,757	\$ 1,996,757	\$ -	\$ -	\$ -
Municipal Bonds	4,725,013	-	285,013	2,350,000	2,090,000
Corporate Bonds	2,355,000	-	50,000	480,000	1,825,000
Total	<u>\$ 9,076,770</u>	<u>\$ 1,996,757</u>	<u>\$ 335,013</u>	<u>\$ 2,830,000</u>	<u>\$ 3,915,000</u>

As of December 31, 2008, the County had the following debt investments and maturities within its retirement plan accounts:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Government Treasuries	\$ 9,318,474	\$ 2,764,453	\$ 5,598,532	\$ 955,489	\$ -
U.S. Government Agencies	9,978,705	-	1,131,736	3,489,664	5,357,305
Corporate Bonds	14,589,874	1,215,746	5,540,931	5,076,836	2,756,361
Fixed Income Mutual Funds	26,058,246	-	-	-	26,058,246
Total	<u>\$ 59,945,299</u>	<u>\$ 3,980,199</u>	<u>\$ 12,271,199</u>	<u>\$ 9,521,989</u>	<u>\$ 34,171,912</u>

All corporate bonds within the excess operating fund accounts and the retirement plan accounts are floating rate or auction rate notes that are liquid on a daily basis or putable within 7 days notice to the remarketing agent.

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

The County's Retirement Plan Investment Policy ("Retirement Investment Policy") states that emphasis shall be placed on providing adequate and timely investment cash flow to permit benefit payments from the Retirement Plan when due. The average effective duration of fixed income securities shall be no more than 25% greater or less than the effective duration of the Barclay Capital Intermediate Term Government Credit/Index.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(2) Deposit and Investment Risk (Continued)

Credit Risk. The County's Operating Investment Policy limits investments in Federal Agency securities that carry direct or implied guarantees of the U.S. Government. State and municipal securities are limited to a rating of "A" or better. Commercial paper is limited to a minimum short-term rating of "A-1+" by Moody's or "P-1+" by Standard & Poor's. The Operating Policy limits mutual fund investments to those whose shares are registered under the Securities Act of 1933, provided that only investments of that company are in the authorized investments for County funds.

As of December 31, 2008, the County's operating investments in cash equivalents and U.S. Government Agencies were rated AAA by Standard & Poor's. \$40,013 (1%), \$1,495,000 (32%), \$2,790,000 (59%), and \$400,000 (8%) of the County's operating investments in municipal bonds as of December 31, 2008 were rated AAA, AA, A, and Unrated respectively, by Standard & Poor's. \$1,005,000 (43%), \$1,300,000 (55%), and \$50,000 (2%) of the County's operating investments in corporate bonds as of December 31, 2008 were rated AA, A, and Unrated respectively, by Standard & Poor's.

The County's Retirement Investment Policy limits the average quality of fixed income securities to a minimum of "A2", the third broad investment grade as determined by Moody's. The minimum quality of a single fixed income investment is investment grade, as defined by two out of three of the following rating agencies; Moody's, Standard and Poor's, or Fitch. The Policy states that foreign fixed income securities rated A or above are limited to 20% of the fixed income portfolio and that Baa or fourth investment grade bonds are limited to 30% of the fixed income portfolio.

As of December 31, 2008, all of the County's retirement investments in cash equivalents and U.S. Government agencies were rated AAA by Standard & Poor's. All of the County's retirement investments in fixed income mutual funds at December 31, 2008 were rated A2 by Moody's. \$1,232,295 (8%), \$2,896,334 (20%), and \$10,461,245 (72%) of the County's retirement investments in corporate bonds as of December 31, 2008 were rated AAA, AA, and A respectively, by Standard & Poor's.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(2) Deposit and Investment Risk (Continued)

Custodial Credit Risk. For deposits and investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2008, \$29,608,826 of the County's deposits were exposed to custodial credit risk, as they were collateralized with securities held by the pledging financial institution and uninsured. None of the County's investments were exposed to custodial credit risk at December 31, 2008. The County does not have a written policy to limit its exposure to custodial credit risk.

Concentration of Credit Risk. The County's Operating Investment Policy does not allow a single issuer or guarantor to represent more than 10% of the total value of holdings at the time of acquisition, except for U.S. Government or Federal agency securities for which there is no limit.

The County's Retirement Investment Policy limits single investments in U.S. Treasury securities, Treasury zero coupon securities, and Federal Agency securities to 30%, 10%, and 10%, respectively, of the fixed income investments at market value. Other types of fixed income securities are limited to 5% for each single security and no issuer, other than the U.S. Government or Federal Agencies, may represent more than 5% of the total market value of the fixed income portfolio. Initial investments in securities of a single corporation or group of directly affiliated corporations are limited to 5%, on a market value basis, of the equity portion of the portfolio.

More than 5% of the County's government activities investments are in the Federal Home Loan Bank, Christian Life and Pennsylvania Economic Development. These investments are 9%, 9%, and 36%, respectively, of the County's government activities investments.

More than 5% of the County's general fund investments are in the Federal Home Loan Bank. This investment is 51% of the County's general fund investments. More than 5% of the County's mental health/mental retardation fund investments are in Christian Life, Erie County Hospital, Pennsylvania Economic Development, and Team Rahal. These investments are 18%, 7%, 49%, and 9%, respectively, of the County's mental health/mental retardation fund investments.

More than 5% of the County's health choices management fund investments are in Blue Hen Hotel and Pennsylvania Economic Development. These investments total 35% and 64%, respectively, of the County's health choices management fund investments. More than 5% of the County's nonmajor funds investments are in the Pennsylvania Economic Development, Pitney Road, and Wellston Mills LLC. These investments are 47%, 19%, and 28%, respectively, of the County's nonmajor funds investments.

None of the County's retirement investment concentrations exceeded 5%.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk

York County Solid Waste and Refuse Authority

All deposits and investments are carried at fair value, which are separated and detailed in this note by financial statement line classification. The YCSWRA currently has no formal investment policy; however, each fund holds specific requirements as detailed in each fund's respective section.

Cash and Short-Term Investments

As of December 31, 2008 the carrying values of the YCSWRA's cash deposits amounted to \$616,877 and the bank balances amounted to \$632,543. Of the bank balances, \$250,000 is covered by the Federal Deposit Insurance Corporation (FDIC) in the YCSWRA's name. Bank balances are categorized as follows as of December 31, 2008:

Amount insured by federal depository insurance	\$ 250,000
Collateralized with securities held by the pledging financial institution's trust department held in the Authority's name	<u>382,543</u>
	<u>\$ 632,543</u>

Bank balances are collateralized under Pennsylvania Act 72. Pennsylvania Act 72 allows for bank-owned securities to be pledged on a pooled basis to collateralize public funds.

Short-term investments consist of the following as of December 31, 2008:

Securities held by the pledging financial institution's trust department but in the YCSWRA's name	<u>\$ 1,620,816</u>
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Indentured Trust Funds

All proceeds of the Solid Waste System Refunding revenue Bonds, Series of 1997, are held by M&T Investment Group, as Trustee, in the YCSWRA's name. Payments there from are disbursed only upon delivery of properly executed requisitions to the Trustee, in accordance with the Indenture of Mortgage and Trust dated November 1, 1997 (Indenture).

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Solid Waste and Refuse Authority (Continued)

Indentured Trust Funds (Continued)

All monies held by the Trustee in funds established under the Indenture are pledged as collateral for the Series of 1997 bonds.

In accordance with Section 5.01 of the Indenture, all revenue of the YCSWRA, from whatever source derived, is to be deposited into the Revenue Fund, and transferred out in amounts sufficient to fund operating expenses and contractual obligations. Amounts not required for operating purposes are restricted for use by the Trustee to fulfill the requirements of the Indenture.

Indentured Trust Funds consist of the following at December 31, 2008:

At fair value:	
Cash equivalents	\$ 22,224,926
U.S. Government and Agency investments	117,483,557
	<u>\$ 139,708,483</u>
Current portion	\$ 130,607,883
Non-current portion	9,100,600
	<u>\$ 139,708,483</u>

Closure Funds

Section 1109 Trust Fund

Under Section 1109 of Act 101, any municipal authority operating a landfill solely for municipal waste not classified as hazardous is required to establish an interest bearing trust account with an accredited financial institution. This trust money may be used only for completing the final closure and post closure care of the landfill. No withdrawals may be made from the trust until closure of the landfill. Any money remaining in the trust subsequent to certification of final closure of the landfill will be returned to the YCSWRA. All monies are held by Fulton Financial Advisors, as Trustee, in the YCSWRA's name.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Solid Waste and Refuse Authority (Continued)

Collateral Bond

Under Act 97, any permittee/operator of a waste management facility is required to establish a collateral bond pledged to the Pennsylvania Department of Environmental Protection. This money is available for use for closure of the Resource Recovery Center (Center) and to prevent and correct potential adverse environmental effects from the operation of the Center. Liability under this bond shall continue through the duration of the processing and/or disposal of solid waste and for a period of ten years after final approved closure of the Center. The collateral shall remain in effect until such time as the Pennsylvania Department of Environmental Protection shall, in writing, release such liability and obligations. The collateral bond is held by the Pennsylvania Department of Environmental Protection in the name of the Authority.

Closure funds consist of the following as of December 31, 2008:

At fair value:

Section 1109 trust Fund	\$ 5,992,384
Collateral Bond	445,878
	<u>\$ 6,438,262</u>

Self-Insurance Trust Fund

Section 1107 of Act 101 requires municipal authorities to provide financial assurances for satisfying claims of bodily injury and property damage resulting from pollution occurrences arising from the operation of a landfill or resource recovery facility. Municipal authorities may self-insure against such claims. The YCSWRA established a self-insurance fund in 1992 for the purpose of paying claims to third parties. The establishment of the self-insurance fund and procedures there under are in accordance with regulations by the Pennsylvania Department of Environmental Protection which require the fund to be maintained at a minimum of \$2,000,000. All funds are held by M&T Investment Group, as Trustee, in the YCSWRA's name.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Solid Waste and Refuse Authority (Continued)

Self-Insurance Trust Fund (Continued)

The self-insurance trust fund consists of the following as of December 31, 2008:

At fair value:	
Cash equivalents	\$ 985,059
U.S. Government and Agency Investments	832,438
Fixed income funds	624,065
	<u>\$ 2,441,562</u>

Landfill Trust Fund

In accordance with an agreement dated December 9, 1985, between Stewartstown Borough (the Borough) and Stewartstown Borough Authority, and the YCSWRA, the Borough will accept pretreated leachate from the YCSWRA's landfill in Hopewell Township for treatment at the Borough's sewage treatment plant. In order to insure continued operation of pretreatment facilities satisfactory to the Borough in the event the YCSWRA ceases to exist, the YCSWRA has established a Trust Fund in the amount of \$100,000 and \$.50 per ton for each ton of refuse deposited at the landfill. The YCSWRA ceased utilizing the landfill for ash disposal as of December 31, 1997. The funds are restricted for use by the Borough in the event the YCSWRA fails to meet its obligations to the Borough as set forth in the Agreement. The Trust Fund shall continue until the Pennsylvania Department of Environmental Protection and the engineer for Stewartstown Borough determine that further collection and treatment of leachate is unnecessary, or until the YCSWRA purchases an insurance policy in terms, conditions, and amounts acceptable to and for the benefit of the Borough. At that time, the Trust Fund may be terminated and the monies returned to the YCSWRA. All monies are held by M&T Investment Group, as Trustee.

The Landfill Trust Fund consists of the following as of December 31, 2008:

At fair value:	
Stewartstown Borough Trust Fund	\$ 796,582

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Solid Waste and Refuse Authority (Continued)

Interest Rate Risk

The YCSWRA's investments consist of the following as of December 31, 2008:

Investment Type	Maturity Date	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Cash Equivalents:					
U.S. Government Money Market Inst II Fund #904		\$ 22,224,924	\$ -	\$ -	\$ -
Federated Treasury Obligation MMF #395		4,997,186	-	-	-
Money Market Inst I Fund #420		1,781,641	-	-	-
Equity Securities					
Harbor Capital Appreciation Fd # 12		107,284	-	-	-
LSV Value Equity Fund		84,688	-	-	-
MTB Equity Index - Inst I Fund #134		328,099	-	-	-
MTB Large Cap Value- Institutional I Fund #327		92,945	-	-	-
T Rowe Price Institutional Large- Cap Growth Fund		133,710	-	-	-
Debt Securities:					
Federal Home Loan Mortgage Corp	02/2009	5,161,000	-	-	-
Federal Home Loan Mortgage Corp	08/2009	18,166,680	-	-	-
Federal Home Loan Mortgage Corp	09/2009	5,309,213	-	-	-
Federal Home Loan Mortgage Corp	09/2009	156,388	-	-	-
Federal Home Loan Mortgage Corp	09/2009	5,941,737	-	-	-
Federal Home Loan Mortgage Corp	09/2009	17,989,566	-	-	-
Federal Farm Credit Bank	03/2009	3,791,386	-	-	-
Federal Farm Credit Bank	03/2009	6,108,625	-	-	-
Federal Farm Credit Bank	03/2009	7,522,191	-	-	-
Federal Home Loan Bank	02/2009	20,068,800	-	-	-
Federal Home Loan Bank	04/2009	27,001,000	-	-	-
Federal National Mortgage Association	03/2009	266,973	-	-	-
Federated Total Return Bond Fund		148,377	-	-	-
FHLB Zero Coupon	01/2009	497,678	-	-	-
FHLB Zero Coupon	02/2009	497,519	-	-	-

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Solid Waste and Refuse Authority (Continued)

Interest Rate Risk (Continued)

Investment Type	Maturity Date	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Debt Securities (Continued):					
MTB Intermediate Term Bond-Inst I Fund #220		725,713	-	-	-
Short Duration Government Bond Inst I Fund #120		624,066	-	-	-
Treasury Inflationary Protected Securities Series IX	07/2013	-	222,108	-	-
United States Treasury Note	03/2009	202,126	-	-	-
United States Treasury Note	02/2009	201,016	-	-	-
United States Treasury Note	07/2010	-	207,188	-	-
United States Treasury Note	09/2009	445,878	-	-	-
		<u>\$ 150,576,409</u>	<u>\$ 429,296</u>	<u>\$ -</u>	<u>\$ -</u>

Credit Risk

As of December 31, 2008, all of the YCSWRA's rated investments in debt securities were rated Aaa by Moody's and AAA by Standard & Poor's.

Custodial Credit Risk

For deposits and investments, custodial risk is the risk that in the event of the failure of the counterparty, the YCSWRA will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. As of December 31, 2008, \$2,003,359 of the YCSWRA's deposits and none of the YCSWRA's investments were exposed to custodial credit risk.

Concentration of Credit Risk

The YCSWRA places no limit on the amount that may be invested in any one issuer. More than 5% of the YCSWRA's investments are in U.S. Government Money Market, Federal Home Loan Mortgage Corp, Federal Farm Credit and Federal Home Loan Bank. These investments are 14.72%, 34.92%, 11.54%, and 31.17% respectively, of the YCSWRA's total investments.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Industrial Development Authority (Continued)

All cash and investments are held in the Authority's name. The Authority's investment policy specifies the targeted composition of its portfolio, including by the maximum amounts by type and also the range of maturity dates. Debt securities are collateralized by the full faith and credit of the U.S. Government.

The cost, gross unrealized gains and losses, and fair value for cash and investments consist of the following as of December 31, 2008:

	Cost	Gross Unrealized		Fair Value
		Gains	Losses	
Cash:				
Checking accounts - interest bearing	\$ 320,167	\$ -	\$ -	\$ 320,167
	<u>320,167</u>	<u>-</u>	<u>-</u>	<u>320,167</u>
Investments:				
Money market accounts	27,001	-	-	27,001
Certificate of deposit; interest rate of 3.69% matures May, 2009	55,000	-	-	55,000
Certificate of deposit; interest rate of 3.08% matures August, 2009	55,000	-	-	55,000
Certificate of deposit; interest rate of 3.93% matures November, 2010	80,000	-	-	80,000
Certificate of deposit; interest rate of 3.54% matures March, 2010	317,000	-	-	317,000
Debt Securities:				
Federal Agency notes; interest rates ranging from 2.00% through 5.80%, matures from January, 2009 to December, 2013	4,347,233	83,553	(3,802)	4,426,984
	<u>4,881,234</u>	<u>83,553</u>	<u>(3,802)</u>	<u>4,960,985</u>
Note receivable:				
Note receivable - YCEDC, collateralized by Trust Indenture	10,375,000	-	-	10,375,000
	<u>\$ 15,576,401</u>	<u>\$ 83,553</u>	<u>\$ (3,802)</u>	<u>\$ 15,656,152</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Industrial Development Authority (Continued)

During the year ended December 31, 2008, the Authority's cash balances have exceeded the federally insured limit of \$250,000. As of December 31, 2008 the Authority's cash exceeded the limit by \$50,893. The excess is covered by collateral held by the pledging financial institution's trust department. Pennsylvania Act 72 allows for bank owned securities to be pledged on a pooled basis to service public funds.

Investments held as of December 31, 2008 are comprised of investments in money market accounts, certificate of deposit, and debt securities. The Authority has recorded a total unrealized holding loss on five of these securities. The Authority's management believes that unrealized holding losses recorded on these investments are not a permanent impairment, but rather a temporary market decline. The following table shows the investments, gross unrealized losses, and fair value, aggregated by investment category and length of time that individual funds have been in a continuous unrealized loss position, as of December 31, 2008:

	Less than Twelve Months		Twelve Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Debt securities, temporarily impaired	\$ 1,109,607	\$ (3,802)	\$ -	\$ -	\$ 1,109,607	\$ (3,802)

Interest Rate Risk

The Authority's investments consist of the following as of December 31, 2008:

Investment Type	Maturity Date	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Money Market Accounts:					
Blackrock Liquidity Funds	01/2009	\$ 27,001	\$ -	\$ -	\$ -
Certificates of Deposit:					
Non-Negotiable Integrity Bank	5/2009	50,000	-	-	-
Non-Negotiable Integrity Bank	5/2009	5,000	-	-	-
Non-Negotiable Graystone Bank	8/2009	50,000	-	-	-
Non-Negotiable Graystone Bank	8/2009	5,000	-	-	-
Non-Negotiable Susquehanna Bank	11/2010	-	75,000	-	-
Non-Negotiable Susquehanna Bank	11/2010	-	5,000	-	-
Non-Negotiable People's Bank	3/2010	-	317,000	-	-

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Industrial Development Authority (Continued)

Interest Rate Risk (Continued)

Investment Type	Maturity Date	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Debt Securities:					
Federal Home Loan Mortgage Corporation	7/2009	\$ 305,547	\$ -	\$ -	\$ -
Federal Home Loan Mortgage Corporation	1/2010	-	104,050	-	-
Federal Home Loan Mortgage Corporation	2/2013	-	50,141	-	-
Federal Home Loan Mortgage Corporation	6/2011	-	253,445	-	-
Federal Home Loan Mortgage Corporation	4/2009	251,695	-	-	-
Federal Home Loan Bank	1/2009	60,026	-	-	-
Federal Home Loan Bank	1/2009	100,090	-	-	-
Federal Home Loan Bank	3/2010	-	208,696	-	-
Federal Home Loan Bank	6/2013	-	305,424	-	-
Federal Home Loan Bank	6/2012	-	272,865	-	-
Federal Home Loan Bank	1/2009	100,167	-	-	-
Federal Home Loan Bank	6/2009	101,307	-	-	-
Federal Farm Credit Bank	12/2010	-	300,009	-	-
Federal Farm Credit Bank	12/2013	-	298,521	-	-
Federal National Mortgage Association	2/2009	301,089	-	-	-
Federal National Mortgage Association	4/2011	-	500,280	-	-
Federal National Mortgage Association	12/2012	-	349,881	-	-
United States Treasury Notes	8/2013	-	284,063	-	-
United States Treasury Notes	5/2012	-	279,688	-	-
Note Receivable:					
Note Receivable - YCEDC	Various		2,000,000		8,375,000
		<u>\$ 1,356,922</u>	<u>\$ 5,604,063</u>	<u>\$ -</u>	<u>\$ 8,375,000</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Industrial Development Authority (Continued)

Credit Risk

As of December 31, 2008, all of the Authority's investments in debt securities were rated Aaa by Moody's and AAA by Standard & Poor's.

Custodial Credit Risk

For deposits and investments, custodial risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. As of December 31, 2008, \$50,893 of the Authority's deposits and \$67,000 of the Authority's investments were exposed to custodial credit risk.

Concentration of Credit Risk

The Authority's investment policy limits the amount that may be invested in any one issuer. More than 5% of the Authority's investments are in Federal Home Loan Bank, Federal National Mortgage Association, Federal Home Loan Mortgage Corp, and note receivable - YCEDC. These investments are 6.29%, 7.49%, 7.51%, and 67.65%, respectively, of the Authority's total investments.

York County Library System

As of December 31, 2008, the Library System had the following cash and cash equivalents and debt investment with their respective maturities:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1-5
Cash Equivalents	\$ 209,399	\$ 209,399	\$ -
U.S. Government Agencies	137,030	66,991	70,039
Corporate Bonds	66,965	25,283	41,682
Fixed Income Mutual Funds	150,479	-	150,479
Mutual Funds	541,334	N/A	N/A
Total	\$ 1,105,207	\$ 301,673	\$ 262,200

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Library System (Continued)

In addition to cash equivalents and investments above, an additional cash balance of \$386,542 is reported on the balance sheet. Total cash equivalents and investments above are reported as follows:

Cash and Cash Equivalents	\$	595,941
Investments		895,808
		\$ 1,491,749

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from rising interest rates, the Library’s System investment policy is to invest funds to meet the projected future cash flow requirements.

Credit Risk – The Library’s System’s investment policy is for fixed income securities purchases to be of at least investment grade.

As of December 31, 2008, the Library System’s investments had credit quality ratings by Standard and Poor’s as follows:

<u>Investment Type</u>	<u>Credit Quality Rating</u>	<u>Percent of Investment Type</u>
U.S. Government Agencies	AAA	100%
Corporate Bonds	AAA	38%
Corporate Bonds	A	36%
Corporate Bonds	BAA	26%
Fixed Income Mutual Funds	AAA	67%
Fixed Income Mutual Funds	AA	12%
Fixed Income Mutual Funds	BB	21%

Custodial Credit Risk – For deposits and investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Library System will be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library System has no formal policy pertaining to custodial credit risk. As of December 31, 2008, \$154,035 of the Library System’s cash in bank of \$404,035 was collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the Library System’s name. The cash equivalents, which are money market funds, are not categorized.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Library System (Continued)

Concentration of Credit Risk – The Library’s System’s investment policy is investments in any one fixed income security may not exceed 10% of the total market value of the portfolio, with the exception of the U.S. Government and its agencies, for which there is no limit. More than 5% of the Library System’s investments are in PIMCO (Fixed Income Mutual Fund). These investments are 8% of the Library System’s total investments.

York County Planning Commission

The Commission currently has no formal deposit or investment policy.

Deposits

The Commission maintains cash balances at a local financial institution, which is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 as of December 31, 2008. At times during the year ended December 31, 2008 the Commission’s cash balances may have exceeded FDIC limits. As of December 31, 2008 the Commission had \$6,143 of federally uninsured cash. The excess is covered by collateral held by the pledging financial institution’s trust department. Pennsylvania Act 72 allows for bank owned securities to be pledged on a pooled basis to service public funds.

Investments

The Commission’s investments are deposited in two types of financial institutions: (1) local banks, of which funds in excess of the federally insured limit of \$250,000 are covered by collateral held by the pledging financial institution’s trust department, or (2) the Pennsylvania Local Government Investment Trust.

Cash and temporary investments include the following as of December 31, 2008:

	<u>Carrying Amount</u>	<u>Market Value</u>
Cash	\$ 111,948	\$ 111,948
Pennsylvania Local Government Investment Trust	610,976	610,976
	<u>\$ 722,924</u>	<u>\$ 722,924</u>

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Planning Commission (Continued)

Interest Rate Risk

As of December 31, 2008, the Commission held no debt investments.

Custodial Credit Risk

For deposits and investments, custodial risk is the risk that in the event of the failure of the counterparty, the Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2008, \$6,143 of the Commission's deposits and \$610,976 of the Commission's investments were exposed to custodial credit risk. The deposits exposed to custodial credit risk are covered by collateral held by the pledging financial institution's trust department.

Concentration of Credit Risk

The Commission places no limit on the amount that may be invested in any one issuer. All of the Commission's investments, which are classified as cash and temporary investments, consist of cash with a local bank (15.46%) and cash equivalents with the Pennsylvania Local Government Investment Trust (84.51%).

(4) Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 and are levied and recorded as a receivable on February 15. Taxes are collected at a discount until April 15, at their face amount from April 16 until June 15, and include a penalty thereafter. Taxes are collected by elected tax collectors. The County collects delinquent taxes on behalf of itself and other taxing authorities.

The County is permitted by the County Code of the Commonwealth of Pennsylvania to levy property taxes up to 25 mills on every dollar of adjusted valuation for general County purposes exclusive of the requirements for the payment of interest and principal on funded debt. The property tax rate for 2008 was 4.0 mills with .1 mill pertaining to a dedicated library tax.

The County recorded an allowance for uncollectible taxes of \$552,438 as of December 31, 2008. This represents the County's estimate of taxes earned but ultimately expected not to be collected.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(5) Capital Assets

A summary of changes in the capital assets for the year ended December 31, 2008 is as follows:

	Beginning Balance, As Restated	Additions	Retirements	Ending Balance
Governmental activities				
Capital assets not being depreciated (cost):				
Land	\$ 26,322,829	\$ 26,710,990	\$ 243,065	\$ 52,790,754
Construction in progress	23,320,966	843,620	1,747,521	22,417,065
Total capital assets not being depreciated	<u>49,643,795</u>	<u>27,554,610</u>	<u>1,990,586</u>	<u>75,207,819</u>
Capital assets being depreciated (cost):				
Buildings and improvements	166,386,767	3,710,478	-	170,097,245
Furniture, fixtures, and equipment	10,620,428	1,296,220	110,707	11,805,941
Easements	11,472,075	3,249,543	-	14,721,618
Bridges, roads, and rail trail	19,736,641	-	-	19,736,641
Total capital assets being depreciated	<u>208,215,911</u>	<u>8,256,241</u>	<u>110,707</u>	<u>216,361,445</u>
Less accumulated depreciation for:				
Buildings and improvements	37,545,827	4,026,780	-	41,572,607
Furniture, fixtures, and equipment	6,322,365	1,408,685	108,790	7,622,260
Easements	1,727,953	344,558	-	2,072,511
Bridges, roads, and rail trail	12,390,937	485,574	-	12,876,511
Total accumulated depreciation	<u>57,987,082</u>	<u>6,265,597</u>	<u>108,790</u>	<u>64,143,889</u>
Total capital assets being depreciated, net	<u>150,228,829</u>	<u>1,990,644</u>	<u>1,917</u>	<u>152,217,556</u>
Total capital assets, governmental activities	<u>\$ 199,872,624</u>	<u>\$ 29,545,254</u>	<u>\$ 1,992,503</u>	<u>\$ 227,425,375</u>
Business-type activities				
Capital assets not being depreciated (cost):				
Land	\$ 17,000	\$ 243,065	\$ -	\$ 260,065
Construction in Progress	50,852,344	7,184,328	28,690,798	29,345,874
Total capital assets not being depreciated	<u>50,869,344</u>	<u>7,427,393</u>	<u>28,690,798</u>	<u>29,605,939</u>
Capital assets being depreciated (cost):				
Buildings and improvements	9,259,142	21,557,267	-	30,816,409
Leasehold assets	997,500	-	-	997,500
Furniture, fixtures, and equipment	15,628,784	8,181,766	110,502	23,700,048
Total capital assets being depreciated	<u>25,885,426</u>	<u>29,739,033</u>	<u>110,502</u>	<u>55,513,957</u>
Less accumulated depreciation for:				
Buildings and improvements	5,605,453	273,944	-	5,879,397
Leasehold assets	166,250	199,500	-	365,750
Furniture, fixtures, and equipment	13,257,611	560,552	92,055	13,726,108
Total accumulated depreciation	<u>19,029,314</u>	<u>1,033,996</u>	<u>92,055</u>	<u>19,971,255</u>
Total capital assets being depreciated, net	<u>6,856,112</u>	<u>28,705,037</u>	<u>18,447</u>	<u>35,542,702</u>
Total capital assets, business-type activities	<u>\$ 57,725,456</u>	<u>\$ 36,132,430</u>	<u>\$ 28,709,245</u>	<u>\$ 65,148,641</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(5) Capital Assets (Continued)

	Beginning Balance	Additions	Retirements	Ending Balance
Component units				
Capital assets not being depreciated (cost):				
Land	\$ 7,526,313	\$ -	\$ -	\$ 7,526,313
Construction in progress	3,555,600	1,325,034	1,162,764	3,717,870
Total capital assets not being depreciated	11,081,913	1,325,034	1,162,764	11,244,183
Capital assets being depreciated (cost):				
Buildings and improvements	156,228,172	2,800,773	-	159,028,945
Furniture, fixtures, and equipment	6,112,288	813,350	-	6,925,638
Total capital assets being depreciated	162,340,460	3,614,123	-	165,954,583
Less accumulated depreciation for:				
Buildings and improvements	94,092,001	5,579,145	-	99,671,146
Furniture, fixtures, and equipment	2,141,125	1,113,366	-	3,254,491
Total accumulated depreciation	96,233,126	6,692,511	-	102,925,637
Total capital assets being depreciated, net	66,107,334	(3,078,388)	-	63,028,946
Total capital assets, business-type activities	\$ 77,189,247	\$ (1,753,354)	\$ 1,162,764	\$ 74,273,129

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

Governmental activities

Public safety	\$ 1,400,426
General government	1,244,264
Judicial	2,126,920
Health, education, and welfare	464,994
Road and bridges	513,143
Cultural and recreation	515,850
Total depreciation expense – governmental activities	<u>\$ 6,265,597</u>

Business-type activities

County Nursing Home Fund	\$ 613,242
911 Fund	420,754
Total depreciation expense	<u>\$ 1,033,996</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(6) Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended December 31, 2008:

	Balance at January 1, 2008, As Restated	Additions	Reductions	Balance at December 31, 2008	Due Within One Year
Governmental activities					
General obligation debt	\$ 156,941,190	\$ 163,010,958	\$ 147,371,554	\$ 172,580,594	\$ 8,713,571
Litigation liability	6,923,420	5,500,000	2,424,858	9,998,562	3,561,002
Unamortized bond premium	1,912,927	-	270,104	1,642,823	270,104
Liability for workers' compensation self-insurance	1,083,647	545,648	221,367	1,407,928	183,031
Compensated absences	3,312,342	2,227,830	2,318,924	3,221,248	2,171,121
Liability for other postemployment benefits	2,816,396	5,281,686	2,647,155	5,450,927	-
	<u>\$ 172,989,922</u>	<u>\$ 176,566,122</u>	<u>\$ 155,253,962</u>	<u>\$ 194,302,082</u>	<u>\$ 14,898,829</u>
Business-type activities					
General obligation debt	\$ 37,392,705	\$ 13,368,104	\$ 224,105	\$ 50,536,704	\$ 145,756
Unamortized bond premium	1,411,574	-	54,291	1,357,283	54,291
Liability for workers' compensation self-insurance	784,709	603,209	188,572	1,199,346	155,915
Compensated absences	696,010	692,552	579,731	808,831	545,152
Liability for other postemployment benefits	1,304,229	2,674,738	1,495,792	2,483,175	-
Capital lease	783,437	-	184,080	599,357	191,719
	<u>\$ 42,372,664</u>	<u>\$ 17,338,603</u>	<u>\$ 2,726,571</u>	<u>\$ 56,984,696</u>	<u>\$ 1,092,833</u>

Compensated absences and the liability for workers' compensation self-insurance are liquidated by the general fund, children & youth fund, mental health/mental retardation fund, and certain other nonmajor funds.

During 2008, there was a transfer of General Obligation Debt in the amount of \$13,368,104 from the Governmental Activities to the Business-Type Activities which related to the transfer of bond proceeds of the Series of 2006 General Obligation Bonds discussed in Note 16.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(6) Long-Term Liabilities (Continued)

Governmental activities general obligation debt consisted of the following individual issues at December 31, 2008 (Payable from General Fund Tax Revenues):

\$1,755,000 Series of 2000 – general obligation bonds with interest due semiannually June 1 and December 1 at various annual rates from 4.30% to 4.85%. Principal due in annual installments on June 1, increasing from \$140,000 in 2001 to \$215,000 in 2010.	\$ 420,000
\$20,510,000 Series of 2002 – general obligation bonds with interest due semiannually April 1 and October 1 at various annual rates from 5.60% to 6.25%. Principal due in annual installments on October 1, increasing from \$2,075,000 in 2002 to \$3,130,000 in 2009.	3,130,000
\$22,535,000 Series of 2003 – general obligation bonds with interest due semiannually June 1 and December 1 at various annual rates from 1.50% to 4.75%. Principal due in annual installments on June 1, increasing from \$5,000 in 2006 to \$2,565,000 in 2033.	22,520,000
\$74,890,000 Series of 2006 – general obligation bonds (\$24,129,191 for Governmental Activities and \$50,760,809 for Business-Type Activities) with interest on the outstanding balance due semiannually June 1, and December 1 at various annual rates from 3.25% to 5.00%. Principal due in annual installments on June 1, increasing from \$345,000 in 2008 to \$16,825,000 in 2033.	24,008,296
\$7,000,000 Series of 2007 – general obligation note with interest on the outstanding balance due quarterly on March 1, June 1, September 1, and December 1 at a variable rate equal to 65% of LIBOR plus 1.13%. not to exceed 12%. Principal due upon maturity on July 1, 2009.	4,304,327
\$19,090,000 Series A of 2008 – general obligation bonds with interest due semiannually June 1 and December 1 at a rate of 70% of 1-month LIBOR plus 250 basis points. Principal due in annual installments on June 1, increasing from \$560,000 in 2009 to \$1,265,000 in 2030.	19,090,000
\$30,645,000 Series B of 2008 – general obligation bonds with interest due semiannually June 1 and December 1 at a rate of 65% of 1-Month LIBOR plus 189 basis points. Principal due in annual installments on June 1, increasing from \$435,000 in 2009 to \$3,565,000 in 2031.	30,645,000
\$33,375,000 Series C of 2008 – general obligation bonds with interest due semiannually June 1 and December 1 at a rate of 65% of 1-month LIBOR plus 221 basis points. Principal due in annual installments on June 1, increasing from \$5,000 in 2009 to \$6,075,000 in 2033.	33,375,000
\$25,000,000 Series of 2008 – general obligation note with interest on the outstanding balance due quarterly on March 1, June 1, September 1, and December 1 at a fixed rate of 4.15%. Principal due upon maturity on September 1, 2010.	20,472,798
\$17,000,000 Series of 2008 – general obligation note with interest on the outstanding balance due quarterly on March 1, June 1, September 1, and December 1 at a variable rate equal to 80% of the Wall Street Prime Rate, not to exceed 6.0% or be less than 3.60%. Principal due upon maturity on December 1, 2010.	14,615,173
Total general obligation debt	<u>\$ 172,580,594</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(6) Long-Term Liabilities (Continued)

The General Obligation Bond Series A of 2008, Series B of 2008, Series C of 2008, and the Series of 2006 descriptions described in the table above do not reflect the swap transactions disclosed in Note 8. However, the amounts of those bonds are reflective of the swap transactions described in Note 8.

In June 2008, the County issued General Obligation Revenue Bonds, Series of 2008, in the amount of \$33,375,000. The principal of these bonds is payable in annual installments increasing from \$5,000 in 2009 to \$6,075,000 in 2033. Interest payments on the outstanding principal shall be due semiannually, on June 1, and December 1 of each year, beginning on December 1, 2008. The interest rate on the Series of 2008 bonds is a variable rate not to exceed 15%. The proceeds of the bonds were used to currently refund and retire the \$32,610,000 Series of 2003 Revenue Bonds, and to pay issuance costs of \$574,518. The bonds included an original issue bond discount of \$150,188. The bonds will increase debt service payments for the County by \$2,034,120 and resulted in an economic loss of \$770,000. The principal balance outstanding on the bonds at December 31, 2008 was \$0, as the bonds were currently refunded during 2008 (See below).

In August 2008, the County issued General Obligation Notes, Series of 2008, in the amount of \$25,000,000. The principal of this note is payable in full, upon maturity, on September 1, 2010. Interest payments on the outstanding principal shall be due quarterly, on March 1, June 1, September 1, and December 1 of each year, beginning on December 1, 2008. The interest rate on the Series of 2008 notes is a fixed rate equal to 4.15%. The proceeds of the note are being used to purchase land for recreation purposes, undertake other capital projects, and to pay issuance costs of \$24,979. The County draws on the note as needed to fund the purchase of land for recreational purposes and other capital projects. The principal balance outstanding on the note at December 31, 2008 was \$20,472,798.

In November 2008, the County issued General Obligation Notes, Series of 2008, in the amount of \$17,000,000. The principal of this note is payable in full, upon maturity, on December 1, 2010. Interest payments on the outstanding principal shall be due quarterly, on March 1, June 1, September 1, and December 1 of each year, beginning on March 1, 2009. As of December 31, 2008, the interest rate was 3.60%. The proceeds of the note are being used to acquire and construct District Justice Offices and facilities, to retire the Series of 2005 General Obligation Notes, acquire land and construct recreational facilities, to retire the Series A of 2005 General Obligation Notes, and to pay issuance costs of \$10,155. The County draws on the note as needed to fund the purchase of land, construct recreational facilities, and to acquire or construct District Justice Offices. The notes increased debt service payments for the County by \$1,001,711 and resulted

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(6) Long-Term Liabilities (Continued)

in an economic loss of \$915,850. The principal balance outstanding on the note at December 31, 2008 was \$14,615,173.

In December 2008, the County issued General Obligation Bonds, Series A, B, C of 2008, in the amount of \$83,110,000. The principal of these bonds is payable in annual installments increasing from \$5,000 in 2009 to \$6,075,000 in 2033. Interest payments on the outstanding principal shall be due semiannually, on June 1, and December 1 of each year, beginning on June 1, 2009. At December 31, 2008, the interest rates on the Series A, B, and C of 2008 bonds are 6.14%, 5.27%, and 5.59%, respectively. The proceeds of the bonds were used to currently refund and retire General Obligation Revenue Bonds Series A of 2000, General Obligation Revenue Bonds Series of 2001, and General Obligation Revenue Bonds Series of 2008. Issuance costs of \$276,543 were paid with proceeds from the \$25,000,000 General Obligation Note Payable. The bonds decreased debt service payments for the County by \$32,348,417 and resulted in an economic gain of \$19,823,639. The principal balance outstanding on the bonds at December 31, 2008 was \$83,110,000.

The annual requirements to amortize Governmental Activities general obligation bonds outstanding (including the effect of the swap transactions described in Note 8) for the year ended December 31, 2008 are as follows, *assuming current interest rates remain the same*:

	Principal	Interest and Remarketing Costs	Total
2009	\$ 8,713,571	\$ 8,597,560	\$ 17,311,131
2010	38,452,785	7,836,496	46,289,281
2011	3,500,410	6,701,133	10,201,543
2012	3,635,837	6,533,317	10,169,154
2013	3,782,875	6,313,193	10,096,068
2014-2018	21,617,070	28,562,943	50,180,013
2019-2023	25,340,522	22,211,240	47,551,762
2024-2028	30,172,577	14,759,794	44,932,371
2029-2033	37,364,947	5,434,244	42,799,191
	<u>\$ 172,580,594</u>	<u>\$ 106,949,920</u>	<u>\$ 279,530,514</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(6) Long-Term Liabilities (Continued)

Business-Type Activities general obligation debt consisted of the following individual issues at December 31, 2008:

	<u>General Obligation Debt</u>
\$74,890,000 Series of 2006 – general obligation bonds (\$24,129,191 for Governmental Activities and \$50,760,809 for Business-Type Activities) with interest on the outstanding balance due semiannually June 1, and December 1 at various annual rates from 3.25% to 5.00%. Principal due in annual installments on June 1, increasing from \$345,000 in 2008 to \$16,825,000 in 2033.	\$ 50,536,704
Total general obligation debt	<u>\$ 50,536,704</u>

The Series of 2006 descriptions described in the table above do not reflect the swap transactions disclosed in Note 8. However, the amounts of those bonds are reflective of the swap transactions described in Note 8.

The annual requirements to amortize Business-Type Activities general obligation bonds outstanding (including the effect of the swap transactions described in Note 8) for the year ended December 31, 2008 are as follows, *assuming current interest rates remain the same*:

	<u>Principal</u>	<u>Interest and Remarketing Costs</u>	<u>Total</u>
2009	\$ 145,756	\$ 2,416,735	\$ 2,562,491
2010	1,515,186	2,387,777	3,902,963
2011	1,579,590	2,329,669	3,909,259
2012	1,654,163	2,264,995	3,919,158
2013	1,732,125	2,195,103	3,927,228
2014-2018	10,202,931	9,596,829	19,799,760
2019-2023	9,694,478	6,961,737	16,656,215
2024-2028	10,172,422	4,713,188	14,885,610
2029-2033	13,840,053	1,817,461	15,657,514
	<u>\$ 50,536,704</u>	<u>\$ 34,683,494</u>	<u>\$ 85,220,198</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(6) Long-Term Liabilities (Continued)

As determined under the Commonwealth of Pennsylvania Local Government Unit Debt Act of 1972, the nonelectoral debt limit of the County at December 31, 2008 was \$1,012,090,899 compared to \$223,117,298 of related outstanding debt.

The County is subject to federal arbitrage laws governing the use of proceeds of tax exempt debt. At December 31, 2008, there is an arbitrage liability of \$251,425 in the Capital Projects Fund and \$359,482 in the 911 Fund.

Total debt of the component units consisted of the following individual issues as of December 31, 2008:

	York County Solid Waste and Refuse Authority (YCSWRA)	York County Industrial Development Authority (Authority)	Total Component Units
Solid Waste System Refunding Revenue Bonds, Series of 1997; collateralized under the Indenture of Mortgage and Trust by and between YCSWRA and M&T Investment Group; due 1998 through 2014.	\$ 48,260,000	\$ -	\$ 48,260,000
Note payable for the rehabilitation of the Industrial Plaza of York; collateralized by a third lien on the Industrial Plaza of York; due 1998 through 2010.	-	21,414	21,414
Series 2003A and Series 2003B collateralized by a note receivable from York County Industrial Development Corporation; due 2012 and 2028.	-	10,375,000	10,375,000
Line of Credit with Wachovia Bank, N.A. for the Sovereign Bank Stadium project	-	233,000	233,000
	<u>48,260,000</u>	<u>10,629,414</u>	<u>58,889,414</u>
Plus: unamortized premium	572,544	-	572,544
Less: current portion	6,875,000	251,324	7,126,324
Project lessee debt	-	121,154,502	121,154,502
	<u>\$ 41,957,544</u>	<u>\$ 131,532,592</u>	<u>\$ 173,490,136</u>

The following is a summary of changes in component unit long-term debt excluding the project lessee long-term debt discussed below for the year ended December 31, 2008:

Balance at January 1, 2008	\$ 66,342,533
Reductions	(7,453,119)
Balance at December 31, 2008	<u>\$ 58,889,414</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(6) Long-Term Liabilities (Continued)

The Authority also has \$121,154,502 of additional long-term debt relating to project leases. The Authority acts as a conduit for the purpose of providing capital financing for a specific third party that is not part of the Authority's financial reporting entity. While the Authority holds legal title to the land, buildings, and equipment leased to project lessees, it is not legally entitled to receive rental payments from the project lessees, and it is not legally obligated for the repayment of the related long-term debt collateralized by those assets.

Since the Authority derives no cash flow benefits from collecting rental payments and has no responsibilities for servicing the long-term debt, it does not recognize rental income on the leases, interest income on the receivables, or interest expense on the long-term debt in its financial statements.

As required by law, the Authority must monitor the repayments of long-term debt made directly by the project lessees to the lenders. The Authority has elected to record in its financial statements receivables for the future rental payments in amounts equal to the principal of long-term debt owing by the project lessees directly to the lenders. As rental payments are reported to the Authority as having been made, the Authority reduces both its receivables and its long-term debt, and records service charge income.

The Authority has no cash flow responsibility with respect to future maturities of long-term debt.

The annual requirements to amortize maturities of component unit long-term debt outstanding for the year ended December 31, 2008, assuming no change in current terms, are as follows:

	<u>Principal</u>
2009	\$ 7,126,324
2010	7,283,090
2011	7,750,000
2012	10,245,000
2013	8,750,000
2014-2018	9,360,000
2019-2023	-
2024-2028	8,375,000
	<u>\$ 58,889,414</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Capital Lease

In February of 2007, the County's 911 Fund leased 190 mobile data computers in the amount of \$997,500 bearing an interest rate of 4.2% and expiring in February 2011. The following is a schedule of future minimum lease payments under the capital lease agreement together with the present value of the net minimum lease payments as of December 31, 2008:

Total Minimum Lease Payments	\$649,779
Less: Amount Representing Interest	<u>50,422</u>
Total Present Value of Net Minimum Lease Payments	599,357
Less: Amounts Due within One Year	<u>191,719</u>
Long Term Capital Lease Payable	<u><u>\$407,638</u></u>

Future minimum capital lease payments as of December 31, 2008:

2009	\$ 191,719
2010	199,676
2011	<u>207,962</u>
Total Future Minimum Lease Payments	<u><u>\$ 599,357</u></u>

At December 31, 2008, the County has leased equipment in the amount of \$997,500 with an accumulated depreciation of \$365,750.

(8) Interest Rate Swaps

2003 Swap

Objective and terms of the swap. On June 27, 2003, the County entered into a forward starting interest rate swap with respect to the County's then outstanding Series of 2001 Bonds (the "2001 Bonds"), in the principal amount of \$32,435,000 under the terms of which the County will make fixed payments of 4.06% and will receive floating rate payments based on 100% of the BMA Index (Bond Market Association Municipal Swap Index) commencing on January 2, 2004.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps (Continued)

2003 Swap (Continued)

On December 1, 2008, the County issued 2008 General Obligation Bonds, Series B to currently refund the General Obligation, Series of 2001. Effective December 2, 2008, the County amended the Qualified Interest Rate Management Agreements to name the County (in lieu of the Authority) as the counterparty to the Royal Bank of Canada, to identify the new related general obligation bond issues, and to amend the variable rate received from BMA to SIFMA Municipal Swap Index.

The terms, fair values, and credit ratings of the outstanding swap as of December 31, 2008, were as follows. The notional amounts of the swap match the principal amounts of the 2008 Series B Bonds outstanding as of the effective date.

<u>Associated Bond Issue</u>	<u>Notional Amounts</u>	<u>Amended Effective Date</u>	<u>Variable Rate Received</u>	<u>Fixed Rate Paid</u>	<u>Fair Values</u>	<u>Swap Termination Date</u>	<u>Counterparty Credit Rating</u>
Series B of 2008 GOB	\$ 30,645,000	December 2, 2008	SIFMA	4.06%	\$ (4,564,475)	June 2, 2031	Aaa / AA-
Total	\$ 30,645,000				\$ (4,564,475)		

Fair value. The swap had a negative fair value as of December 31, 2008. The fair values were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

Credit risk. As of December 31, 2008, the County was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the County would be exposed to credit risk in the amount of the derivatives fair value. As of December 31, 2008, the counterparty was rated Aaa by Moody's Investors Service, and AA- by Standard & Poor's.

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps (Continued)

2003 Swap (Continued)

Interest Rate Risk. The swap decreases the County's exposure to interest rate risk.

Termination Risk. The swap was issued pursuant to the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The County or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If the swap is terminated, the County will be responsible for the underlying variable rate bond obligation. Also, if at the time of termination the swap has a negative fair value, the County would be liable to the counterparty for a payment equal to the swap's fair value.

2005 Swap

Objective and terms of the swap. On March 16, 2005, the County, through the General Authority of Southcentral Pennsylvania, entered into two forward starting, floating rate receipt/fixed rate pay swap transactions with the Royal Bank of Canada that relate to (1) \$19,090,000 outstanding County Guaranteed Revenue Bonds, Series A of 2000, currently in a term rate (fixed) mode through December 1, 2008, and its corresponding floating rate pay/fixed rate receipt obligations under the 2004 Term Rate Swap, and (2) \$32,620,000 outstanding County Guaranteed Revenue Bonds, Series of 2003, currently in a weekly floating rate mode. The 2000A and 2003 Bonds Fixed Pay Swaps are structured with a declining notional (principal) amount which will mirror the principal amortization schedules on the 2000A and 2003 Bonds, respectively, thus creating "synthetic fixed rate" liabilities for the County. For the swap relating to the 2000A Bonds, the County pays a fixed rate of 4.34% and receives BMA (Bond Market Association Municipal Index). For the swap relating to the 2003 Bonds, the County pays 4.43% and receives BMA.

On December 1, 2008, the County issued 2008 General Obligation Bonds, Series A and C to currently refunded the Guaranteed Revenue Bonds, Series A of 2000 and the Guaranteed Revenue Bond, Series of 2003, respectively. The County amended the Qualified Interest Rate Management Agreements to name the County (in lieu of the Authority) as the counterparty to the Royal Bank of Canada, to identify the new related general obligation bond issues, and to amend the variable rate received from BMA to SIFMA Municipal Swap Index.

The terms, fair values, and credit ratings of the 2005 outstanding swaps as of December 31, 2008, were as follows. The notional amounts of the swap match the principal amounts of the 2008 Series A and Series C Bonds outstanding as of the effective date.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps (Continued)

2005 Swap (Continued)

<u>Associated Bond Issue</u>	<u>Notional Amounts</u>	<u>Amended Effective Date</u>	<u>Variable Rate Received</u>	<u>Fixed Rate Paid</u>	<u>Fair Values</u>	<u>Swap Termination Date</u>	<u>Counterparty Credit Rating</u>
Series A of 2008 GOB	\$ 19,090,000	December 1, 2008	SIFMA	4.34%	\$ (3,167,733)	June 1, 2030	Aaa / AA-
Series C of 2008 GOB	33,375,000	December 1, 2008	SIFMA	4.43%	(7,385,460)	June 1, 2033	Aaa/ AA-
Total	<u>\$ 52,465,000</u>				<u>\$ (10,553,193)</u>		

Fair value. The swaps had a negative fair value as of December 31, 2008. The fair values were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

Credit risk. As of December 31, 2008, the County was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the County would be exposed to credit risk in the amount of the derivatives fair value. As of December 31, 2008, the counterparty was rated Aaa by Moody's Investors Service, and AA- by Standard & Poor's.

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

Interest Rate Risk. The swap decreases the County's exposure to interest rate risk.

Termination Risk. The swap was issued pursuant to the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The County or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If the swap is terminated, the County will be responsible for the underlying variable rate bond obligation. Also, if at the time of termination the swap has a negative fair value, the County would be liable to the counterparty for a payment equal to the swap's fair value.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps (Continued)

2006 Basis Swap

Objective and terms of the swap. On February 22, 2006, the County entered into a basis swap (the “2006 basis swap”) that relates to the County’s General Obligation Bonds, Series of 2006, in the amount of \$74,890,000. The County will pay the Counterparty interest on the outstanding notional amounts of the bonds at a rate equal to 100% of the BMA (Bond Market Association Municipal Index), which will be netted against interest receipts from the Counterparty on the same notional amounts equal to 67% of LIBOR plus a fixed spread of 42.39 basis points. The 2006 basis swap is structured with a declining notional (principal) amount that mirrors the annual principal amortization of the County’s series of 2006 bonds. The final termination date of the 2006 basis swap is June 1, 2033.

The terms, fair values, and credit ratings of the 2006 basis swap as of December 31, 2008, were as follows. The notional amount of the swap matches the principal amount of the 2006 Series Bonds outstanding as of the effective date.

<u>Associated Bond Issue</u>	<u>Notional Amounts</u>	<u>Effective Date</u>	<u>Variable Rate Received</u>	<u>Variable Rate Paid</u>	<u>Fair Values</u>	<u>Swap Termination Date</u>	<u>Counterparty Credit Rating</u>
Series of 2006 GOB	\$ 74,890,000	February 22, 2006	67% of LIBOR plus 42.39 basis points	BMA	\$ (4,728,853)	June 1, 2033	Aaa/ AA-
Total	<u>\$ 74,890,000</u>				<u>\$ (4,728,853)</u>		

Fair value. The swap had a negative fair value as of December 31, 2008. The fair value was estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

Credit risk. As of December 31, 2008, the County was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the County would be exposed to credit risk in the amount of the derivatives fair value. As of December 31, 2008, the counterparty was rated Aaa by Moody’s Investors Service, and AA- by Standard & Poor’s.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps (Continued)

2006 Basis Swap (Continued)

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

Interest Rate Risk. The basis swap does not affect the County's exposure to interest rate risk.

Termination Risk. The swap was issued pursuant to the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The County or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If the swap is terminated, the County will be responsible for the underlying variable rate bond obligation. Also, if at the time of termination the swap has a negative fair value, the County would be liable to the counterparty for a payment equal to the swap's fair value.

2006 Constant Maturity Basis Swap

Objective and terms of the swap. On September 20, 2006, the County entered into a constant maturity basis swap (the "2006 CMB swap") that relates to the County's General Obligation Bonds, Series of 2006, in the amount of \$74,890,000. The County will pay the Counterparty interest on the outstanding notional amounts of the bonds at a rate equal to 100% of the one-month London Inter-Bank Offered Rate ("LIBOR") taxable bond index, which will be netted against interest receipts from the Counterparty on the same notional amounts equal to 100% of the 10-Year Constant Maturity LIBOR (USD ISDA Swap Rate) taxable bond index less 60.28 basis points. The 2006 CMB swap is structured with a declining notional (principal) amount that mirrors the annual principal amortization of the County's series of 2006 bonds. The final termination date of the 2006 CMB swap is June 1, 2033.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps (Continued)

2006 Constant Maturity Basis Swap (Continued)

The terms, fair values, and credit ratings of the 2006 CMB swap as of December 31, 2008, are as follows. The notional amount of the swap matches the principal amount of the 2006 Series Bonds outstanding as of the effective date.

<u>Associated Bond Issue</u>	<u>Notional Amounts</u>	<u>Effective Date</u>	<u>Variable Rate Received</u>	<u>Variable Rate Paid</u>	<u>Fair Values</u>	<u>Swap Termination Date</u>	<u>Counterparty Credit Rating</u>
Series of 2006 GOB	\$ 74,890,000	December 1, 2007	1 month LIBOR	10 YR USD- ISDA Swap Rate less 60.28 basis points	\$ (237,622)	June 1, 2033	Aaa / AA-
Total	<u>\$ 74,890,000</u>				<u>\$ (237,622)</u>		

Fair value. The swap had a negative fair value as of December 31, 2008. The fair value was estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

Credit risk. As of December 31, 2008, the County was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the County would be exposed to credit risk in the amount of the derivatives fair value. As of December 31, 2008, the counterparty was rated Aaa by Moody's Investors Service, and AA- by Standard & Poor's.

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

Interest Rate Risk. The CMB swap does not affect the County's exposure to interest rate risk.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps (Continued)

2006 Constant Maturity Basis Swap (Continued)

Termination Risk. The swap was issued pursuant to the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The County or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If the swap is terminated, the County will be responsible for the underlying variable rate bond obligation. Also, if at the time of termination the swap has a negative fair value, the County would be liable to the counterparty for a payment equal to the swap's fair value.

(9) Short-Term Debt

During 2008, the County issued Tax and Revenue Anticipation Notes in the amount of \$15,445,000 for cash flow purposes until the County began receiving tax receipts from the 2008 property tax. During 2008, the County repaid \$15,445,000 related to these Tax and Revenue Anticipation Notes. There was no outstanding balance at December 31, 2008 related to the issuance of this short-term debt.

During 2008, the County issued a Tax and Revenue Anticipation Note in the amount of \$7,700,000 related to the Pennsylvania Intergovernmental Medical Assistance Pooling Act. In connection with this Act, municipalities pool funds in order to facilitate medical assistance reimbursement from the Commonwealth of Pennsylvania. The County repaid \$7,700,000 related to this Tax and Revenue Anticipation Note. There was no outstanding balance at December 31, 2008 related to the issuance of this short-term debt.

(10) York County Post-Employment Benefit Plan

Plan Description. The County administers a single-employer postemployment benefit plan (the Plan) that covers health and life insurance benefits for eligible retirees. On January 5, 1983, the York County Retirement Board passed a resolution in accordance with the Commonwealth of Pennsylvania County Pension Law, Act 96, Section 19 (16 PS 11669) providing the authority under which benefit provisions for the Plan were established and may be amended. The Plan does not issue a publicly available financial report.

Funding Policy. The contribution requirements of the County are established and may be amended by resolution of the York County Retirement Board. The Plan does not require any contributions from Plan members. The County funds the Plan on a pay-as-you-go basis. For 2008, the County contributed \$4,142,947 to the plan for current premiums.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(10) York County Post-Employment Benefit Plan (Continued)

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

	Governmental Activities	County Nursing Home	911 Fund	Total Primary Government
Annual required contribution (ARC)	\$ 5,320,617	\$ 2,406,728	\$ 286,039	\$ 8,013,384
Interest on net OPEB obligation	154,902	63,270	8,462	226,634
Adjustment to ARC	<u>(193,833)</u>	<u>(79,172)</u>	<u>(10,589)</u>	<u>(283,594)</u>
Annual OPEB cost (expense)	5,281,686	2,390,826	283,912	7,956,424
Contributions made	<u>(2,647,155)</u>	<u>(1,356,569)</u>	<u>(139,223)</u>	<u>(4,142,947)</u>
Increase in net OPEB obligation	2,634,531	1,034,257	144,689	3,813,477
Net OPEB obligation—beginning of year	<u>2,816,396</u>	<u>1,150,376</u>	<u>153,853</u>	<u>4,120,625</u>
Net OPEB obligation—end of year	<u>\$ 5,450,927</u>	<u>\$ 2,184,633</u>	<u>\$ 298,542</u>	<u>\$ 7,934,102</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2007 and 2008 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/07	\$ 8,013,384	48.58%	\$ 4,120,625
12/31/08	\$ 7,956,424	52.10%	\$ 7,934,102

The County adopted GASB 45 on a prospective basis in 2007; therefore only two years are presented in the above schedule.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(10) York County Post-Employment Benefit Plan (Continued)

Funded Status and Funding Progress. As of January 1, 2007, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$100,954,417 and there were no assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$100,954,417. The covered payroll was \$80.5 million, and the ratio of the UAAL to the covered payroll was 125.4%.

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

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

In the January 1, 2007 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 5.5% investment rate of return, which is the expected long-term investment yield on the investments that are expected to be used to finance the payments of benefits, a health care cost trend rate of 10% initially, reduced by decrements to an ultimate rate of 5% after 5 years. The actuarial assumptions also include a dental cost trend rate of 3% and a vision cost trend rate of 1.5%. The UAAL is being amortized using the level dollar method over a period of 30 years on an open basis.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(11) Employee Retirement Plan (Pension Trust Fund)

The County maintains a single-employer, contributory-defined benefit pension plan (the Plan) covering substantially all County employees. The Plan is considered part of the County's financial reporting entity and is included in the County's financial statements as a Pension Trust Fund. The Plan follows the accounting and reporting requirements of GASB Statement No. 25.

Description of Plan

The Plan is governed by the 1971 County Pension Law, Act 96, of the General Assembly of the Commonwealth of Pennsylvania, as amended (the Act). Benefit and contribution provisions of the Plan are established and can be amended as provided by the Act.

Membership in the Plan is mandatory for all full-time County employees. At December 31, 2008, the Plan's membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	821
Terminated employees entitled to benefits, but not yet receiving benefits	153
Active plan members	<u>2,361</u>
Total members	<u><u>3,335</u></u>

The Plan provides retirement, death, and disability benefits. Retirement benefits vest after five years of credited service. Employees who retire at age 60, or at age 55 with 20 years of service, are entitled to an unreduced annual retirement benefit. Employees are eligible for a reduced annual retirement benefit after accumulating 20 years of service prior to reaching age 55.

The general annual benefit is 2% of the employee's high three-year average salary times years of service.

Covered employees are required by the Act to contribute to the Plan at a rate of 5% of their gross pay. Employees may contribute up to an additional 10% of gross pay, at their option. The contributions are recorded in an individually identified account that is also credited with interest, calculated to yield 5.5% compounded annually. Accumulated employee contributions and credited interest, which amounted to \$47,931,815 as of December 31, 2008, vest immediately and are returned upon termination of service if the employee is not eligible for other benefits.

Administrative costs of the Plan are paid by the County General Fund. The Act makes no provision for termination of the Plan.

The County does not issue a publicly available financial report for the Plan.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(11) Employee Retirement Plan (Pension Trust Fund) (Continued)

Funding Status and Progress

As of December 31, 2008, the most recent actuarial valuation date, the plan was 80.3 percent funded. The actuarial accrued liability for benefits was \$245.4 million, and the actuarial value of assets was \$197.0 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$48.4 million. The actuarial value of assets as a percentage of the actuarial accrued liability was 80.3%. The covered payroll was \$91.7 million, and the ratio of the UAAL to the covered payroll was 52.8%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

In the December 31, 2008 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included (a) 7.5 percent investment rate of return, (b) 4.5 percent projected salary increases, and (c) no postretirement benefit increases. Both (a) and (b) included an inflation component of 3%. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2008 was 30 years.

Year Ended December 31,	Annual Required Contribution (ARC)	Interest on Net Pension Asset	ARC Adjustment	Pension Cost	County Contribution	Percentage of Pension Cost Contributed	Change in Net Pension Asset	Net Pension Asset
2006	\$ 7,665,899	\$ (41,485)	\$ (67,650)	\$ 7,692,064	\$ 7,665,899	99.66%	\$ 26,165	\$ (526,971)
2007	7,199,423	(39,523)	(64,685)	7,224,585	7,199,423	99.65%	25,162	(501,809)
2008	7,383,314	(37,636)	(61,775)	7,407,453	7,383,314	99.67%	24,139	(477,670)

The net pension asset is included in other assets on the governmental activities statement of net assets.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(11) Employee Retirement Plan (Pension Trust Fund) (Continued)

Legally Required Reserves

At December 31, 2008, the County has a balance of \$47,931,815 in the Members' Annuity Reserve Account. This account is the total of the contributions deducted from the salaries of the active and terminated vested member of the retirement system and the IRC 414(h)(2) pickup contributions together with the interest additions as of December 31, 2008. Since those accumulations represent the present value as of December 31, 2008 of future benefits, the reserve balance and liability are equal and this reserve is fully funded.

The County has a balance of \$62,712,345 in the County Annuity Reserve Account as of December 31, 2008. This balance and the amounts expected to be credited in the future, plus investment earnings thereon, represent the reserves set aside for the payment of the County's share of the retirement allowances.

When a County annuity is scheduled to commence for a particular member, sufficient monies are transferred from the County annuity reserve account to the retired members' reserve account to provide for such County annuities actually entered upon. Thus, this reserve is always fully funded.

The Retired Members' Reserve Account is the account out of which monthly retirement allowances including cost-of-living increases and death benefits are paid. The balance in this account was \$78,990,886 as of December 31, 2008.

The negative events in the credit market as well as the general economic conditions in the United States and worldwide have caused a significant decrease in investment values either directly invested or tied to the equity markets. These declines, at present, are expected to be temporary and not permanent declines, however equity market recovery, if it occurs may take some time. The major resulting impact of the equity markets' decline on the County will be in the form of increased annual required contributions and increased pension expense with respect to its pension plan.

(12) Component Unit Employee Retirement Plans

York County Solid Waste and Refuse Authority

The YCSWRA sponsors a defined contribution pension plan covering all employees who meet certain age and length of service requirements. The YCSWRA's contribution and pension expense for the year ended December 31, 2008 amounted to \$115,016.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) Component Unit Employee Retirement Plans (Continued)

York County Solid Waste and Refuse Authority (Continued)

During the year ended December 31, 1999, the YCSWRA adopted an Eligible Deferred Compensation Plan, under the provisions of Section 457 of the Internal Revenue Code of 1986. Under the plan, contributions by the YCSWRA on behalf of the employees are at management's discretion. No contributions were made to the plan by the YCSWRA during the year ended December 31, 2008. All amounts deferred under both plans are held in trust for the exclusive benefit of the participating employees and are not accessible by the YCSWRA or its creditors.

York County Library System

The Library System maintains a multiple-employer defined benefit pension plan for the York County Library System. The plan covers all eligible employees of the Library system, described as follows:

An employee is eligible on January 1 or July 1 after the employee completes one year of eligibility service and has reached the age of 21. Service with any of the following member libraries in the York County Library System will be counted for the purpose of meeting the eligibility rules: Hufnagel Public Library of Glen Rock, Dillsburg Area Public Library, Glatfelter Memorial Library, Kaltreider-Benfer Library, Martin Library, Mason-Dixon Public Library and Southern York County Public Library. An employee is eligible for retirement after attainment of age 65 or the fifth anniversary of participation, if later. The normal retirement pension is payable monthly as long as the participant lives. Payments cease upon death of the participant.

The normal monthly pension payment is equal to one twelfth of the sum of .65% of average annual compensation up to the Social Security integration level, plus 1.3% for average annual compensation in excess of the Social Security integration level, both multiplied by years of benefit service up to 35 years. Plus .65% of average annual compensation multiplied by years of benefit service after the first 35 years, Social Security integration level is equal to the average of the yearly compensation subject to Social Security tax for the 35 year period ending with the year you are entitled to full Social Security benefits. Average annual compensation means your annual compensation averaged over the 5 consecutive year period which produces the highest average in the last 10 years.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) Component Unit Employee Retirement Plans (Continued)

York County Library System (Continued)

Former members of the York County Library System Pension Plan monthly pension benefit will be offset by the pension earned under that plan at October 22, 2003 for which an annuity has been purchased.

The System's contributions are determined on the basis of actuarial principles by an enrolled actuary with any additional contributions determined through the budgeting process of the Board of Directors.

The types of assets held by the plans include various mutual funds.

The weighted-average discount rate and average rate of increase in future compensation levels used in determining the actuarial present value of projected benefit obligations was 6.5% and 2.5%, respectively.

The weighted-average expected long-term rate of return applied to the fair market value of plan assets used in determining the defined benefit expense for 2008 was 6.5%.

The total contributions by the Library System for this plan amounted to \$138,886 for 2008.

As of January 1, 2008, employee membership data related to the pension plan was as follows:

Retirees and Beneficiaries Currently Receiving Benefits	23
Inactive	2
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	6
Active Plan Members	87
	<u>118</u>

Three year trend information for the plan is as follows:

	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Surplus)
2006	\$ 124,901	103.33%	\$ (320,262)
2007	106,351	109.86%	(330,745)
2008	103,467	134.23%	(366,164)

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) Component Unit Employee Retirement Plans (Continued)

York County Library System (Continued)

Schedule of Contributions from the Employer and Other Contributing Entities

<u>Year</u>	<u>Annual Required Contribution</u>	<u>Contributions From Employer</u>	<u>Percentage Contributed</u>
2003	\$ 58,732	\$ 93,573	159%
2004	91,082	73,405	81%
2005	98,683	134,439	136%
2006	111,829	129,064	115%
2007	93,107	116,834	125%
2008	89,789	138,886	155%

A schedule of funding progress consists of the following for the years ended December 31:

<u>Valuation Date</u>	<u>Actuarial Value Of Assets (a)</u>	<u>Entry-Age Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL As A % Of Payroll (b-a)/(c)</u>
2003	\$684,663	\$ 1,188,286	\$ 503,623	57.62%	\$2,221,977	22.67%
2004	855,386	1,438,064	582,678	59.48%	2,332,775	24.98%
2005	950,554	1,600,431	649,877	59.39%	2,489,725	26.10%
2006	1,098,829	1,684,256	585,427	65.24%	2,699,898	21.68%
2007	1,336,185	1,813,202	477,017	73.69%	2,782,496	17.14%
2008	1,464,191	2,133,169	668,978	68.64%	2,853,522	23.44%

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) Component Unit Employee Retirement Plans (Continued)

York County Planning Commission

Description

The Commission provides pension benefits for all of its permanent employees through a single-employer defined benefit pension plan controlled by the provision of the ordinance dated March 13, 1991, adopted pursuant to Act 15. The plan participates through an agreement entered into in 1991 with the Pennsylvania Municipal Retirement System (PMRS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating municipal pension plans. PMRS issues a separate Comprehensive Annual Financial Report (CAFR). A copy of the CAFR can be obtained by contacting the PMRS accounting office.

Contributions

The required contribution rate for members is 3.50% of their total compensation in accordance with the plan's governing ordinance. The Commission's contribution is actuarially determined by the PMRS Board. Act 205 requires annual contributions be based upon the plan's minimum municipal obligation (MMO). The MMO is based upon the plan's biennial actuarial valuation. Any funding requirements established by the MMO in excess of employee contributions and state aid must be paid by the municipality in accordance with Act 205. Administrative costs, including the investment manager, custodial trustee, and actuarial services are charged to the plan and funded through investment income.

Annual Pension Cost

The Commission's annual pension costs were comprised of the following for the years ended December 31, 2008:

Minimum municipal obligation	\$ 200,890
Amortization of prepaid pension expense	25,266
Administrative Fees	20
	<u>\$ 226,176</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) Component Unit Employee Retirement Plans (Continued)

York County Planning Commission (Continued)

The required contribution was determined as part of the actuarial valuation using the entry age normal actuarial method. The actuarial assumptions included a 6.0% investment rate of return and projected salary increases of 5.2%. The Commission's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period as of December 31, 2008 was 11 years.

A schedule of contributions consists of the following for the years ended December 31:

	<u>Annual Required Contribution</u>	<u>Actuarial Valuation Date Basis for Contributions</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation</u>
2004	\$ 161,745	2001	100%	\$ -
2005	167,723	2003	100%	-
2006	167,133	2003	100%	-
2007	185,836	2005	100%	-
2008	200,890	2005	100%	-

Funded Status and Funding Progress

As of January 1, 2007, the most recent actuarial valuation date, the plan was 87.2% funded. The actuarial accrued liability for benefits was \$6,074,437 and the actuarial value of assets was \$5,297,643, resulting in an unfunded actuarial accrued liability (UAAL) of \$776,793. The covered payroll (annual payroll of active employees covered by the plan) was \$1,742,123, and the ratio of the UAAL to the covered payroll was 44.6%.

The schedule of funding progress presents multi year trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) Component Unit Employee Retirement Plans (Continued)

York County Planning Commission (Continued)

The schedule of funding progress consists of the following for the years ended December 31:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of covered Payroll [(b-a)/c]
1999	\$ 2,085,513	\$ 3,282,633	\$ 1,197,120	63.53%	\$ 1,139,649	105.04%
2001	3,024,893	3,740,524	715,631	80.87%	1,297,772	55.14%
2003	3,718,243	4,307,095	588,852	86.33%	1,466,815	40.14%
2005	4,502,255	5,140,779	638,524	87.58%	1,619,427	39.43%
2007	5,297,643	6,074,437	776,794	87.21%	1,742,123	44.59%

Deferred Compensation Plan

The Commission sponsors a Deferred Compensation Plan, under the provisions of Section 457 of the Internal Revenue Code of 1986. Under the plan, contributions by the Commission on behalf of the employees are at management's discretion. During the year ended December 31, 2008, the Commission did not make any contributions to the plan.

(13) Commitments and Contingencies

Litigation

In the normal course of business, there are various claims and suits pending against the County and its elected officials. Management is of the opinion that these matters will not have a material adverse effect on the County's financial position at December 31, 2008.

Federal and Commonwealth Grants

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(13) Commitments and Contingencies (Continued)

Debt Guaranty Agreements

The primary government has guaranteed two revenue bond issues – Series 2003A and Series 2003B of the York County Industrial Development Authority. The outstanding aggregate balance of this debt at December 31, 2008 was \$10,375,000.

The primary government has guaranteed the Series of 1997 Refunding Revenue Bonds of YCSWRA. The outstanding balance of this debt at December 31, 2008 was \$48,260,000.

All of the above debt issues have dedicated revenue sources that are intended to be sufficient to meet debt service requirements.

Line of Credit – Component Units

During the year ended December 31, 2008, the Authority entered into a \$500,000 line of credit with Wachovia Bank, N.A. Any borrowings against this line of credit bear interest at the LIBOR rate plus 1.35%. No amounts have been borrowed on this line of credit as of December 31, 2008.

During the year ended December 31, 2008, the Authority entered into an additional \$13,500,000 line of credit agreement with Wachovia Bank, N.A. for the Sovereign Bank Stadium project. The line of credit is collateralized by the RACP Grant proceeds. Any borrowings against this line of credit bear interest at the LIBOR rate plus 0.75%, which was 1.186% as of December 31, 2008. \$233,000 has been borrowed against this line of credit as of December 31, 2008.

Contingency – Component Units

A claim has been asserted by one of the contractors that worked on the construction of the Sovereign Bank Stadium against the Authority. The Authority is disputing this claim, and is currently contesting it through the construction contract dispute resolution process. The Authority management feels sufficient reserves exist to settle this claim, should there be an unfavorable outcome, and it would not significantly effect their financial position. Accordingly, the Authority has not recorded any loss provision relative to the damages sought in this matter.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(14) Due from Other Governments

Amounts due from other governments are primarily grants receivable from the Commonwealth of Pennsylvania at December 31, 2008 for the following funds:

Governmental funds	
General Fund	\$ 2,591,716
Mental Health/Mental Retardation Fund	1,609
Children & Youth Fund	3,373,353
Other Nonmajor Funds	2,092,568
	<u>\$ 8,059,246</u>

(15) Interfund Accounts

Individual fund “due from other funds” and “due to other funds” balances at December 31, 2008 are as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Governmental funds		
General Fund	\$ 6,373,870	\$ 3,947,718
York HealthChoices Management Fund	-	401,493
Mental Health/Mental Retardation Fund	24,383	635,560
Children and Youth Fund	3,799,789	1,287,706
Capital Projects Bond Account Fund	-	32,406
Other Nonmajor Funds	585,155	319,556
	<u>10,783,197</u>	<u>6,624,439</u>
Enterprise funds		
County Nursing Home Fund	-	3,716,238
911 Fund	31,714	474,234
	<u>31,714</u>	<u>4,190,472</u>
Total	<u>\$ 10,814,911</u>	<u>\$ 10,814,911</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided, (2) reimbursable expenditures occur and (3) payments between funds are made.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(16) Interfund Accounts (Continued)

Individual fund “transfers in” and “transfers out” are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental funds		
General Fund	\$ 141,294	\$ 16,932,558
Mental Health/Mental Retardation Fund	905,567	-
Children & Youth Fund	3,568,803	-
Capital Projects Bond Account Fund	-	429,019
Other Nonmajor Funds	1,368,914	141,293
	<u>5,984,578</u>	<u>17,502,870</u>
Enterprise funds		
County Nursing Home Fund	4,615,216	-
911 Fund	6,903,076	-
	<u>11,518,292</u>	<u>-</u>
Total	<u>\$ 17,502,870</u>	<u>\$ 17,502,870</u>

Transfers from the general fund are used to move unrestricted revenues to (1) finance various programs that the government must account for in other funds in accordance with budgetary and legal authorizations, including amounts provided as subsidies or matching funds for various grant programs and (2) subsidize County Nursing Home and 911 operations.

Transfers from the capital projects bond account fund are used to move allocated capitalizable expenses to the Nursing Home and the 911 fund for the recording of capital assets related to 911 and Nursing Home operations.

In addition to the transfers noted above, during 2008 there was a transfer of bond proceeds in the amounts of \$5,568,104 and \$7,800,000, respectively from the capital projects bond account fund to the 911 fund and the county nursing home fund. The purpose of the bond proceeds transfer was to fund additional 911 and nursing home capital purchases from the series of 2006 General Obligation Bond Proceeds.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(17) Excess of Expenditures over Appropriations in Major Funds

The following major funds had an excess of actual expenditures over budget for the year ended December 31, 2008.

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Percent of Excess over Appropriations</u>
General Fund	\$ 148,241,831	\$ 181,611,633	22.51%
Mental Health/Mental Retardation Fund	67,373,034	67,920,977	0.81%

The excess expenditures over appropriations in the General Fund was due to the purchase of land for park development and was funded by available unreserved fund balance that was designated for park development and by general obligation note proceeds. The excess expenditures over appropriations in the Mental Health/Mental Retardation Fund were funded by greater than anticipated revenues.

(18) Deficit Fund Equity

At December 31, 2008, the County Nursing Home Fund and the 911 Fund had deficit balances in unrestricted net assets of \$4,518,042 and \$1,584,686, respectively. The County has recorded a reserve for these amounts in the fund balance of the General Fund.

(19) Landfill Closure and Post Closure Care Costs

The YCSWRA completed closure construction on the York County Sanitary Landfill during the year ended December 31, 1998. State and federal laws and regulations require the YCSWRA to place a final cover on its York County Sanitary Landfill site when it stops accepting waste, and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post closure care costs will be paid after the date that the landfill stopped accepting waste, the YCSWRA recognized a portion of these closure and post closure care costs as operating expenses in each operating period based on landfill capacity used as of each balance sheet date. The \$1,065,119 reported as landfill closure and post closure care liability at December 31, 2008 (included in other liabilities) represents the cumulative amount recognized based on the use of 100% of the capacity of the landfill, less expenses paid between actual closure and December 31, 2008. The recorded liability is based on what it would cost to perform all closure and post closure care in 1998. Actual costs may be higher or lower due to inflation or deflation, changes in technology, or changes in regulations.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(20) Contract Receivable/Deferred Contract Income

On November 11, 1998, the YCSWRA executed a Consent to Assignment and Termination and Release Agreement (Agreement) with Viacom, Inc. (formerly known as CBS Corporation). Under the terms of the Agreement, Viacom agreed to pay to YCSWRA a termination fee of \$42,000,000 in exchange for a full release of all of its obligations under a 1991 agreement to operate the Resource Recovery Center. The YCSWRA simultaneously executed a service agreement with Montenay York Resource Energy Systems, LLC (MYRES) to operate the Resource Recovery Center. The YCSWRA paid monthly service fees to MYRES, which in the aggregate amounted to \$19,083,404 for the year ended December 31, 2008.

Under the terms of the Agreement with Viacom, the YCSWRA will receive \$42,000,000 million payable in seventeen installments of amounts ranging between \$1,000,000 and \$3,000,000. Payment of \$2,500,000 was received in the year ended December 31, 2008. All contract payments are recorded in other income to offset operating costs to be charged by MYRES to the YCSWRA.

Using a 9% discount rate, the present value of the future cash flows of \$13,457,756 is recorded as a contract receivable, with the \$1,788,802 being shown as the current portion as of December 31, 2008. Similar amounts are recorded as deferred contract revenue which will be amortized to income as payments are received from Viacom.

(21) Risk Management

Self-Insurance

The County is exposed to various risks of losses; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, natural disasters, and unemployment compensation. The County has purchased commercial insurance for all risks of losses except for injuries to employees, medical (for certain employees), and unemployment compensation. No settlements exceeded insurance coverage for each of the past three years.

The County has elected to self-insure itself for up to \$1,500,000 for injuries to employees. For risks greater than \$1,500,000 the County has purchased excess of loss insurance with an insurance carrier. As of December 31, 2008, the County has recorded a liability for claims incurred of \$1,199,346 in the county nursing home fund and \$1,407,928 as a long-term liability in the governmental activities column in the government-wide financial statements. This liability is calculated based on past loss experience; the liability has not been discounted. This liability includes an amount for allocated claim adjustment expenditures/expenses and includes salvage and subrogation. Salvage and subrogation were not material for the year ended December 31, 2008.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(21) Risk Management (Continued)

Self-Insurance (Continued)

The County has elected to self-insure itself for medical insurance for certain employees. The County is liable for all claims up to an aggregate of \$18,426,310 or \$200,000 plus \$50,000 aggregating deductible per individual for any one plan year. Once the aggregating deductible has been met, all future stop loss reimbursements for that contract year are payable upon reaching the stated deductible of \$200,000 per covered member. The County purchased stop loss insurance to cover all claims in excess of these deductible points. As of December 31, 2008, the County has recorded a liability for claims incurred of \$1,079,935 in the general fund and \$221,192 in the county nursing home fund.

Changes in the liabilities for self-insurance are as follows:

	<u>Medical</u>		<u>Workers' Compensation</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Balance as of January 1	\$ 1,286,242	\$ 1,092,982	\$ 1,868,356	\$ 2,829,196
Add: Incurred claims relating to:				
Prior years	(95,952)	(79,298)	41,651	(434,006)
Current year	18,271,650	17,372,718	1,107,206	150,831
	<u>18,175,698</u>	<u>17,293,420</u>	<u>1,148,857</u>	<u>(283,175)</u>
Less: Payment of claims relating to:				
Prior years	1,190,290	1,013,684	192,555	479,716
Current year	16,970,523	16,086,476	217,384	197,949
	<u>18,160,813</u>	<u>17,100,160</u>	<u>409,939</u>	<u>677,665</u>
Balance as of December 31	<u>\$ 1,301,127</u>	<u>\$ 1,286,242</u>	<u>\$ 2,607,274</u>	<u>\$ 1,868,356</u>

The foregoing reconciliation reflects a redundancy in the December 31, 2007 liability for medical self-insurance of \$95,952. The foregoing reconciliation also reflects a deficiency in the December 31, 2007 liability for workers' compensation self-insurance of \$41,651. The changes in these liabilities were primarily the result of changes in estimates as more information became available.

The County participates in a claims servicing public entity risk pool (the Pool) for unemployment compensation. Under an agreement with the Pool, the County pays a monthly premium to the Pool based on past loss experience. Any surplus (deficiency) based on current-year loss experience is then refunded to (paid by) the County. Based on the County's favorable loss experience in 2008, no liability has been recorded for claims incurred but not paid as of December 31, 2008.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(22) Restricted Assets and Related Liabilities

At December 31, 2008, the County's governmental funds had a restricted cash balance of \$24,381,758 maintained in escrow accounts in the name of the County. At December 31, 2008, the County also had a restricted investment balance \$2,930,099. Each fund's restricted cash and investments are provided below with a brief explanation of the reasons for restriction:

- \$4,819,884 and \$333 is restricted cash and investments, respectively, in the General Fund. These balances are for various purposes, including: bail judgments, agricultural land preservation, records management, and workers' compensation.
- \$16,008,944/\$785,063 and \$3,349,291/\$51,645 are restricted cash/investments in the York HealthChoices Fund and the Adams HealthChoices Fund, respectively. Of this balance \$502,692 and \$70,004, respectively, is restricted as incentive cash/investments. The program's subcontractor is eligible for a bonus based on meeting performance benchmarks. This cash/investments is restricted for that purpose. \$8,247,578 and \$1,690,486, respectively, is held as restricted cash/investments for contingencies. These funds will pay the claims of the program if a shortage existed in their capitation income from the Commonwealth of Pennsylvania. \$8,043,737 and \$1,640,446, respectively, is held as restricted cash/investments for reinvestment. Use of these funds is contingent upon the Department of Public Welfare approval of a reinvestment plan.
- \$60,298 is restricted cash in the York County MH/MR Fund. These funds are received from individuals designated to be used as memorials.
- \$882 and \$2,093,058 is restricted cash and investments, respectively, in the Capital Projects Bond Account Fund to pay for costs incurred on projects authorized by prior years' bond issues and for the following projects related to the 2006 General Obligation Bond Issue: prison expansion, administrative office building renovations, voting machines, and archive security .
- \$43,014 is restricted cash in the Domestic Relations Fund. These funds are held to be remitted to the intended third party.
- \$70,410 is restricted cash in the Comprehensive Services to the Aged Fund. This balance represents client fund accounts in which the Aging Department collects and administers individuals' funds that cannot handle their own money.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(22) Restricted Assets and Related Liabilities (Continued)

- \$29,035 is restricted cash in the Donations Fund as being held for specific purposes by individuals or businesses.

At December 31, 2008, the County's enterprise funds had a restricted cash balance of \$2,678,496 and a restricted investment balance of \$6,618,324. Each fund's restricted cash and investments are provided below with a brief explanation of the reasons for restriction:

- \$584,433 of cash in the county nursing home fund. Of this balance \$520,011 in restricted for the payment of patient funds held in safekeeping and \$64,422 for other deposits held in escrow. \$6,258,842 of investments in the county nursing home fund to pay for renovations to the county nursing home.
- \$2,094,063 in cash in the 911 fund to pay for implementation, operation and maintenance of a Statewide integrated wireless E-911 system within the County as approved by the Pennsylvania Emergency Management Agency. \$359,482 of investments in the 911 fund to pay for arbitrage expense related to the Series of 2006 General Obligation Bonds.

The YCSWRA (a component unit) is required to maintain cash and investments amounting to \$149,384,889 in trust accounts whose use are restricted under bond indentures or under consent decree and law relating to environmental protection matters attributable to the YCSWRA's operations.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(23) Restricted/Reserved and Unreserved Designations of Fund Balance/Net Assets

The restrictions/reservations and designations of fund balance/net assets included in the fund financial statements represent portions of fund balances/net assets that are restricted/reserved and designated for various purposes and are not available for the payment of other subsequent expenditures. The following restrictions/reservations and designations are included in the government-wide and fund financial statements:

Governmental Funds/Governmental Activities

General Fund

Reserved/Restricted for legal purposes \$ 1,643,941

This line item represents amounts reserved/restricted for various externally imposed restrictions, including: the Environmental Stewardship and Watershed Protection Act, Controlled Substances Act, crime victims, inmate general welfare, and a Statewide registry of protection orders.

Reserved for loans receivable \$ 1,869,377

This line item represents amounts that are reserved for loans receivable.

Reserved for county nursing home \$ 4,518,042

This line item represents amounts that are reserved for the deficit unrestricted net assets in the county nursing home fund.

Reserved for 911 \$ 1,584,686

This line item represents amounts that are reserved for the deficit unrestricted net assets in the 911 fund.

Unreserved, designated for specific purposes \$ 1,366,509

This line item represents amounts that have been designated for the Susquehanna Riverlands Project and for special events at the County's parks.

Capital Projects Bond Account Fund

Reserved for capital projects \$ 1,895,657

This line item represents amounts that are reserved for capital projects.

Reserved for inventory \$ 7,853,615

This line item represents amount that are reserved for inventory.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

**(23) Restriction/Reserved and Unreserved Designations of Fund Balance/Net Assets
(Continued)**

Governmental Funds/Governmental Activities (Continued)

Nonmajor Funds

Reserved/Restricted for program purposes \$ 6,493,878

This line item represents amounts that are reserved/restricted by grantors, contributors for future payments of expenditures of the program the funds are reserved/restricted for.

Governmental Activities

Restricted net pension asset/prepaid pension expense \$ 477,670

This line item represents amounts that are restricted for future payments to employees of the County's pension plan.

Business Type Activities

911 Fund

Restricted for capital activity \$ 1,931,678

This line item represents amounts that are restricted for capital projects.

Fiduciary Funds

Pension Trust Fund

Net assets held in trust for pension benefits \$ 149,601,662

This line item represents amounts that are held in trust for future payments of members' benefits.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(24) Restatement of Fund Balance/Net Assets

The following restatements were necessary to properly reflect the understatement of inventory and accounts receivable in the Capital Projects Bond Account/Governmental Activities and the overstatement/understatement of the related general obligation debt and construction in progress in the 911 Fund. The litigation liability was overstated in the general fund as it is considered a long-term liability.

	General Fund	Capital Projects Bond Account Fund	Governmental Activities	911 Fund	Business Type Activities
Fund Balances/Net Assets, beginning of year, as previously stated	\$ 16,789,828	\$ 17,804,177	\$ 95,223,069	\$ 15,079,169	\$ 17,614,504
Understatement of inventory and accounts receivable	-	9,180,317	9,180,317	-	-
Overstatement of litigation liability	6,923,420	-	-	-	-
(Understatement)/overstatement of general obligation debt	-	-	(11,254,348)	11,254,348	11,254,348
Overstatement of construction in progress	-	-	-	(11,254,348)	(11,254,348)
Fund Balances/Net Assets, beginning of year, as restated	<u>\$ 23,713,248</u>	<u>\$ 26,984,494</u>	<u>\$ 93,149,038</u>	<u>\$ 15,079,169</u>	<u>\$ 17,614,504</u>

(25) Litigation Liability

The liability consists of two separate settlements by the County. The first settlement is between the County and the United States Department of Justice at interest rate of 5.50% with quarterly payments due March, June, September, and December 30 through 2010. The second settlement is an eminent domain settlement for \$5.5 million that occurred during 2008, and is recorded as a special item – litigation expense in the statement of activities. The second settlement is payable in annual installments beginning on June 30, 2009 through June 30, 2014 with an interest rate of 6.00%. The annual requirements to amortize maturities of the outstanding liabilities for the year ended December 31, 2008 are as follows:

	Principal	Interest	Total
2009	\$ 3,561,002	\$ 414,330	\$ 3,975,332
2010	2,937,560	321,821	3,259,381
2011	1,000,000	210,000	1,210,000
2012	1,000,000	150,000	1,150,000
2013	1,000,000	90,000	1,090,000
2014-2018	500,000	15,000	515,000
	<u>\$ 9,998,562</u>	<u>\$ 1,201,151</u>	<u>\$ 11,199,713</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(26) Operating leases

The County leases various towers under operating leases with expiration dates greater than one year. Minimum rental payments at December 31, 2008 are as follows:

2009	\$ 220,633
2010	210,592
2011	201,120
2012	173,012
2013	177,449
2014-2018	636,214
2019-2023	254,399
2024-2028	280,359
2029-2033	<u>150,571</u>
	<u>\$ 2,304,349</u>

Rental expense totaled \$272,571 for the year ended December 31, 2008.

(27) Subsequent Events

In January of 2009, the County issued Tax and Revenue Anticipation Notes, Series of 2009, in the amount of \$19,930,000. The Notes bear interest at 2.00% and are due on April 30, 2009.

In February 2009, the County entered into an agreement with the counterparty to suspend the effective date of the 2006 Constant Maturity Basis Swap to December 1, 2011 and received a fixed payment in the amount of \$2,200,000.

In March of 2009, the County entered into a basis swap (the "2009 basis swap") that relates to the County's General Obligation Bonds, Series A, B, and C of 2008, for the maximum principal amount of \$55,955,000. The County will pay the Counterparty interest on the outstanding notional amounts of the bonds at a rate equal to 100% of the USD-SIFMA Municipal Swap Index, which will be netted against interest receipts from the Counterparty on the same notional amounts equal to 70% of LIBOR plus a fixed spread of 88 basis points. The 2009 basis swap is structured with a declining notional (principal) amount that mirrors the annual principal amortization of the County's General Obligation Bond Series A, B, and C of 2008. The final termination date of the 2009 basis swap is June 1, 2033.

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REQUIRED SUPPLEMENTARY INFORMATION

County of York, Pennsylvania

Schedule of Employer Contributions and Funding Progress

Schedule of Employer Contributions

Year Ended December 31	Annual Required Contribution	Percentage Contributed
2003	\$ 3,859,747	100%
2004	\$ 7,353,342	100%
2005	\$ 8,206,357	100%
2006	\$ 7,665,899	100%
2007	\$ 7,199,423	100%
2008	\$ 7,383,314	100%

The information presented in the required supplementary schedule was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	December 31, 2008
Actuarial cost method	Entry Age
Amortization method	Level percentage of projected payroll
Remaining amortization period	30 years, closed
Asset valuation method	Five-year smoothed market
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	4.50%
Includes inflation at:	3.00%
Cost-of-living adjustments	None

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2007	\$ 202,107,318	\$ 226,101,307	\$ 23,993,989	89.39%	\$ 87,480,027	27.43%
12/31/2008	\$ 196,954,958	\$ 245,378,742	\$ 48,423,784	80.27%	\$ 91,673,555	52.82%

As the County used the aggregate actuarial cost method prior to December 31, 2007, only two years are presented in the above schedule.

County of York, Pennsylvania

Schedule of Funding Progress for Postemployments Benefits Other Than Pensions

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2007	\$ -	\$ 100,954,417	\$ 100,954,417	0%	\$ 80,530,461	125.4%

The County adopted GASB 45 on a prospective basis in 2007; therefore only one year is presented in the above schedule.

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances --
Budget and Actual -- General Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget --
	Original	Final		Positive (Negative)
Revenues				
Real estate taxes	\$ 104,094,900	\$ 104,094,900	\$ 102,903,780	\$ (1,191,120)
Intergovernmental	13,627,534	13,627,534	12,791,260	(836,274)
Departmental	34,945,151	34,945,151	32,898,440	(2,046,711)
Fines and costs	5,138,750	5,138,750	5,212,973	74,223
Hotel tax	1,500,000	1,500,000	1,461,458	(38,542)
Investment	4,207,100	4,207,100	3,771,130	(435,970)
Other	-	-	102,248	102,248
Total revenues	163,513,435	163,513,435	159,141,289	(4,372,146)
Expenditures				
Current:				
General government	13,620,108	13,620,108	12,709,550	910,558
Public safety	67,165,614	67,165,614	71,660,684	(4,495,070)
Health, education, and welfare:				
Human Services	8,737,463	8,737,463	8,982,626	(245,163)
Judicial	30,011,239	30,011,239	30,742,474	(731,235)
Cultural and recreation	8,170,251	8,170,251	11,009,557	(2,839,306)
Conservation and community development	4,488,187	4,488,187	4,502,436	(14,249)
Capital outlay	-	-	30,817,452	(30,817,452)
Debt service:				
Principal retirement	3,495,000	3,495,000	3,765,895	(270,895)
Interest and fiscal charges	12,553,969	12,553,969	7,420,959	5,133,010
Total expenditures	148,241,831	148,241,831	181,611,633	(33,369,802)
Deficiency of revenues over (under) expenditures	15,271,604	15,271,604	(22,470,344)	(37,741,948)
Other financing sources (uses)				
Transfers in	40,000	40,000	141,294	101,294
Transfers out	(15,311,604)	(15,311,604)	(16,932,558)	(1,620,954)
Payments to redeem bonds and notes	-	-	(14,517,555)	(14,517,555)
Proceeds of refunding bonds and notes	-	-	14,517,555	14,517,555
Issuance of debt	-	-	29,679,259	29,679,259
Total other financing sources (uses)	(15,271,604)	(15,271,604)	12,887,995	28,159,599
Net change in fund balances	\$ -	\$ -	\$ (9,582,349)	\$ (9,582,349)

See Notes to Required Supplementary Information

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – York HealthChoices Management Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 57,590,392	\$ 57,590,392	\$ 54,141,556	\$ (3,448,836)
Investment	1,325,603	1,325,603	611,307	(714,296)
Other	65,000	65,000	58,000	(7,000)
Total revenues	58,980,995	58,980,995	54,810,863	(4,170,132)
Expenditures				
Current:				
Health, education, and welfare:				
Human Services	59,019,614	59,019,614	54,810,863	4,208,751
Total expenditures	59,019,614	59,019,614	54,810,863	4,208,751
Deficiency of revenues under expenditures	(38,619)	(38,619)	-	38,619
Net change in fund balances	(38,619)	(38,619)	-	38,619
Other financing sources (uses)				
Transfers out	(230,000)	(230,000)	-	230,000
Net change in fund balances	\$ (268,619)	\$ (268,619)	\$ -	\$ 268,619

See Notes to Required Supplementary Information

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Mental Health/Mental Retardation Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 66,163,793	\$ 66,163,793	\$ 66,487,690	\$ 323,897
Investment	225,800	225,800	480,154	254,354
Other	3,000	3,000	47,566	44,566
Total revenues	66,392,593	66,392,593	67,015,410	622,817
Expenditures				
Current:				
Health, education, and welfare:				
Mental health/mental retardation	67,373,034	67,373,034	67,920,977	(547,943)
Total expenditures	67,373,034	67,373,034	67,920,977	(547,943)
Deficiency of revenues under expenditures	(980,441)	(980,441)	(905,567)	74,874
Other financing sources (uses)				
Transfers in	980,441	980,441	905,567	(74,874)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

See Notes to Required Supplementary Information

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Children and Youth Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 28,793,000	\$ 28,793,000	\$ 25,797,085	\$ (2,995,915)
Departmental	972,000	972,000	891,376	(80,624)
Total revenues	29,765,000	29,765,000	26,688,461	(3,076,539)
Expenditures				
Current:				
Health, education, and welfare:				
Children and youth	35,494,000	35,494,000	30,257,264	5,236,736
Total expenditures	35,494,000	35,494,000	30,257,264	5,236,736
Deficiency of revenues under expenditures	(5,729,000)	(5,729,000)	(3,568,803)	2,160,197
Other financing sources (uses)				
Transfers in	5,729,000	5,729,000	3,568,803	(2,160,197)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

See Notes to Required Supplementary Information

County of York, Pennsylvania

Notes to Required Supplementary Information

(1) Budgets and Budgetary Accounting

The County adopts budgets for the general fund and all special revenue funds, except for the Brownsfields For Housing, Drug Task Force, Access Grant Program, Donations, and Prison Telephone Funds. The County prepares a separate budget report, which is available from the Commissioners' office. Annual operating budgets are legally adopted each year through the passage of an annual budget ordinance. The County's budgets utilize a modified accrual basis of accounting. The legal level of budgetary control is established for expenditures in total at the fund level. The general and special revenue funds have legally adopted budgets. Project-length financial plans are adopted for the capital projects funds.

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

1. During July and August, the department heads use current financial status reports to develop financial projections for their programs for the ensuing year and review with the budget staff.
2. The Commissioners, if requested or required, then interview each department head to discuss their budgets as submitted and allow them to substantiate projected expenditures at public hearings.
3. Upon consolidation of the department and agency expenditure projections, the Commissioners ascertain the most viable method of financing them.
4. Subsequently, the Commissioners' office assembles the preliminary projections of revenues and expenditures, including salary projections, into a final budget incorporating any revisions or adjustments resulting from the aforementioned Commissioners' review.
5. By early December, the final budget is presented by the Commissioners. Pursuant to budgetary requirements as set forth in the County Code, public notice is given that the final budget is available for inspection for a period of 20 days.
6. After the 20-day inspection period, but prior to December 31, the County Commissioners adopt the final budget by enacting an appropriate resolution.

The budget may not be amended without the approval of the Commissioners. Agency department heads have the authority to transfer expenditures within line items of the funds that they administer.

County of York, Pennsylvania

Notes to Required Supplementary Information (Continued)

(1) Budgets and Budgetary Accounting (Continued)

The Commissioners may at any time, by resolution, make supplemental appropriations for any lawful purpose from any funds on hand or estimated to be received within the fiscal year and not otherwise appropriated, including the proceeds of any borrowing now or hereafter authorized by law. Supplemental appropriations were not made during the year. The Commissioners may authorize the transfer of any unencumbered balance of any appropriation item or any portion thereof.

Commonwealth of Pennsylvania statute requires the County's legal level of budgetary control to be at the fund level. As a management device, the County maintains budgetary control at the department line item level, as authorized by a resolution of the Board of Commissioners. County's management can overspend at the department level and make transfers between departments without the approval of the Commissioners. Actual expenditures and operating transfers out may not legally exceed "budget" appropriations at the individual fund level. Appropriations lapse at the close of the fiscal year to the extent that they have not been expended. The County does not report encumbrances.

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OTHER SUPPLEMENTARY INFORMATION

County of York, Pennsylvania

Combining and Individual Fund Financial Statements and Schedules

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

The Liquid Fuels Tax Fund accounts for state aid revenues used for building and improving roads and bridges.

The Domestic Relations Fund accounts for expenditures and reimbursement revenue related to the operations of the County's Child Support Enforcement Program, which is funded with federal, state, and County funds.

The following funds are used to account for revenue received from various federal, state, and local sources. These funds, which are restricted for the provision of specified social services to eligible County residents, are as follows:

- Comprehensive Services to the Aged Fund
- Human Services Fund
- Drug and Alcohol Fund

The Brownfields for Housing Fund is used to account for construction or improvements of housing that is located on previously developed sites and in core communities.

The Adams HealthChoices Management Fund exists for purposes of administration of the York/Adams HealthChoices Management program, a mandatory managed care program for those who are eligible to participate in Medical Assistance.

The Drug Task Force Fund is used to account for revenues and expenditures related to controlled substances.

The Community Development Block Grant Fund receives federal funds from the United States Department of Housing and Urban Development to provide rehabilitation loans to low income property owners. The Community Development Block Grant Fund also administers a rental income rehabilitation program that provides loans to multifamily property owners to rehabilitate rental units for low income and elderly occupancy.

County of York, Pennsylvania

Combining and Individual Fund Financial Statements and Schedules (Continued)

The Access Grant Program Fund, in cooperation with the Center for Independent Living Opportunities, administers the Access Home Modification Program for low to moderate income persons with permanent disabilities.

The Donations Fund is used to account for special bequests from County residents.

The Earn-It Fund is a juvenile restitution and community service program. It provides work opportunities for suitable juveniles to earn money and provide community service.

The Affordable Housing Fund supports the County's local affordable housing efforts. It raises revenue to enable County residents to purchase or rent residential housing.

The Weatherization Fund receives monies from the United States Departments of Energy, Housing and Urban Development, and Labor. The Weatherization Fund provides and installs energy-conserving materials for low-income County residents.

The Downtown Hanover Improvement Fund, in cooperation with Downtown Hanover, Inc., administers a program that provides loans for businesses to rehabilitate their facilities.

The Core Communities Fund is used to account for construction or improvements of housing that is located on previously developed sites.

The Prison Telephone Fund is used to account for prison telephone commissions.

County of York, Pennsylvania

Combining Balance Sheet – Nonmajor Governmental Funds

December 31, 2008

	Liquid Fuels Tax	Domestic Relations	Comprehensive Services to the Aged	Human Services	Drug and Alcohol	Brownfields for Housing	Adams HealthChoices Management	Drug Task Force	Community Development Block Grant
Assets									
Cash and temporary investments	\$ 524,518	\$ 2,813,039	\$ 678,069	\$ 100	\$ 15,858	\$ 421	\$ 1,463,126	\$ 1,124,280	\$ 1,604,446
Restricted cash	-	43,014	70,410	-	-	-	3,349,291	-	-
Investments	-	497,449	301,294	-	179	-	-	201,873	927
Restricted investments	-	-	-	-	-	-	51,645	-	-
Receivables:									
Accounts	-	-	89	13,410	360	230,007	-	29	4,536,536
Due from other funds	-	-	16,761	101,293	80,522	-	386,579	-	-
Due from other governments	-	846,888	197,350	366,057	335,779	-	-	434	287,554
Total assets	\$ 524,518	\$ 4,200,390	\$ 1,263,973	\$ 480,860	\$ 432,698	\$ 230,428	\$ 5,250,641	\$ 1,326,616	\$ 6,429,463
Liabilities and fund balance									
Liabilities:									
Accounts payable and accrued liabilities	\$ -	\$ 73,272	\$ 337,459	\$ 451,599	\$ 321,315	\$ -	\$ 1,208,427	\$ 122,697	\$ 338,916
Due to other funds	-	119,793	93,826	29,261	61,362	-	-	1,240	13,932
Deposits held in escrow	-	43,014	70,410	-	-	-	260,463	-	-
Due to other governments	-	-	-	-	-	-	157,422	-	-
Deferred revenue	-	-	762,278	-	50,021	230,428	3,624,329	-	6,076,615
Total liabilities	-	236,079	1,263,973	480,860	432,698	230,428	5,250,641	123,937	6,429,463
Fund balance:									
Fund balance:									
Reserved for program purposes	524,518	3,964,311	-	-	-	-	-	1,202,679	-
Total fund balance	524,518	3,964,311	-	-	-	-	-	1,202,679	-
Total liabilities and fund balance	\$ 524,518	\$ 4,200,390	\$ 1,263,973	\$ 480,860	\$ 432,698	\$ 230,428	\$ 5,250,641	\$ 1,326,616	\$ 6,429,463

County of York, Pennsylvania

Combining Balance Sheet – Nonmajor Governmental Funds (Continued)

December 31, 2008

	Access Grant Program	Donations	Earn-It	Affordable Housing	Weatherization	Downtown Hanover Improvement	Core Communities	Prison Telephone	Total
Assets									
Cash and temporary investments	\$ 6,467	\$ -	\$ 16,560	\$ 735,288	\$ 170,702	\$ 209,645	\$ 4,515	\$ 182,915	\$ 9,549,949
Restricted cash	-	29,035	-	-	-	-	-	-	3,491,750
Investments	-	-	-	206	-	-	-	-	1,001,928
Restricted investments	-	-	-	-	-	-	-	-	51,645
Receivables:									
Accounts	200,000	104	125	782,184	-	370	-	58,529	5,821,743
Due from other funds	-	-	-	-	-	-	-	-	585,155
Due from other governments	-	-	-	-	58,506	-	-	-	2,092,568
Total assets	\$ 206,467	\$ 29,139	\$ 16,685	\$ 1,517,678	\$ 229,208	\$ 210,015	\$ 4,515	\$ 241,444	\$ 22,594,738
Liabilities and fund balance									
Liabilities:									
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 58	\$ 113,662	\$ 229,208	\$ -	\$ -	\$ 84,862	\$ 3,281,475
Due to other funds	-	-	-	142	-	-	-	-	319,556
Deposits held in escrow	-	-	-	-	-	-	-	-	373,887
Due to other governments	-	-	-	-	-	-	-	-	157,422
Deferred revenue	206,467	-	-	803,852	-	210,015	4,515	-	11,968,520
Total liabilities	206,467	-	58	917,656	229,208	210,015	4,515	84,862	16,100,860
Fund balance:									
Fund balance:									
Reserved for program purposes	-	29,139	16,627	600,022	-	-	-	156,582	6,493,878
Total fund balance	-	29,139	16,627	600,022	-	-	-	156,582	6,493,878
Total liabilities and fund balance	\$ 206,467	\$ 29,139	\$ 16,685	\$ 1,517,678	\$ 229,208	\$ 210,015	\$ 4,515	\$ 241,444	\$ 22,594,738

County of York, Pennsylvania

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds

Year ended December 31, 2008

	Liquid Fuels Tax	Domestic Relations	Comprehensive Services to the Aged	Human Services	Drug and Alcohol	Brownfields for Housing	Adams HealthChoices Management	Drug Task Force	Community Development Block Grant
Revenues									
Intergovernmental	\$ 825,491	\$ 3,307,449	\$ 8,701,376	\$ 4,209,861	\$ 3,701,123	\$ 9,424	\$ 11,402,214	\$ -	\$ 3,313,550
Departmental	-	201,703	129,533	-	196,567	-	-	-	3,405
Investment	5,796	93,982	-	-	9,216	153	154,533	26,227	36,391
Other revenues	239,495	47,537	-	223,276	-	-	-	1,132,186	88,343
Total revenues	1,070,782	3,650,671	8,830,909	4,433,137	3,906,906	9,577	11,556,747	1,158,413	3,441,689
Expenditures									
Current:									
Roads and bridges	1,086,155	-	-	-	-	-	-	-	-
Health, education, and welfare:									
Drug and alcohol	-	-	-	-	3,906,906	-	-	-	-
Office of aging	-	-	9,258,164	-	-	-	-	-	-
Human services	-	-	-	4,548,121	-	-	11,556,747	-	-
Judicial	-	4,481,460	-	-	-	-	-	791,080	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Conservation and community development	-	-	-	-	-	9,577	-	-	3,441,689
Total expenditures	1,086,155	4,481,460	9,258,164	4,548,121	3,906,906	9,577	11,556,747	791,080	3,441,689
Excess (deficiency) of revenues over (under) expenditures	(15,373)	(830,789)	(427,255)	(114,984)	-	-	-	367,333	-
Other financing sources (uses)									
Operating transfers in	85,000	741,675	427,255	114,984	-	-	-	-	-
Operating transfers out	(141,293)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(56,293)	741,675	427,255	114,984	-	-	-	-	-
Net change in fund balances	(71,666)	(89,114)	-	-	-	-	-	367,333	-
Fund balances, January 1	596,184	4,053,425	-	-	-	-	-	835,346	-
Fund balances, December 31	\$ 524,518	\$ 3,964,311	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,202,679	\$ -

County of York, Pennsylvania

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds (Continued)

Year December 31, 2008

	Access Grant Program	Donations	Earn-It	Affordable Housing	Weatherization	Downtown Hanover Improvement	Core Communities	Prison Telephone	Total
Revenues									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 782,339	\$ -	\$ 1,879	\$ -	\$ 36,254,706
Departmental	-	-	-	427,921	-	-	-	241,313	1,200,442
Investment	-	-	-	27,860	3,079	95	121	131	357,584
Other revenues	-	2,097	5,681	-	-	2,376	-	-	1,740,991
Total revenues	-	2,097	5,681	455,781	785,418	2,471	2,000	241,444	39,553,723
Expenditures									
Current:									
Public safety	-	-	-	-	-	-	-	84,862	84,862
Roads and bridges	-	-	-	-	-	-	-	-	1,086,155
Health, education, and welfare:									
Drug and alcohol	-	-	-	-	-	-	-	-	3,906,906
Office of aging	-	-	-	-	-	-	-	-	9,258,164
Human services	-	-	-	-	-	-	-	-	16,104,868
Judicial	-	-	4,068	-	-	-	-	-	5,276,608
Cultural and recreation	-	1,697	-	-	-	-	-	-	1,697
Conservation and Community development	-	-	-	830,364	785,418	2,471	2,000	-	5,071,519
Total expenditures	-	1,697	4,068	830,364	785,418	2,471	2,000	84,862	40,790,779
Excess (deficiency) of revenues over (under) expenditures	-	400	1,613	(374,583)	-	-	-	156,582	(1,237,056)
Other financing sources (uses)									
Operating transfers in	-	-	-	-	-	-	-	-	1,368,914
Operating transfers out	-	-	-	-	-	-	-	-	(141,293)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	1,227,621
Net change in fund balances	-	400	1,613	(374,583)	-	-	-	156,582	(9,435)
Fund balances, January 1	-	28,739	15,014	974,605	-	-	-	-	6,503,313
Fund balances, December 31	\$ -	\$ 29,139	\$ 16,627	\$ 600,022	\$ -	\$ -	\$ -	\$ 156,582	\$ 6,493,878

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Liquid Fuels Fund

Year-ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 675,000	\$ 675,000	\$ 825,491	\$ 150,491
Investment	18,000	18,000	5,796	(12,204)
Other	206,000	206,000	239,495	33,495
Total revenues	899,000	899,000	1,070,782	171,782
Expenditures				
Current:				
Road and bridges	1,027,550	1,027,550	1,086,155	(58,605)
Total expenditures	1,027,550	1,027,550	1,086,155	(58,605)
Deficiency of revenues under expenditures	(128,550)	(128,550)	(15,373)	113,177
Other financing uses				
Transfers In	-	-	85,000	85,000
Transfers out	(45,000)	(45,000)	(141,293)	(96,293)
Net change in fund balances	\$ (173,550)	\$ (173,550)	\$ (71,666)	\$ 101,884

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Domestic Relations Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 3,622,137	\$ 3,622,137	\$ 3,307,449	\$ (314,688)
Departmental	215,000	215,000	201,703	(13,297)
Investment	133,000	133,000	93,982	(39,018)
Other	55,000	55,000	47,537	(7,463)
Total revenues	4,025,137	4,025,137	3,650,671	(374,466)
Expenditures				
Current:				
Judicial	4,924,555	4,924,555	4,481,460	443,095
Total expenditures	4,924,555	4,924,555	4,481,460	443,095
Deficiency of revenues under expenditures	(899,418)	(899,418)	(830,789)	68,629
Other financing sources				
Transfers in	741,675	741,675	741,675	-
Net change in fund balances	\$ (157,743)	\$ (157,743)	\$ (89,114)	\$ 68,629

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Community Development Block Grant Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 6,100,000	\$ 6,100,000	\$ 3,313,550	\$ (2,786,450)
Departmental	200,000	200,000	3,405	(196,595)
Investment	20,000	20,000	36,391	16,391
Other	1,500,000	1,500,000	88,343	(1,411,657)
Total revenues	7,820,000	7,820,000	3,441,689	(4,378,311)
Expenditures				
Current:				
Conservation and community development	7,820,000	7,820,000	3,441,689	4,378,311
Total expenditures	7,820,000	7,820,000	3,441,689	4,378,311
Excess of revenues over expenditures	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Comprehensive Services to the Aged Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 9,089,162	\$ 9,089,162	\$ 8,701,376	\$ (387,786)
Departmental	102,076	102,076	129,533	27,457
Total revenues	9,191,238	9,191,238	8,830,909	(360,329)
Expenditures				
Current:				
Health, education, and welfare:				
Office of aging	9,618,493	9,618,493	9,258,164	360,329
Total expenditures	9,618,493	9,618,493	9,258,164	360,329
Deficiency of revenues under expenditures	(427,255)	(427,255)	(427,255)	-
Other financing sources				
Transfers in	427,255	427,255	427,255	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Human Services Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 4,033,437	\$ 4,033,437	\$ 4,209,861	\$ 176,424
Other	306,711	306,711	223,276	(83,435)
Total revenues	4,340,148	4,340,148	4,433,137	92,989
Expenditures				
Current:				
Human services	4,473,744	4,473,744	4,548,121	(74,377)
Total expenditures	4,473,744	4,473,744	4,548,121	(74,377)
Deficiency of revenues under expenditures	(133,596)	(133,596)	(114,984)	18,612
Other financing sources				
Transfers in	133,596	133,596	114,984	(18,612)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Drug and Alcohol Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 2,973,410	\$ 2,973,410	\$ 3,701,123	\$ 727,713
Investment	5,000	5,000	9,216	4,216
Departmental	127,619	127,619	196,567	68,948
Total revenues	<u>3,106,029</u>	<u>3,106,029</u>	<u>3,906,906</u>	<u>800,877</u>
Expenditures				
Current:				
Health, education, and welfare:				
Drug and alcohol	3,067,396	3,067,396	3,906,906	(839,510)
Total expenditures	<u>3,067,396</u>	<u>3,067,396</u>	<u>3,906,906</u>	<u>(839,510)</u>
Excess of revenues over expenditures	38,633	38,633	-	(38,633)
Other financing sources				
Transfers out	(38,633)	(38,633)	-	38,633
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Adams HealthChoices Management Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 11,940,093	\$ 11,940,093	\$ 11,402,214	\$ (537,879)
Investment	347,204	347,204	154,533	(192,671)
Total revenues	12,287,297	12,287,297	11,556,747	(730,550)
Expenditures				
Current:				
Human services	12,281,846	12,281,846	11,556,747	725,099
Other financing sources (uses)				
Transfers in	-	-	-	-
Net change in fund balances	\$ 5,451	\$ 5,451	\$ -	\$ (5,451)

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Earn It Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Other	\$ 3,000	\$ 3,000	\$ 5,681	\$ 2,681
Total revenues	3,000	3,000	5,681	2,681
Expenditures				
Current:				
Judicial	3,000	3,000	4,068	(1,068)
Total expenditures	3,000	3,000	4,068	(1,068)
Excess of revenues over expenditures	-	-	1,613	1,613
Other financing sources (uses)				
Transfers in	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ 1,613	\$ 1,613

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Affordable Housing Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Departmental	\$ 517,000	\$ 517,000	\$ 427,921	\$ (89,079)
Investment	40,000	40,000	27,860	(12,140)
Total revenues	<u>557,000</u>	<u>557,000</u>	<u>455,781</u>	<u>(101,219)</u>
Expenditures				
Current:				
Conservation and community development	<u>557,000</u>	<u>557,000</u>	<u>830,364</u>	<u>(273,364)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (374,583)</u>	<u>\$ (374,583)</u>

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Weatherization Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 416,899	\$ 416,899	\$ 782,339	\$ 365,440
Investment	-	-	3,079	3,079
Total revenues	416,899	416,899	785,418	368,519
Expenditures				
Current:				
Conservation and community development	416,899	416,899	785,418	(368,519)
Total expenditures	416,899	416,899	785,418	(368,519)
Excess of revenues over expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Downtown Hanover Improvement Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 250,000	\$ 250,000	\$ -	\$ (250,000)
Investment	-	-	95	95
Other	-	-	2,376	2,376
Total revenues	250,000	250,000	2,471	(247,529)
Expenditures				
Current:				
Conservation and community development	250,000	250,000	2,471	247,529
Total expenditures	250,000	250,000	2,471	247,529
Excess of revenues over expenditures	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Core Communities Fund

Year ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 500,000	\$ 500,000	\$ 1,879	\$ (498,121)
Investment	-	-	121	121
Total revenues	500,000	500,000	2,000	(498,000)
Expenditures				
Current:				
Conservation and community development	500,000	500,000	2,000	498,000
Total expenditures	500,000	500,000	2,000	498,000
Excess of revenues over expenditures	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Combining Statement of Changes in Assets and Liabilities – Agency Funds

Year ended December 31, 2008

	Balance January 1, 2008	Additions	Deletions	Balance December 31, 2008
Tax Claim Bureau				
Assets:				
Cash and cash equivalents	\$ 753,600	\$ 27,114,110	\$ 26,059,123	\$ 1,808,587
Investments	846,492	84,528	930,375	645
Accounts receivable	278,255	79,560	278,255	79,560
Delinquent taxes receivable on behalf of other governments	11,029,664	26,540,655	25,444,124	12,126,195
Total assets	\$ 12,908,011	\$ 53,818,853	\$ 52,711,877	\$ 14,014,987
Liabilities:				
Due to other governments	\$ 1,381,168	\$ 1,215,482	\$ 976,770	\$ 1,619,880
Other liabilities	11,526,843	53,464,894	52,596,630	12,395,107
Total liabilities	\$ 12,908,011	\$ 54,680,376	\$ 53,573,400	\$ 14,014,987
Unclaimed Money				
Assets:				
Cash and cash equivalents	\$ 559,843	\$ 173,856	\$ 237,285	\$ 496,414
Total assets	\$ 559,843	\$ 173,856	\$ 237,285	\$ 496,414
Liabilities:				
Other liabilities	\$ 559,843	\$ 173,781	\$ 237,210	\$ 496,414
Total liabilities	\$ 559,843	\$ 173,781	\$ 237,210	\$ 496,414
Row Offices				
Assets:				
Cash and cash equivalents	\$ 6,017,435	\$ 60,699,411	\$ 60,815,579	\$ 5,901,267
Total assets	\$ 6,017,435	\$ 60,699,411	\$ 60,815,579	\$ 5,901,267
Liabilities:				
Due to other governments	\$ 3,290,730	\$ 49,944,945	\$ 50,100,103	\$ 3,135,572
Other liabilities	2,726,705	10,754,433	10,715,443	2,765,695
Total liabilities	\$ 6,017,435	\$ 60,699,378	\$ 60,815,546	\$ 5,901,267

County of York, Pennsylvania

Combining Statement of Changes in Assets and Liabilities – Agency Funds (continued)

Year ended December 31, 2008

	Balance January 1, 2008	Additions	Deletions	Balance December 31, 2008
Landfill Escrow				
Assets:				
Cash and cash equivalents	\$ 674,584	\$ 9,589,020	\$ 5,266,417	\$ 4,997,187
Investments	5,091,160	4,774,822	8,870,785	995,197
Total assets	\$ 5,765,744	\$ 14,363,842	\$ 14,137,202	\$ 5,992,384
Liabilities:				
Other liabilities	\$ 5,765,744	\$ 14,363,842	\$ 14,137,202	\$ 5,992,384
Total liabilities	\$ 5,765,744	\$ 14,363,842	\$ 14,137,202	\$ 5,992,384
Total All Agency Funds				
Assets:				
Cash and cash equivalents	\$ 8,005,462	\$ 97,576,397	\$ 92,378,404	\$ 13,203,455
Investments	5,937,652	4,859,350	9,801,160	995,842
Accounts receivable	278,255	79,560	278,255	79,560
Delinquent taxes receivable on behalf of other governments	11,029,664	26,540,655	25,444,124	12,126,195
Total assets	\$ 25,251,033	\$ 129,055,962	\$ 127,901,943	\$ 26,405,052
Liabilities:				
Due to other governments	\$ 4,671,898	\$ 51,160,427	\$ 51,076,873	\$ 4,755,452
Other liabilities	20,579,135	78,756,950	77,686,485	21,649,600
Total liabilities	\$ 25,251,033	\$ 129,917,377	\$ 128,763,358	\$ 26,405,052

County of York, Pennsylvania

Combining Statement of Changes in Assets and Liabilities – Row Offices

Year ended December 31, 2008

	Balance January 1, 2008	Additions	Deletions	Balance December 31, 2008
Assets:				
Cash and cash equivalents	\$ 6,017,435	\$ 60,699,411	\$ 60,815,579	\$ 5,901,267
Total assets	\$ 6,017,435	\$ 60,699,411	\$ 60,815,579	\$ 5,901,267
Liabilities:				
Due to other governments				
Clerk of courts	\$ 352,696	\$ 6,601,665	\$ 6,592,304	\$ 362,057
Prothonotary	166,823	1,986,562	1,974,110	179,275
Register of wills	57,037	895,350	882,103	70,284
Recorder of deeds	2,607,357	39,370,660	39,723,208	2,254,809
Sheriff	94,178	695,793	538,315	251,656
Treasurer	12,639	394,915	390,063	17,491
	<u>3,290,730</u>	<u>49,944,945</u>	<u>50,100,103</u>	<u>3,135,572</u>
Other liabilities				
Clerk of courts	433,263	1,129,660	791,909	771,014
Prothonotary	331,788	328,911	354,316	306,383
Sheriff	1,961,654	9,293,896	9,567,252	1,688,298
Treasurer	-	1,966	1,966	-
	<u>2,726,705</u>	<u>10,754,433</u>	<u>10,715,443</u>	<u>2,765,695</u>
Total liabilities	\$ 6,017,435	\$ 60,699,378	\$ 60,815,546	\$ 5,901,267

County of York, Pennsylvania

Combining Balance Sheet – Agency Funds

December 31, 2008

	Tax Claim Bureau	Unclaimed Money	Row Offices	Landfill Escrow	Total Agency Funds
Assets					
Cash and cash equivalents	\$ 1,808,587	\$ 496,414	\$ 5,901,267	\$ 4,997,187	\$ 13,203,455
Investments	645	-	-	995,197	995,842
Accounts receivable	79,560	-	-	-	79,560
Delinquent taxes on behalf of other governments	12,126,195	-	-	-	12,126,195
Total assets	\$ 14,014,987	\$ 496,414	\$ 5,901,267	\$ 5,992,384	\$ 26,405,052
Liabilities					
Liabilities:					
Due to other governments	\$ 1,619,880	\$ -	\$ 3,135,572	\$ -	\$ 4,755,452
Other liabilities	12,395,107	496,414	2,765,695	5,992,384	21,649,600
Total liabilities	\$ 14,014,987	\$ 496,414	\$ 5,901,267	\$ 5,992,384	\$ 26,405,052

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County of York, Pennsylvania

Statistical Section

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

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

COUNTY OF YORK, PENNSYLVANIA

Net Assets by Component
Last Seven Years
(accrual basis of accounting)

	<u>Fiscal Year</u>						
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<u>Governmental activities</u>							
Invested in capital assets, net of related debt	\$22,371,164	\$8,132,194	\$37,181,994	\$61,450,339	\$66,966,091	\$60,735,611	\$56,686,414
Restricted	5,465,204	14,694,012	34,142,149	15,847,972	16,517,142	8,663,320	8,615,489
Unrestricted	<u>43,973,731</u>	<u>69,308,136</u>	<u>31,277,325</u>	<u>8,659,107</u>	<u>8,542,116</u>	<u>23,750,107</u>	<u>4,690,702</u>
Total Net Assets	<u>\$71,810,099</u>	<u>\$92,134,342</u>	<u>\$102,601,468</u>	<u>\$85,957,418</u>	<u>\$92,025,349</u>	<u>\$93,149,038</u>	<u>\$69,992,605</u>
<u>Business-type activities</u>							
Invested in capital assets, net of related debt	\$9,606,970	\$8,984,149	\$8,298,788	\$11,176,610	\$12,184,861	\$20,327,930	\$19,613,487
Restricted	0	0	0	2,620,297	6,807,576	457,070	1,931,678
Unrestricted	<u>(6,896,721)</u>	<u>(4,103,069)</u>	<u>(3,158,616)</u>	<u>(3,299,070)</u>	<u>(3,049,857)</u>	<u>(3,170,496)</u>	<u>(6,102,728)</u>
Total Net Assets	<u>\$2,710,249</u>	<u>\$4,881,080</u>	<u>\$5,140,172</u>	<u>\$10,497,837</u>	<u>\$15,942,580</u>	<u>\$17,614,504</u>	<u>\$15,442,437</u>
<u>Primary government</u>							
Invested in capital assets, net of related debt	\$31,978,134	\$17,116,343	\$45,480,782	\$72,626,949	\$79,150,952	\$81,063,541	\$76,299,901
Restricted	5,465,204	14,694,012	34,142,149	18,468,269	23,324,718	9,120,390	10,547,167
Unrestricted	<u>37,077,010</u>	<u>65,205,067</u>	<u>28,118,709</u>	<u>5,360,037</u>	<u>5,492,259</u>	<u>20,579,611</u>	<u>(1,412,026)</u>
Total Net Assets	<u>\$74,520,348</u>	<u>\$97,015,422</u>	<u>\$107,741,640</u>	<u>\$96,455,255</u>	<u>\$107,967,929</u>	<u>\$110,763,542</u>	<u>\$85,435,042</u>

NOTE: The County implemented GASB Statement 34 beginning in 2002; and, therefore, prior years are not reported.

COUNTY OF YORK, PENNSYLVANIA

Changes in Net Assets
Last Seven Years
(accrual basis of accounting)

	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
Program Expenses							
Governmental activities:							
General government	\$16,497,868	\$9,901,753	\$8,186,185	\$9,958,064	\$10,156,102	\$14,251,594	\$14,419,988
Public safety	45,010,561	46,761,755	51,504,975	52,757,075	59,583,122	68,050,405	73,715,098
Roads and bridges	1,028,481	1,070,320	1,460,581	1,724,826	1,519,225	1,555,772	1,599,298
Health, education, and welfare	116,407,461	118,960,319	130,691,664	150,917,113	182,502,488	185,328,405	192,665,487
Judicial	21,620,905	22,395,939	25,356,501	27,461,906	33,005,665	37,723,009	38,718,385
Cultural and recreation	4,777,294	4,135,753	3,975,262	5,052,808	5,500,997	5,544,178	11,559,587
Community development	4,422,325	4,476,961	8,120,947	9,971,653	8,753,756	10,790,340	9,606,441
Other departments and programs	18,623,218	23,384,458	27,124,485	29,719,493	0	0	0
Interest expense	2,404,939	2,199,266	6,172,075	6,047,723	8,091,591	8,174,354	7,992,510
Total governmental activities expenses	230,793,052	233,286,524	262,592,675	293,610,661	309,112,946	331,418,057	350,276,794
Business-type activities:							
Nursing Home	30,823,203	29,904,674	31,408,961	34,311,628	34,401,615	36,278,618	38,935,764
911 Operations	5,109,318	4,717,399	5,697,089	6,126,718	9,047,249	10,517,763	11,015,753
Total business-type activities expenses	35,932,521	34,622,073	37,106,050	40,438,346	43,448,864	46,796,381	49,951,517
Total primary government expenses	\$266,725,573	\$267,908,597	\$299,698,725	\$334,049,007	\$352,561,810	\$378,214,438	\$400,228,311
Program Revenues							
Governmental activities:							
Charges for services:							
General government	\$29,602,142	\$25,469,334	\$4,425,195	\$4,361,634	\$4,798,047	\$4,320,286	\$4,047,166
Public safety	0	0	16,564,090	17,323,468	17,709,817	25,326,805	23,832,635
Health, education, and welfare	0	1,172,064	1,807,946	1,234,217	1,383,788	1,172,681	1,217,476
Judicial	2,912,549	3,318,048	4,121,128	3,764,266	8,648,684	8,948,401	9,605,638
Cultural and recreation	0	0	0	0	472,389	356,738	1,068,990
Community development	0	0	614,041	672,613	1,342,886	735,994	431,326
Operating grants and contributions							
General government	10,386,110	16,010,539	319,066	451,701	2,111,569	681,218	489,157
Public safety	0	0	14,552,398	12,304,777	3,874,309	4,306,031	2,512,450
Roads and bridges	689,455	677,436	991,347	873,349	627,984	741,487	825,491
Health, education, and welfare	78,575,133	109,802,565	122,142,092	141,926,972	167,632,598	172,546,400	181,039,486
Judicial	2,552,807	7,028,663	4,628,140	4,799,100	4,458,067	4,782,595	4,697,532
Cultural and recreation	65,029	9,853	77,833	407,797	1,478,666	401,071	1,811,168
Community development	3,203,928	4,045,842	6,716,449	9,017,875	4,116,276	4,735,902	4,107,192
Other departments and programs	36,579,693	0	93,330	7,500	0	0	0
Total governmental activities program revenues	164,566,846	167,534,344	177,053,055	197,145,269	218,655,080	229,055,609	235,685,707
Business-type activities:							
Nursing Home	23,432,665	24,963,143	29,856,030	29,876,698	30,322,892	32,754,622	31,660,066
911 Operations	3,584,593	3,420,389	3,481,393	7,216,897	7,775,303	4,847,911	4,544,574
Total business-type activities program revenues	27,017,258	28,383,532	33,337,423	37,093,595	38,098,195	37,602,533	36,204,640
Total primary government program revenues	\$191,584,104	\$195,917,876	\$210,390,478	\$234,238,864	\$256,753,275	\$266,658,142	\$271,890,347

COUNTY OF YORK, PENNSYLVANIA

Changes in Net Assets (Continued)

Last Seven Years

(accrual basis of accounting)

	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
Net (expense)/revenue							
Governmental activities	(\$66,226,206)	(\$65,752,180)	(\$85,539,620)	(\$96,465,392)	(\$90,457,866)	(\$102,362,448)	(\$114,591,087)
Business-type activities	(8,915,263)	(6,238,541)	(3,768,627)	(3,344,751)	(5,350,669)	(9,193,848)	(13,746,877)
Total primary government net expense	<u>(\$75,141,469)</u>	<u>(\$71,990,721)</u>	<u>(\$89,308,247)</u>	<u>(\$99,810,143)</u>	<u>(\$95,808,535)</u>	<u>(\$111,556,296)</u>	<u>(\$128,337,964)</u>
General Revenues and Other							
Changes In Net Assets							
Governmental activities:							
Property Taxes	\$56,980,819	\$77,374,259	\$78,458,444	\$87,464,946	\$94,214,158	\$100,174,845	\$99,583,850
Unrestricted investment earnings	2,683,173	2,907,227	3,682,117	5,009,546	8,907,615	8,639,127	5,460,750
Hotel tax	1,129,349	1,215,365	1,246,033	1,318,066	1,372,501	1,494,914	1,461,458
Other	14,145,862	12,838,944	10,570,933	10,581,200	1,401,501	2,970,608	1,948,805
Gain (Loss) sale of assets	0	150,000	150,000	150,000	150,000	37,500	(1,917)
Special item - litigation expense	0	0	0	(16,000,000)	0	0	(5,500,000)
Proceeds from swap transactions	0	0	4,660,667	0	0	0	0
Transfers	(2,593,441)	(8,409,372)	(4,027,719)	(7,984,154)	(9,519,978)	(9,830,857)	(11,518,292)
Total governmental activities	<u>72,345,762</u>	<u>86,076,423</u>	<u>94,740,475</u>	<u>80,539,604</u>	<u>96,525,797</u>	<u>103,486,137</u>	<u>91,434,654</u>
Business-type activities:							
Unrestricted investment earnings	0	0	0	0	1,275,434	1,034,915	56,518
Transfers	2,593,441	8,409,372	4,027,719	7,984,154	9,519,978	9,830,857	11,518,292
Total business-type activities	<u>2,593,441</u>	<u>8,409,372</u>	<u>4,027,719</u>	<u>7,984,154</u>	<u>10,795,412</u>	<u>10,865,772</u>	<u>11,574,810</u>
Total primary government	<u>\$74,939,203</u>	<u>\$94,485,795</u>	<u>\$98,768,194</u>	<u>\$88,523,758</u>	<u>\$107,321,209</u>	<u>\$114,351,909</u>	<u>\$103,009,464</u>
Change in Net Assets							
Governmental activities	\$6,119,556	\$20,324,243	\$9,200,855	(\$15,925,788)	\$6,067,931	\$1,123,689	(\$23,156,433)
Business-type activities	(6,321,822)	2,170,831	259,092	4,639,403	5,444,743	1,671,924	(2,172,067)
Total primary government	<u>(\$202,266)</u>	<u>\$22,495,074</u>	<u>\$9,459,947</u>	<u>(\$11,286,385)</u>	<u>\$11,512,674</u>	<u>\$2,795,613</u>	<u>(\$25,328,500)</u>

NOTE: The County implemented GASB Statement 34 beginning in 2002; and, therefore, prior years are not reported.

COUNTY OF YORK, PENNSYLVANIA
 Governmental Activities Tax Revenues by Source
 Last Seven Fiscal Years
 (accrual basis of accounting)

<u>Fiscal Year</u>	<u>Real Estate Tax</u>	<u>Hotel Room Tax</u>	<u>Total</u>
2002	\$56,980,819	\$1,129,349	\$58,110,168
2003	77,374,259	1,215,365	78,589,624
2004	78,458,444	1,246,033	79,704,477
2005	87,464,946	1,318,066	88,783,012
2006	94,214,158	1,372,501	95,586,659
2007	100,174,845	1,494,914	101,669,759
2008	99,583,850	1,461,458	101,045,308

NOTE: The County implemented GASB Statement 34 beginning in 2002; and, therefore, prior years are not reported.

COUNTY OF YORK, PENNSYLVANIA
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	(1) 1999	(1) 2000	(1) 2001	(1) 2002	(1) 2003	(1) 2004	(1) 2005	(1) 2006	(1) 2007	(1) 2008
General Fund										
Reserved	\$61,887	\$40,871	\$40,870	\$0	\$0	\$5,413,570	\$8,503,496	\$8,281,067	\$7,928,694	\$9,616,046
Unreserved	13,722,225	9,812,296	12,095,681	11,403,499	21,879,194	23,056,636	23,088,451	16,599,451	15,784,554	4,514,853
Total General Fund	<u>\$13,784,112</u>	<u>\$9,853,167</u>	<u>\$12,136,551</u>	<u>\$11,403,499</u>	<u>\$21,879,194</u>	<u>\$28,470,206</u>	<u>\$31,591,947</u>	<u>\$24,880,518</u>	<u>\$23,713,248</u>	<u>\$14,130,899</u>
All other-governmental funds										
Reserved										
Capital Projects Fund	\$ -	\$20,935,552	\$46,912,032	\$31,493,588	\$39,835,532	\$26,027,730	\$6,320,087	\$25,099,699	\$26,984,494	\$9,749,272
Other Nonmajor Funds	3,768,604	4,600,400	5,017,368	5,465,204	6,471,220	6,348,032	6,491,523	7,197,050	6,503,313	6,493,878
Total all other governmental funds	<u>\$3,768,604</u>	<u>\$25,535,952</u>	<u>\$51,929,400</u>	<u>\$36,958,792</u>	<u>\$46,306,752</u>	<u>\$32,375,762</u>	<u>\$12,811,610</u>	<u>\$32,296,749</u>	<u>\$33,487,807</u>	<u>\$16,243,150</u>
Total fund balances of all governmental funds	<u>\$17,552,716</u>	<u>\$35,389,119</u>	<u>\$64,065,951</u>	<u>\$48,362,291</u>	<u>\$68,185,946</u>	<u>\$60,845,968</u>	<u>\$44,403,557</u>	<u>\$57,177,267</u>	<u>\$57,201,055</u>	<u>\$30,374,049</u>

NOTE:

(1) Certain reclassifications were made to prior year amounts to conform to the current year presentation.

COUNTY OF YORK, PENNSYLVANIA
Changes in Fund Balances of Governmental Funds
Last Seven Fiscal Years
(modified accrual basis of accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Revenues							
Real estate taxes	\$56,879,136	\$76,389,344	\$78,089,574	\$86,831,194	\$93,382,328	\$98,751,116	\$102,903,780
Intergovernmental	130,241,234	133,414,027	149,520,655	169,789,071	184,299,469	188,194,704	195,482,476
Departmental	29,602,142	26,872,249	25,867,845	25,780,527	30,055,002	35,969,407	34,990,258
Fines and costs	2,912,549	3,087,197	3,378,092	3,684,911	4,300,609	4,891,498	5,212,973
Hotel tax	1,129,349	1,215,365	1,246,033	1,318,066	1,372,501	1,494,914	1,461,458
Investment	2,683,173	2,907,227	3,682,117	5,009,546	8,907,615	8,639,127	5,460,750
Other	9,926,464	11,161,285	10,570,933	10,581,200	1,401,501	2,970,608	1,948,805
Total Revenues	<u>233,374,047</u>	<u>255,046,694</u>	<u>272,355,249</u>	<u>302,994,515</u>	<u>323,719,025</u>	<u>340,911,374</u>	<u>347,460,500</u>
Expenditures							
Current:							
General government	15,343,145	9,341,635	11,270,768	11,553,295	12,598,142	13,443,367	13,330,319
Public safety	45,010,561	46,802,474	50,167,283	51,080,869	64,980,272	68,057,879	73,909,519
Roads & bridges	551,949	909,980	934,533	1,213,279	1,000,228	1,045,462	1,086,155
Human Services	116,492,170	118,719,105	130,483,066	150,692,137	182,271,868	183,875,350	191,241,668
Judicial	20,485,919	21,324,134	24,258,505	25,477,550	30,984,793	35,078,905	36,019,082
Cultural and recreation	5,195,785	3,739,480	3,918,275	4,920,655	5,311,734	5,089,034	11,011,254
Community development	4,422,325	4,476,961	8,120,947	9,971,653	8,753,756	10,755,287	9,573,955
Other departments and programs	18,649,327	19,638,868	27,124,485	29,719,493	-	-	-
Capital outlay	16,136,136	29,694,855	14,222,422	18,943,258	16,882,310	15,682,655	33,820,265
Debt service:							
Principal retirement	3,370,000	13,990,000	6,375,000	2,630,000	2,800,000	2,970,000	3,765,895
Interest and fiscal charges	2,431,158	2,124,381	5,816,140	6,096,095	7,947,043	8,163,415	8,266,213
Total Expenditures	<u>248,088,475</u>	<u>270,761,873</u>	<u>282,691,424</u>	<u>312,298,284</u>	<u>333,530,146</u>	<u>344,161,354</u>	<u>382,024,325</u>
Other financing sources (uses)							
Transfers in	3,589,809	14,142,917	6,642,355	6,432,168	7,936,470	7,201,633	5,984,578
Transfers out	(6,183,250)	(26,398,188)	(10,670,074)	(14,416,322)	(17,456,448)	(17,032,490)	(17,502,870)
Issuance of debt, net	-	-	-	-	32,104,809	6,508,983	32,008,403
Proceeds of refunding bonds/notes	20,402,450	54,588,602	-	-	-	-	131,002,555
Payment to refunded bond/notes	(20,510,000)	(7,334,341)	-	-	-	-	(130,237,555)
Bond discount	-	-	-	-	-	-	(150,188)
Transfer of bond proceeds	-	-	-	-	-	6,595,642	(13,368,104)
Proceeds from swap transactions/bonds	-	-	4,660,667	845,512	-	-	-
Premium of bonds issued	1,711,759	539,845	-	-	-	-	-
Total other financing sources (uses)	<u>(989,232)</u>	<u>35,538,835</u>	<u>632,948</u>	<u>(7,138,642)</u>	<u>22,584,831</u>	<u>3,273,768</u>	<u>7,736,819</u>
Net changes in fund balances	<u>(\$15,703,660)</u>	<u>\$19,823,656</u>	<u>(\$9,703,227)</u>	<u>(\$16,442,411)</u>	<u>\$12,773,710</u>	<u>\$23,788</u>	<u>(\$26,827,006)</u>
Debt service as a percentage of noncapital expenditures	2.3%	6.0%	4.3%	2.8%	3.2%	3.2%	3.1%

NOTE: The County implemented GASB Statement 34 beginning in 2002; and, therefore, prior years are not reported.

County of York, Pennsylvania

General Government Expenditures by Function (1)

Last Ten Years

Fiscal Year	General Government Administration	General Government Judiciary	Public Safety and Corrections	(4) Community Development	Public Works and Enterprises	Culture, Recreation and Conservation	Human Services	(5) Other	(2) (3) Debt Service	Capital Projects	Totals
1999	\$ 8,746,965	\$ 17,078,875	\$ 35,348,937	\$ 6,583,058	\$ 1,144,991	\$ 3,285,312	\$ 67,191,684	\$ 11,309,272	\$ 4,806,529	\$ 1,851,542	\$ 157,347,165
2000	9,323,987	17,964,447	39,099,867	4,265,455	731,407	4,625,632	68,552,028	11,932,657	5,401,991	3,373,979	165,271,450
2001	9,172,319	20,024,845	43,266,908	7,101,865	798,161	3,258,393	79,015,463	15,828,645	6,253,680	16,777,153	201,497,432
2002	15,343,145	20,485,919	45,010,561	4,422,325	551,949	5,195,785	116,492,170	18,649,327	5,801,158	16,136,136	248,088,475
2003	9,341,635	21,324,134	46,802,474	4,476,961	909,980	3,739,480	118,719,105	19,638,868	6,114,381	39,694,855	270,761,873
2004	10,900,101	24,258,505	50,167,283	8,120,947	934,533	3,918,275	130,483,066	27,124,485	6,880,648	19,903,581	282,691,424
2005	11,553,295	25,477,550	51,080,869	9,971,653	1,213,279	4,920,655	150,692,137	29,719,493	7,825,636	19,843,717	312,298,284
2006	12,598,142	30,984,793	64,980,272	8,753,756	1,000,228	5,311,734	182,271,868	-	10,125,864	17,503,489	333,530,146
2007	13,443,367	35,078,905	68,057,879	10,755,287	1,045,462	5,089,034	183,875,350	-	11,133,415	15,682,655	344,161,354
2008	13,330,319	36,019,082	73,909,519	9,573,955	1,086,155	11,011,254	191,241,668	-	12,032,108	33,820,265	382,024,325

NOTES:

- (1) Includes General, Special Revenue, and Capital Projects Funds.
- (2) Includes interest on tax anticipation debt as well as general obligation debt.
- (3) Does not include Enterprise Funds debt.
- (4) In 2006 includes Conservation
- (5) In 2006 allocated to specific categories

SOURCE:

Annual Reports of York County Controller and annual audit reports

County of York, Pennsylvania

General Governmental Revenues by Source (1)

Last Ten Years

Fiscal Year	Real Estate and Personal Property Taxes	Court Costs, Fines and Forfeitures	Grants and Gifts	Investment	County Charges and Earnings	(2) Bond Proceeds and Other	(1) Totals
1999	\$ 42,613,775	\$ 2,519,927	\$ 79,859,803	\$ 2,833,575	\$ 22,415,228	\$ 8,244,701	\$ 158,487,009
2000	43,883,138	2,793,487	80,813,872	3,526,735	26,526,399	33,594,900	191,138,531
2001	55,508,907	2,679,215	94,686,886	4,094,728	28,682,530	52,753,093	238,405,359
2002	56,879,136	2,912,549	130,241,234	2,683,173	29,602,142	33,170,022	255,488,256
2003	76,389,344	3,087,197	133,414,027	2,907,227	26,872,249	67,505,097	310,175,141
2004	78,089,574	3,378,092	149,520,655	3,682,117	25,867,845	16,477,633	277,015,916
2005	86,831,194	3,684,911	169,789,071	5,009,546	25,780,527	12,744,778	303,840,027
2006	93,382,328	4,300,609	184,299,469	8,907,615	30,055,002	34,878,811	355,823,834
2007	98,751,116	4,891,498	188,194,704	8,639,127	35,969,407	17,570,147	354,015,999
2008	102,903,780	5,212,973	195,482,476	5,460,750	34,990,258	22,665,374	366,715,611

NOTES:

(1) Includes General, Special Revenue, and Capital Projects Funds.

(2) Proceeds From Bond Issues are included in the financial section as Other Financing Sources.

SOURCE:

Annual Reports of York County Controller and annual audit reports

COUNTY OF YORK, PENNSYLVANIA
 Governmental Funds Tax Revenues by Source
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

<u>Fiscal Year</u>	<u>Real Estate Tax</u>	<u>Hotel Room Tax</u>	<u>Total</u>
1999	\$ 42,613,775	\$ -	\$ 42,613,775
2000	43,883,138	-	43,883,138
2001	55,508,907	-	55,508,907
2002	56,879,136	1,129,349	58,008,485
2003	76,389,344	1,215,365	77,604,709
2004	78,089,574	1,246,033	79,335,607
2005	86,831,194	1,318,066	88,149,260
2006	93,382,328	1,372,501	94,754,829
2007	98,751,116	1,494,914	100,246,030
2008	102,903,780	1,461,458	104,365,238

County of York, Pennsylvania

Property Values (1)

Last Ten Years
(Unaudited)

Fiscal Year	Residential	Commercial	Agricultural	Industrial	Miscellaneous/ Apartments	Utility/ Exempt	Total
1999	\$ 11,704,707,780	\$ 1,978,777,170	\$ 1,222,359,680	\$ 1,075,011,980	\$ 384,840,860	\$ 1,975,451,070	\$ 18,341,148,540
2000	12,103,983,490	2,395,935,030	1,023,898,900	1,125,112,590	391,009,620	1,683,458,830	18,723,398,460
2001	12,439,590,930	2,479,839,480	1,001,427,960	1,161,856,850	393,753,020	1,843,061,750	19,319,529,990
2002	12,715,796,700	2,550,265,270	1,002,565,040	1,193,356,840	395,791,040	1,862,963,660	19,720,738,550
2003	13,057,581,771	2,581,495,372	1,005,817,560	1,266,176,390	406,252,128	1,897,754,020	20,215,077,241
2004	13,495,667,036	2,560,509,677	1,020,087,944	1,314,345,100	420,738,868	2,032,688,828	20,844,037,453
2005	13,949,867,005	2,603,167,919	1,025,581,993	1,329,580,868	434,332,035	2,052,310,379	21,394,840,199
2006	18,214,548,231	2,919,893,747	1,283,373,260	1,495,328,180	526,861,140	2,245,059,290	26,685,063,848 (2)
2007	18,935,263,993	3,016,730,827	1,302,861,410	1,521,024,870	553,290,360	2,588,846,790	27,918,018,250 (2)
2008	19,501,908,968	2,764,454,128	1,340,938,634	1,531,585,761	574,153,882	2,945,100,185	28,658,141,558 (2)

NOTES:

(1) Property values are the assessed value as of the beginning of the year.

(2) In 2006, a County-wide reassessment took effect. Assessed values shown represent 100% of market values.

SOURCE:

Assessment Office

COUNTY OF YORK, PENNSYLVANIA
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Years

<u>Fiscal Year</u>	<u>(1) Real Estate Total Assessed Value</u>	<u>RATIO OF TOTAL ASSESSED TO TOTAL ESTIMATED ACTUAL VALUE</u>	<u>COUNTY REAL ESTATE MILLAGE RATE</u>
1999	16,365,697,470	100	2.52
2000	17,039,939,630	100	2.52
2001	17,476,468,240	100	3.15
2002	17,857,774,890	100	3.15
2003	18,317,323,221	100	4.20
2004	18,811,348,625	100	4.20
2005	19,342,529,820	100	4.51
2006	24,440,004,558 (2)	100	3.80
2007	25,329,171,460 (2)	100	3.91
2008	25,713,041,373 (2)	100	4.00

NOTES:

(1) Does not include Exempt and Utility assessments.

(2) Beginning January 1, 2006, a County-wide reassessment took effect. All taxing authorities were required to lower their effective millage rates to reflect the increase in property values as a result of the new assessed values.

SOURCE: Assessment Office

COUNTY OF YORK, PENNSYLVANIA
Real Estate Millage Rates - Direct and Overlapping Governments
Last Ten Years

(1) Fiscal Year	County	(2) Municipalities	(2) School District	Total
1999	2.52	1.050	13.330	16.900
2000	2.52	1.082	13.367	16.969
2001	3.15	1.160	13.910	18.220
2002	3.15	1.253	15.473	19.876
2003	4.20	1.380	16.583	22.163
2004	4.20	1.544	17.725	23.469
2005	4.51	1.655	19.507	25.672
2006	3.80 (3)	1.435	16.660	21.895
2007	3.91 (3)	1.555	17.653	23.118
2008	4.00 (3)	1.646	18.400	24.046

NOTES:

- (1) The fiscal year shown represents the calendar year for the County and Municipalities and the fiscal year for School Districts which begins in July of the year shown and spans six months into the next calendar year.
- (2) Each unit within these classes levies its own millage rate. The rates shown are an average.
- (3) Beginning January 1, 2006, a County-wide reassessment took effect. All taxing authorities were required to lower their effective millage rates to reflect the increase in property values as a result of the new assessed values.

SOURCE: Assessment Office

COUNTY OF YORK, PENNSYLVANIA

Property Tax Rates Direct and Overlapping Governments Last Ten Fiscal Years

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
County Direct Rate	2.520	2.520	3.150	3.150	4.200	4.200	4.510	3.800	3.910	4.000
School District Rates										
Central York	10.500	11.250	12.000	13.290	14.330	15.830	17.470	15.320	16.310	16.810
Dallastown Area	13.520	15.490	15.990	16.510	17.760	20.240	21.740	18.810	19.810	20.850
Dover Area	14.550	15.550	15.550	16.050	17.420	18.770	18.770	16.800	17.820	18.870
Eastern York	13.580	13.900	14.600	15.700	16.600	17.500	19.200	16.100	17.380	18.340
Hanover Public	14.150	14.650	15.150	16.550	16.950	17.550	19.050	16.920	17.720	18.490
Northeastern	16.080	17.060	17.560	18.830	19.780	20.730	22.810	20.790	21.740	21.740
Northern	11.650	12.150	12.550	13.380	14.150	15.400	16.400	13.300	13.870	13.870
Red Lion Area	12.600	13.350	13.950	14.800	16.050	17.550	19.500	16.840	18.690	20.440
South Eastern	14.000	14.000	14.000	14.330	16.230	16.720	21.350	16.906	17.832	18.831
South Western	13.290	13.700	13.700	14.100	15.050	15.550	16.500	13.660	14.240	15.750
Southern	12.820	13.950	14.820	15.190	15.980	16.800	17.770	14.390	15.080	15.020
Spring Grove Area	11.770	12.100	12.620	14.000	15.230	16.700	18.200	15.890	17.200	18.340
West York Area	12.080	13.500	15.200	16.690	18.040	18.420	19.090	16.647	17.330	18.265
York City	18.700	18.700	20.880	21.780	22.250	24.000	27.960	27.190	29.540	29.540
York Suburban	12.400	13.170	13.950	14.900	16.220	17.500	18.570	16.834	17.688	18.740
West Shore	10.100	10.100	11.200	11.500	11.500	11.300	11.900	10.100	10.200	10.500
City										
York	9.730	9.730	9.730	11.390	11.390	12.520	13.520	13.170	13.670	14.670
Borough Rates										
Cross Roads	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.280	0.280	0.280
Dallastown	0.941	0.941	1.040	1.100	1.580	2.000	2.000	1.650	1.650	1.650
Delta	1.100	1.100	1.100	1.100	1.700	1.700	1.900	1.440	1.900	1.900
Dillsburg	1.600	1.900	2.900	2.900	2.900	2.900	2.900	2.370	2.370	2.370
Dover	1.800	1.800	1.800	1.800	1.800	1.800	1.800	1.690	1.690	1.690
East Prospect	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.750	1.000	1.000
Fawn Grove	0.400	0.400	0.400	0.400	0.600	1.300	1.300	0.720	1.000	1.000
Felton	0.320	0.320	0.320	0.320	1.100	1.100	1.100	0.950	1.100	1.700
Franklintown	1.210	1.210	1.210	1.210	1.210	1.210	1.210	1.080	1.880	1.880
Glen Rock	2.000	2.000	2.500	2.500	2.500	3.000	3.000	2.400	2.500	2.600
Goldsboro	0.725	0.725	0.725	0.750	0.750	0.750	0.750	0.750	0.750	0.750
Hellam	2.200	2.500	3.000	3.000	3.000	3.200	3.350	2.900	3.100	3.300
Hanover	2.600	2.600	2.600	2.600	2.950	4.450	4.450	3.990	3.990	3.990
Jacobus	1.100	1.100	1.100	1.300	1.300	1.300	1.300	0.923	1.300	1.300
Jefferson	1.100	1.100	1.100	2.140	2.140	2.100	2.100	1.750	1.750	2.758
Lewisberry	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.800	0.800	0.800
Loganville	0.557	0.900	1.200	1.200	1.200	1.200	1.700	1.500	1.500	2.000
Manchester	1.650	1.650	1.650	1.650	1.650	2.650	2.650	2.150	2.150	2.150
Mount Wolf	1.900	1.900	1.900	1.900	2.400	3.500	3.500	2.900	2.900	2.900
New Freedom	0.830	0.830	0.830	0.830	0.830	0.830	0.830	0.660	0.700	0.750
New Salem	0.355	0.355	0.355	0.355	0.855	1.100	1.100	0.850	0.850	0.850
North York	2.610	1.500	2.500	2.500	3.500	3.500	3.500	3.210	3.710	3.710
Railroad	0.600	0.600	0.600	0.600	0.600	0.900	0.900	0.690	0.690	0.690
Red Lion	1.660	1.660	2.660	2.660	2.660	3.560	3.560	3.173	3.350	3.700
Seven Valleys	0.425	0.425	0.425	0.425	0.425	0.425	0.425	0.349	0.600	0.600
Shrewsbury	1.070	1.070	1.070	1.070	1.070	1.600	1.600	1.200	1.200	1.420
Spring Grove	1.590	1.590	1.590	1.590	2.590	2.590	2.590	2.340	2.340	2.340
Stewartstown	1.508	1.800	2.100	2.400	2.400	2.400	3.300	2.720	2.720	2.850
Wellsville	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.420	0.420	0.420
West York	2.190	2.190	2.690	2.690	3.190	3.190	4.490	3.900	4.900	4.900
Windsor	1.106	1.106	1.117	1.117	1.117	1.117	1.517	1.261	1.261	1.261
Winterstown	0.360	0.600	0.600	0.850	0.850	0.850	0.850	0.850	0.850	0.850
Wrightsville	0.870	0.870	0.870	0.870	0.870	2.100	2.100	1.610	2.290	2.290
Yoe	1.282	1.153	1.153	1.153	1.153	1.153	1.153	0.914	1.914	2.955
York Haven	2.600	2.600	2.600	3.600	3.600	3.600	3.600	3.000	3.000	3.000
Yorkana	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250

COUNTY OF YORK, PENNSYLVANIA
Property Tax Rates
Direct and Overlapping Governments (Continued)
Last Ten Fiscal Years

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Townships										
Carroll	0.430	0.430	0.430	0.430	1.430	1.430	1.430	1.120	1.120	1.120
Chanceford	0.240	0.240	0.240	0.240	0.240	0.240	0.360	0.300	0.300	0.300
Codorus	0.335	0.335	0.550	0.550	0.550	0.550	0.550	0.420	0.420	0.420
Conewago	1.150	1.150	1.150	1.150	1.150	1.260	1.300	1.300	1.300	1.450
Dover	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.828	0.828	1.000
East Hopewell	0.390	0.390	0.390	0.590	0.590	0.590	0.590	0.430	0.430	0.430
East Manchester	0.850	1.150	1.150	1.150	1.150	1.150	1.150	1.040	1.040	1.040
Fairview	1.036	1.360	1.036	1.036	1.036	1.178	1.198	1.077	1.396	1.600
Fawn	0.360	0.360	0.650	0.650	0.650	0.650	0.650	0.470	0.470	0.470
Franklin	0.225	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200
Heidelberg	1.200	1.200	1.200	1.200	1.200	1.200	1.500	1.200	1.200	1.500
Hellam	1.650	2.000	2.000	1.500	1.500	1.800	1.800	1.606	1.800	1.800
Hopewell	0.290	0.290	0.290	0.290	0.290	0.290	0.290	0.210	0.210	0.210
Jackson	0.350	0.350	0.350	0.350	0.350	0.350	1.200	0.950	0.950	0.950
Lower Chanceford	0.450	0.500	0.550	0.600	0.600	0.700	0.700	0.600	0.650	0.700
Lower Windsor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000	1.000	1.000
Manchester	1.240	1.240	1.240	1.240	1.240	1.240	1.240	1.000	1.000	1.000
Manheim	1.000	1.000	1.000	1.000	1.000	1.250	1.250	1.000	1.000	1.000
Monaghan	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900
Newberry	0.450	0.450	0.450	0.450	0.450	0.450	1.500	1.290	1.790	1.790
North Codorus	0.175	0.175	0.175	0.175	0.500	0.500	0.500	0.443	0.750	1.000
North Hopewell	0.335	0.335	0.335	0.335	0.335	0.335	0.335	0.272	0.272	0.272
Paradise	0.600	0.900	1.000	1.000	1.100	1.400	1.700	1.900	1.900	1.900
Peach Bottom	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.470	0.470	0.470
Penn	1.790	1.790	2.500	2.500	2.500	2.500	2.300	1.990	1.990	1.990
Shrewsbury	0.090	0.090	0.090	0.090	0.090	0.090	0.090	0.074	0.074	0.074
Spring Garden	2.050	2.050	2.050	2.050	2.450	2.850	2.850	2.440	2.440	2.440
Springettsbury	0.627	0.627	0.627	0.727	1.077	1.077	1.077	0.870	0.870	0.870
Springfield	0.330	0.330	0.330	0.330	0.330	0.330	0.330	0.260	0.260	0.260
Warrington	0.280	0.280	0.280	0.280	0.280	0.280	0.280	0.210	0.210	0.210
Washington	0.400	0.450	0.450	0.450	0.450	0.450	0.450	0.400	0.400	0.450
West Manchester	0.358	0.358	0.358	0.358	0.358	0.358	0.250	0.214	0.214	0.214
West Manheim	1.700	1.700	1.700	2.700	2.700	2.700	2.700	2.000	2.000	2.100
Windsor	0.320	0.320	0.320	0.320	0.320	0.320	0.600	0.500	0.500	0.600
York	0.420	0.420	0.420	0.700	0.800	0.800	0.700	0.600	0.600	0.600

COUNTY OF YORK, PENNSYLVANIA
Principal Property Taxpayers
December 31, 2008

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
Kinsley Equities II	\$ 90,087,790	1	0.36%			
ES 3 York LLC	80,078,310	2	0.32%			
York Galleria LLP	58,644,090	3	0.23%			
Equity Industrial A York LLC	39,545,778	4	0.16%			
Homewood at Hanover PA Inc	36,790,860	5	0.15%			
Waterford Associates	35,875,260	6	0.14%			
Harley Davidson Motor Company	34,245,300	7	0.14%			
Wellspring Properties Inc.	28,007,940	8	0.11%			
Delco Plaza I L P	27,443,900	9	0.11%			
Edens & Avant Financing	24,261,470	10	0.10%			
Crown American Financing Partnership				\$ 62,062,230	1	0.33%
Caterpillar, Inc.				46,321,450	2	0.25%
New Plan Realty Trust				22,795,450	3	0.12%
Goodyear Tire & Rubber Co.				21,512,960	4	0.11%
The York Development, LP				18,465,010	5	0.10%
HGG Acquisition JJ Newberry Co.				16,186,690	6	0.09%
York Health Care Services				15,819,610	7	0.08%
Crown American				13,239,370	8	0.07%
Delco Mall Corp.				13,196,780	9	0.07%
TDC Galleria West LLC				5,696,250	10	0.03%
Total	\$ 454,980,698		1.44%	\$ 235,295,800		1.23%

Source: County Assessment Office

County of York, Pennsylvania

Real Estate Taxes Levied and Collected

Last Ten Years
(Unaudited)

Fiscal Year	(1) Total Tax Levy	(2) Current Tax Collected	Percent of Levy Collected	(3) Prior Year Tax Collected	Total Tax Collected	Total Tax Collected to Levy	(3) Outstanding Tax – Current Year	(3) Outstanding Tax – Prior Years	Outstanding Taxes to Levy
1999	\$ 42,444,031	\$ 39,753,479	93.66%	\$ 3,068,043	\$ 42,821,522	100.89%	\$ 2,690,552	\$ 1,248,876	9.28%
2000	44,595,870	41,609,880	93.30%	1,772,191	43,382,071	97.28%	2,985,990	2,276,902	11.80%
2001	55,923,530	52,374,495	93.65%	3,134,412	55,508,907	99.26%	3,549,035	2,902,644	11.54%
2002	57,663,623	53,845,638	93.38%	3,033,498	56,879,136	98.64%	3,465,071	2,842,089	10.94%
2003	79,070,273	73,731,064	93.25%	2,658,280	76,389,344	96.61%	4,511,481	1,547,863	7.66%
2004	80,986,732	74,193,793	91.61%	3,895,781	78,089,574	96.42%	4,225,341	3,303,720	9.30%
2005	89,495,987	84,102,299	93.97%	2,728,895	86,831,194	97.02%	4,840,672	1,653,395	7.26%
2006	93,965,893	90,551,553	96.37%	2,830,775	93,382,328	99.38%	4,690,112	3,304,762	8.51%
2007	99,298,832	95,589,866	96.26%	3,161,250	98,751,116	99.45%	5,332,676	4,790,269	10.19%
2008	102,528,021	99,504,249	97.05%	3,399,531	102,903,780	100.37%	4,591,508	2,194,385	6.62%

NOTES:

- (1) Includes additions to duplicate and penalties.
- (2) Includes discounts, penalties, rebates and error adjustments.
- (3) Includes penalties and adjustments.

SOURCE:

Annual Reports of York County Controller

COUNTY OF YORK, PENNSYLVANIA

Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities		Primary Government	Personal Income	Per Capita
	General Obligation Bond	General Obligation Bond	Capital Leases				
1999	\$ 36,160,000	\$ -	\$ -		\$ 36,160,000	0.35%	\$ 96.02
2000	55,265,000	-	-		55,265,000	0.50%	144.77
2001	85,415,000	-	-		85,415,000	0.78%	221.11
2002	92,495,000	-	-		92,495,000	0.84%	237.65
2003	126,335,000	-	-		126,335,000	1.10%	320.18
2004	119,960,000	-	-		119,960,000	0.97%	300.81
2005	118,175,512	-	-		118,175,512	0.89%	289.08
2006	146,806,565	43,988,347	-		190,794,912	1.39%	458.29
2007	156,941,190	37,392,705	783,437		195,117,332	1.33%	463.41
2008	172,580,594	50,536,704	599,357		223,716,655	1.47%	536.70

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

COUNTY OF YORK, PENNSYLVANIA
Ratio of General Obligation Debt to Assessed Value of Real Estate
and General Obligation Debt Per Capita - Last Ten Years
(Dollars in Thousands)
(Except Population and Debt Per Capita)

<u>Fiscal Year</u>	<u>(1) Population</u>	<u>(2) (3) (5) Assessed Value</u>	<u>(4) General Obligation Debt</u>	<u>Ratio of General Obligation Debt to Assessed Value</u>	<u>General Obligation Debt Per Capita</u>
1999	376,586	16,365,697	36,160	0.22%	96.02
2000	381,751	17,039,940	55,265	0.32%	144.77
2001	386,299	17,476,468	85,415	0.49%	221.11
2002	389,209	17,857,775	92,495	0.52%	237.65
2003	394,581	18,317,323	126,335	0.69%	320.18
2004	398,788	18,811,349	119,960	0.64%	300.81
2005	408,801	19,342,530	118,176	0.61%	289.08
2006	416,322	24,440,005	190,795	0.78%	458.29
2007	421,049	25,329,171	194,334	0.77%	461.55
2008	416,839	25,713,041	223,117	0.87%	535.26

NOTES:

- (1) www.ycedc.org
- (2) County Board of Assessment
- (3) Does not include Exempt and Utility assessments.
- (4) Annual Reports of York County Controller
- (5) In 2006, a County-wide reassessment took effect.

COUNTY OF YORK, PENNSYLVANIA
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2008

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
School Districts			
Central York	\$92,275,000	100%	\$92,275,000
Dallastown Area	102,742,091	100%	102,742,091
Dover Area	28,830,000	100%	28,830,000
Eastern York	56,279,200	100%	56,279,200
Hanover Public	35,445,000	100%	35,445,000
Northeastern	89,920,000	100%	89,920,000
Northern	54,241,050	100%	54,241,050
Red Lion Area	90,185,000	100%	90,185,000
South Eastern	42,557,000	100%	42,557,000
South Western	31,700,000	100%	31,700,000
Southern	42,180,000	100%	42,180,000
Spring Grove Area	94,360,000	100%	94,360,000
West York Area	29,560,000	100%	29,560,000
York City	90,085,000	100%	90,085,000
York Suburban	37,850,000	100%	37,850,000
West Shore	47,098,946	100%	47,098,946
Other Schools			
York Co School of Tech	40,960,000	100%	40,960,000
City			
York	101,468,407	100%	101,468,407

COUNTY OF YORK, PENNSYLVANIA
Direct and Overlapping Governmental Activities Debt (Continued)
As of December 31, 2008

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Boroughs			
Cross Roads	0	100%	0
Dallastown	24,015	100%	24,015
Delta	0	100%	0
Dillsburg	287,319	100%	287,319
Dover	1,414,660	100%	1,414,660
East Prospect	0	100%	0
Fawn Grove	0	100%	0
Felton	924,199	100%	924,199
Franklintown	161,416	100%	161,416
Glen Rock	10,090	100%	10,090
Goldsboro	0	100%	0
Hellam	0	100%	0
Hanover	17,360,446	100%	17,360,446
Jacobus	0	100%	0
Jefferson	0	100%	0
Lewisberry	42,496	100%	42,496
Loganville	0	100%	0
Manchester	7,525,162	100%	7,525,162
Mount Wolf	3,576,012	100%	3,576,012
New Freedom	3,036,872	100%	3,036,872
New Salem	3,544,800	100%	3,544,800
North York	33,755	100%	33,755
Railroad	129,987	100%	129,987
Red Lion	70,000	100%	70,000
Seven Valleys	140,000	100%	140,000
Shrewsbury	1,097,563	100%	1,097,563
Spring Grove	0	100%	0
Stewartstown	2,944,218	100%	2,944,218
Wellsville	0	100%	0
West York	0	100%	0
Windsor	432,474	100%	432,474
Winterstown	0	100%	0
Wrightsville	99,406	100%	99,406
Yoe	0	100%	0
York Haven	0	100%	0
Yorkana	0	100%	0

COUNTY OF YORK, PENNSYLVANIA

Direct and Overlapping Governmental Activities Debt (Continued)

As of December 31, 2008

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Townships			
Carroll	1,205,000	100%	1,205,000
Chanceford	88,352	100%	88,352
Codorus	0	100%	0
Conewago	0	100%	0
Dover	27,994,076	100%	27,994,076
East Hopewell	0	100%	0
East Manchester	182,917	100%	182,917
Fairview	12,434,189	100%	12,434,189
Fawn	69,744	100%	69,744
Franklin	0	100%	0
Heidelberg	0	100%	0
Hellam	91,276	100%	91,276
Hopewell	0	100%	0
Jackson	51,620	100%	51,620
Lower Chanceford	17,745	100%	17,745
Lower Windsor	2,895,000	100%	2,895,000
Manchester	10,297,400	100%	10,297,400
Manheim	0	100%	0
Monaghan	0	100%	0
Newberry	18,774,714	100%	18,774,714
North Codorus	517,811	100%	517,811
North Hopewell	17,000	100%	17,000
Paradise	396,772	100%	396,772
Peach Bottom	0	100%	0
Penn	2,645,424	100%	2,645,424
Shrewsbury	352,332	100%	352,332
Spring Garden	1,055,000	100%	1,055,000
Springettsbury	390,000	100%	390,000
Springfield	14,596,027	100%	14,596,027
Warrington	0	100%	0
Washington	0	100%	0
West Manchester	3,405,000	100%	3,405,000
West Manheim	12,669,685	100%	12,669,685
Windsor	1,055,000	100%	1,055,000
York	12,610,000	100%	12,610,000
Subtotal, overlapping debt			1,274,403,668
County of York direct debt			<u>172,580,594</u>
Total direct and overlapping debt			<u><u>\$1,446,984,262</u></u>

COUNTY OF YORK, PENNSYLVANIA
Computation of Legal Debt Margin
Last Ten Fiscal Years

	Fiscal Year				
	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Borrowing Base Revenues					
Two years prior	\$72,535,359	\$80,237,964	\$84,815,237	\$106,426,544	\$125,324,948
Prior year	80,237,964	84,815,237	106,426,544	125,324,948	134,955,914
Current year	<u>84,815,237</u>	<u>106,426,544</u>	<u>125,324,948</u>	<u>134,955,914</u>	<u>144,764,478</u>
Total Revenues	<u><u>\$237,588,560</u></u>	<u><u>\$271,479,745</u></u>	<u><u>\$316,566,729</u></u>	<u><u>\$366,707,406</u></u>	<u><u>\$405,045,340</u></u>
Debt Limit For General Obligation Bonds					
Average borrowing base revenues	\$79,196,187	\$90,493,248	\$105,522,243	\$122,235,802	\$135,015,113
Debt limit percentage	x <u>300%</u>				
Debt limit	237,588,561	271,479,744	316,566,729	366,707,406	405,045,339
Total outstanding bonded debt	<u>36,160,000</u>	<u>55,265,000</u>	<u>85,415,000</u>	<u>92,495,000</u>	<u>126,335,000</u>
Legal Debt Margin	<u><u>\$201,428,561</u></u>	<u><u>\$216,214,744</u></u>	<u><u>\$231,151,729</u></u>	<u><u>\$274,212,406</u></u>	<u><u>\$278,710,339</u></u>
Total outstanding bonded debt as a percentage of debt limit	15.22%	20.36%	26.98%	25.22%	31.19%
Debt Limit For General Obligation Bonds and Lease Rental Debt					
Average borrowing base revenues	\$79,196,187	\$90,493,248	\$105,522,243	\$122,235,802	\$135,015,113
Debt limit percentage	x <u>400%</u>				
Debt limit	316,784,748	361,972,992	422,088,972	488,943,208	540,060,452
Total amount of debt applicable to debt limit	<u>36,160,000</u>	<u>55,265,000</u>	<u>85,415,000</u>	<u>92,495,000</u>	<u>126,335,000</u>
Legal Debt Margin	<u><u>\$280,624,748</u></u>	<u><u>\$306,707,992</u></u>	<u><u>\$336,673,972</u></u>	<u><u>\$396,448,208</u></u>	<u><u>\$413,725,452</u></u>
Total amount of debt applicable to debt limit as a percentage of debt limit	11.41%	15.27%	20.24%	18.92%	23.39%

COUNTY OF YORK, PENNSYLVANIA
Computation of Legal Debt Margin (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Borrowing Base Revenues					
Two years prior	\$233,374,047	\$255,046,694	\$272,355,249	\$302,994,515	\$323,719,025
Prior year	255,046,694	272,355,249	302,994,515	323,719,025	340,911,374
Current year	<u>272,355,249</u>	<u>302,994,515</u>	<u>323,719,025</u>	<u>340,911,374</u>	<u>347,460,500</u>
Total Revenues	<u><u>\$760,775,990</u></u>	<u><u>\$830,396,458</u></u>	<u><u>\$899,068,789</u></u>	<u><u>\$967,624,914</u></u>	<u><u>\$1,012,090,899</u></u>
Debt Limit For General Obligation Bonds					
Average borrowing base revenues	\$253,591,997	\$276,798,819	\$299,689,596	\$322,541,638	\$337,363,633
Debt limit percentage	x 300%	x 300%	x 300%	x 300%	x 300%
Debt limit	<u>760,775,991</u>	<u>830,396,457</u>	<u>899,068,788</u>	<u>967,624,914</u>	<u>1,012,090,899</u>
Total outstanding bonded debt	<u>119,960,000</u>	<u>118,175,512</u>	<u>190,794,912</u>	<u>194,333,895</u>	<u>223,117,298</u>
Legal Debt Margin	<u><u>\$640,815,991</u></u>	<u><u>\$712,220,945</u></u>	<u><u>\$708,273,876</u></u>	<u><u>\$773,291,019</u></u>	<u><u>\$788,973,601</u></u>
Total outstanding bonded debt as a percentage of debt limit	15.77%	14.23%	21.22%	20.08%	22.05%
Debt Limit For General Obligation Bonds and Lease Rental Debt					
Average borrowing base revenues	\$253,591,997	\$276,798,819	\$299,689,596	\$322,541,638	\$337,363,633
Debt limit percentage	x 400%	x 400%	x 400%	x 400%	x 400%
Debt limit	<u>1,014,367,988</u>	<u>1,107,195,276</u>	<u>1,198,758,384</u>	<u>1,290,166,552</u>	<u>1,349,454,532</u>
Total amount of debt applicable to debt limit	<u>119,960,000</u>	<u>118,175,512</u>	<u>190,794,912</u>	<u>195,117,332</u>	<u>223,716,655</u>
Legal Debt Margin	<u><u>\$894,407,988</u></u>	<u><u>\$989,019,764</u></u>	<u><u>\$1,007,963,472</u></u>	<u><u>\$1,095,049,220</u></u>	<u><u>\$1,125,737,877</u></u>
Total amount of debt applicable to debt limit as a percentage of debt limit	11.83%	10.67%	15.92%	15.12%	16.58%

COUNTY OF YORK, PENNSYLVANIA

Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income \$000</u>	<u>Per Capita Personal Income (1)</u>	<u>Public School Enrollment</u>	<u>Local Unemployment Rate</u>
1999	376,586	10,197,949	27,080	65,220	2.9%
2000	381,751	10,989,084	28,786	67,944	3.5%
2001	386,299	10,894,791	28,203	65,526	4.6%
2002	389,209	11,039,524	28,364	65,177	5.6%
2003	394,581	11,535,181	29,234	65,821	4.8%
2004	398,788	12,313,377	30,877	66,520	4.6%
2005	408,801	13,242,291	32,393	67,325	4.7%
2006	416,322	13,768,185	33,071	66,642	3.2%
2007	421,049	14,620,927	34,725	67,853	3.6%
2008	416,839	15,198,367	36,461	67,318	4.8%

(1) US Department of Commerce, Bureau of Economic Analysis, Office of Regional Economic Accounts

COUNTY OF YORK, PENNSYLVANIA
Principal Employers
December 31, 2008

Employer (1)	Employees	Percentage of Total County Employment
York Hospital	7,402	3.43%
Federal Government	3,444	1.59%
Harley-Davidson Motor Company	2,800	1.30%
York County	2,539	1.18%
Wal-Mart Associates, Inc.	2,430	1.13%
BAE Systems	2,020	0.94%
Giant Food Stores LLC	2,000	0.93%
Kinsley Construction, Inc.	1,320	0.61%
Hanover General Hospital	1,300	0.60%
UTZ Quality Foods, Inc.	1,295	0.60%
Total	<u>26,550</u>	<u>12.29%</u>
 Total Employees in County (2)	 216,000	

Note: Information on principal employers for 1999 was not available

Source: (1) PA Department of Labor and Industry; Center for Workforce Information and Analysis.
(2) www.paworkstat.state.pa.us

COUNTY OF YORK, PENNSYLVANIA

Employees by Function/Program
Last Seven Years

	2002	2003	2004	2005	2006	2007	2008
General Fund Departments							
Commissioners	9	9	10	9	11	8	9
Solicitor	2	2	2	2	2	3	3
Maintenance	43	41	41	41	54	44	42
Voter Registration	9	9	8	10	10	10	9
Assessment	34	34	36	37	37	37	33
Weights & Measures	2	2	2	2	2	2	2
Treasurer	8	8	9	10	8	10	10
Payroll	4	3	3	3	3	3	3
Controller	13	15	14	14	14	15	15
Training	-	-	-	-	2	2	-
Recorder of Deeds	14	16	16	15	15	14	15
Telephone & Mail Room	2	3	3	3	3	3	3
Information Services	21	20	20	19	20	21	20
Print Shop	1	1	1	1	1	-	-
Purchasing	2	2	2	3	3	3	3
Risk Management	2	3	3	3	3	2	2
Archives	5	5	6	6	7	7	7
Conservation District	14	14	14	14	15	16	16
Human Resources	9	9	8	7	8	9	10
Center for Highway Safety	3	4	4	4	4	4	4
Ag Land Preservation	2	2	2	2	3	4	4
Juvenile Probation	134	59	60	66	64	64	63
Adult Probation	-	78	81	90	83	93	92
Youth Development Center	46	52	51	51	44	54	64
Facilities Management	-	-	-	4	4	4	3
Prison	390	386	391	390	394	411	439
Register of Wills	10	9	10	10	10	9	10
Sheriff	78	83	91	95	106	104	106
Coroner	5	5	5	5	5	5	5
Prothonotary	23	25	23	24	26	26	28
Clerk of Courts	27	25	30	35	42	44	43
Public Defender	22	22	25	27	32	31	31
District Attorney	66	67	70	73	79	79	76
Criminal Response Unit	-	-	-	-	-	-	6
Court Administration	85	90	100	105	114	115	115
District Magistrates	83	82	85	88	89	89	88
Emergency Services	1	1	1	1	1	1	1
Divorce Masters	5	5	5	5	4	4	4
Emergency Management	4	6	7	7	7	7	7
Veterans	4	4	4	5	5	5	6
Parks	59	42	35	46	54	51	48
Fleet Management	-	-	-	-	4	4	4
Penn State Cooperative	9	11	11	10	11	12	12
Total General Fund Departments	1,250	1,254	1,289	1,342	1,403	1,429	1,461
Non General Fund Departments							
Human Services	7	7	7	6	10	11	11
Drug & Alcohol	13	12	11	12	13	12	12
MH/MR	106	115	118	116	123	130	134
Community Service	5	3	4	3	-	-	-
HealthChoices	4	4	5	5	4	6	7
Children & Youth	134	139	142	135	137	138	132
Nursing Home	505	525	502	515	506	516	530
911	75	77	81	104	94	103	115
Domestic Relations	82	79	78	77	75	79	74
Aging	58	62	63	60	60	60	63
Total Non General Fund Departments	989	1,023	1,011	1,033	1,022	1,055	1,078
Total	2,239	2,277	2,300	2,375	2,425	2,484	2,539

Source: York County Payroll System

NOTE: The County implemented GASB Statement 34 beginning in 2002; and, therefore, prior years are not reported.

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function

Last Ten Years

Function	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General Government										
Fiscal Affairs										
Deeds recorded	11,577	14,182	16,018	17,021	16,577	15,976	14,777	13,290	12,750	13,479
Mortgages recorded	24,657	32,217	38,079	39,064	39,140	48,187	37,314	30,890	23,838	28,908
Land Development Plans	380	453	559	567	536	563	545	591	585	665
Dwelling Units Planned	852	1,788	3,273	4,898	3,948	5,112	2,940	2,168	3,132	2,941
New Construction Permits	1,250	1,899	2,679	3,064	2,688	2,931	2,761	2,232	2,107	2,356
Administration										
General election information										
Registered voters	299,412	278,994	275,251	266,880	264,134	240,218	231,954	231,954	225,555	216,707
Votes cast	197,132	58,910	128,119	56,042	181,678	59,976	101,349	58,056	145,024	54,136
Percent of votes cast	65.8%	21.1%	46.5%	21.0%	68.8%	25.0%	43.7%	25.0%	64.3%	25.0%
Coroner										
Cases	449	443	437	432	490	447	484	466	481	444
Autopsies	81	90	76	74	66	63	64	78	88	68
Court System and Corrections										
Court Administration										
Estates & wills probated	1,892	1,773	1,403	1,383	1,418	1,292	1,413	1,384	1,359	1,391
Petition for Adoption	165	145	140	172	165	156	183	173	167	179
Petition for termination or relinquishment	213	203	206	200	172	186	237	200	274	214
Marriage applications	2,352	2,240	2,406	2,371	2,350	2,189	2,352	2,408	2,366	2,379
Civil cases filed	6,373	4,776	4,419	2,890	3,894	5,790	6,246	6,418	6,319	6,029
Family cases filed	2,283	2,526	2,333	2,385	3,306	386	n/a	n/a	n/a	n/a
Municipal tax cases filed	1,300	1,039	1,118	1,240	1,024	1,048	1,193	769	n/a	n/a
Judgments filed	7,039	4,810	5,203	4,394	4,075	3,754	3,911	3,605	n/a	n/a
Administrative cases	28	23	35	40	2	n/a	n/a	n/a	n/a	n/a
Criminal cases	8,153	8,058	7,874	6,997	5,709	5,614	5,887	5,552	5,227	2,501
Juvenile cases	1,241	1,169	1,138	1,207	1,123	1,006	1,045	1,023	1,186	67
Miscellaneous cases	2,624	2,605	2,319	1,909	1,586	1,578	1,799	1,653	1,918	2,777
Summary appeals	550	548	473	472	428	411	464	492	507	147
Domestic relations active cases	15,363	16,077	16,699	17,084	17,035	17,125	17,015	16,867	n/a	n/a
Firearm permits issued	5,605	7,908	3,879	3,556	3,743	4,350	8,338	3,851	n/a	n/a
Probation										
Adult caseload	9,104	8,805	7,401	7,235	6,616	6,264	5,732	5,328	4,163	n/a
Juvenile referrals	2,264	2,389	2,148	2,198	2,378	2,426	2,287	2,342	2,796	2,616
Corrections										
Average daily population	2,253	2,134	2,036	1,833	1,831	1,778	1,916	1,902	1,682	1,428
Annual admissions	24,831	19,129	13,535	11,777	11,802	12,078	11,834	10,531	9,757	8,443
Pleasant Acres										
Nursing home beds	375	375	375	375	375	375	375	435	436	437
Independent living beds	32	32	32	32	32	32	32	n/a	n/a	n/a
Available bed days	137,250	136,875	136,875	136,875	137,250	136,875	136,875	142,275	159,210	158,775
Actual resident days	130,203	130,782	136,875	132,825	132,393	130,752	123,788	116,571	110,369	118,201
Percent occupancy	94.9%	95.5%	100.0%	97.0%	96.5%	95.5%	90.4%	81.9%	69.3%	74.4%

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function (Continued)

Last Ten Years

Function	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Human Services										
Adult Services										
Housing	529	542	617	900	413	533	175	438	606	n/a
Emergency shelter	610	801	420	511	250	865	696	645	10	n/a
Information/referral	40,199	38,194	35,945	35,018	31,936	32,191	27,291	27,382	29,266	n/a
Adult/Children Services										
Bridge housing	135	137	150	158	129	115	111	81	76	n/a
Rental assistance	4,050	5,098	5,875	4,863	4,107	3,277	3,150	1,274	1,398	n/a
Emergency shelter	576	696	617	480	521	777	726	338	170	n/a
Individual shelter nights	10,754	10,630	10,706	10,223	8,606	2,462	11,650	10,618	11,172	n/a
Medical transportation	1,940	1,482	1,141	805	517	596	477	385	393	n/a
Area Agency on Aging										
Home delivered meals										
Meals served	145,811	136,420	143,568	136,980	134,407	129,154	125,168	132,145	174,124	167,960
Persons served	1,052	991	1,011	1,113	1,029	1,033	1,008	1,067	1,387	1,429
Congregate meals										
Meals served	78,565	83,966	89,479	84,543	78,968	79,166	88,440	87,549	92,538	95,796
Persons served	1,751	1,846	1,846	1,667	1,757	1,712	1,744	1,792	1,845	1,991
Transportation										
Trips	110,764	104,884	108,600	104,718	101,136	105,867	117,152	120,351	118,410	117,616
Persons served	n/a	n/a	4,310	4,498	3,645	3,235	3,007	2,981	2,691	2,734
Children & Youth Services										
Children served	8,483	8,622	8,619	8,277	8,219	8,605	9,798	8,969	10,021	9,962
Placement days	272,312	282,924	249,118	249,736	253,595	239,379	235,628	249,989	266,366	251,670
Child abuse reports	1,000	996	982	904	775	808	858	831	841	856
Mental Health										
Emergency/Crisis										
intervention hours	24,710	20,754	20,210	19,223	19,252	22,364	21,793	21,337	20,881	20,923
Community treatment team hrs	4,393	n/a								
Community residential days	27,364	27,859	19,824	20,432	19,073	17,720	20,796	20,320	19,844	22,208
Community employment hours	9,152	10,575	8,165	6,119	6,327	6,229	8,812	9,306	9,800	15,780
Community vocational rehab hours	56,100	56,804	54,938	58,077	59,025	60,665	57,897	57,479	57,060	62,800
Service case management hours	54,696	51,406	51,959	47,494	47,056	43,511	35,679	34,070	32,460	29,705
Day treatment hours	4,906	4,559	2,289	4,450	4,981	2,800	5,684	5,212	4,740	5,350
Psychiatric outpatient hours	37,322	36,041	34,733	29,483	23,494	30,969	33,013	32,676	32,338	36,190
Social rehab hours	58,861	54,830	55,991	52,902	46,144	35,772	40,510	35,558	30,605	40,321
Family based support hours	9,744	7,480	5,525	4,977	5,575	5,306	5,483	3,918	2,352	8,247
Housing support days	18,135	21,047	17,145	14,168	16,878	11,921	10,860	10,318	9,775	12,336
Psychiatric inpatient days	109	234	293	98	363	65	200	255	311	448
Mental Retardation										
Community hab (ADT) hours	87,742	76,749	113,169	83,871	142,957	140,154	134,292	127,545	120,799	110,786
Vocational rehabilitation hours	197,655	195,359	294,772	213,771	202,109	190,446	198,746	234,422	270,100	264,811
Supported employment hours	7,957	7,923	14,774	14,514	17,528	20,541	19,862	19,225	18,588	16,856
Home & community hab hours	278,730	252,436	184,155	178,064	n/a	n/a	n/a	n/a	n/a	n/a
Respite service hours	52,201	61,187	n/a							
Specialized treatment hours	23,602	18,919	n/a							
Transportation	7,437	7,414	7,198	6,999	6,952	6,829	6,504	6,411	6,315	5,546
Early intervention clients	1,322	1,324	1,360	1,246	1,135	1,044	951	993	916	827
Family support clients	238	292	611	582	571	543	542	561	578	560
Residential clients	618	627	609	591	579	569	553	549	546	520
Drug & Alcohol										
Intake evaluations	2,258	1,507	1,494	1,297	1,459	806	779	686	671	822
Inpatient treatment clients	535	902	393	459	328	1,537	406	249	203	318
Detoxification days	1,864	1,904	835	1,343	515	1,537	1,207	1,056	922	1,076
Methadone visits	553	651	574	512	837	737	605	319	478	n/a
Outpatient hours	21,908	19,689	3,723	9,862	16,224	7,005	7,534	7,005	7,497	42,082

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function (Continued)

Last Ten Years

Function	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Human Services (continued)										
York HealthChoices										
Ancillary										
Members	68	88	83	72	1,530	53	18	n/a	n/a	n/a
Units	386	477	512	586	3,282	274	206	n/a	n/a	n/a
BHRS										
Members	1,401	1,320	1,223	1,088	948	851	795	n/a	n/a	n/a
Units	1,112,149	1,083,439	990,092	1,029,126	913,124	591,111	500,838	n/a	n/a	n/a
Community supports										
Members	1,465	1,440	1,577	1,340	1,040	883	646	n/a	n/a	n/a
Units	247,277	263,603	245,345	227,703	198,918	132,422	50,632	n/a	n/a	n/a
Inpatient drug & alcohol										
Members	14	18	17	14	12	13	23	n/a	n/a	n/a
Units	166	213	143	122	77	56	159	n/a	n/a	n/a
Inpatient mental health										
Members	699	717	724	565	531	526	392	n/a	n/a	n/a
Units	9,778	10,070	10,321	8,294	7,792	6,353	4,475	n/a	n/a	n/a
Non-hospital drug & alcohol										
Members	460	385	343	274	213	199	130	n/a	n/a	n/a
Units	17,066	15,056	10,740	7,721	6,129	5,901	2,946	n/a	n/a	n/a
Other services										
Members	329	194	227	106	164	20	15	n/a	n/a	n/a
Units	90,553	56,322	44,401	6,446	4,723	1,198	1,408	n/a	n/a	n/a
Outpatient drug & alcohol										
Members	1,093	711	732	593	522	401	246	n/a	n/a	n/a
Units	17,427	11,110	16,996	11,708	7,497	5,197	3,192	n/a	n/a	n/a
Outpatient mental health										
Members	7,997	7,000	6,415	5,536	4,540	4,391	3,406	n/a	n/a	n/a
Units	212,434	202,660	169,647	148,066	128,667	152,028	96,771	n/a	n/a	n/a
RTF accredited										
Members	180	215	188	169	122	86	83	n/a	n/a	n/a
Units	33,036	38,418	169,647	148,066	128,667	152,028	96,771	n/a	n/a	n/a
RTF non-accredited										
Members	20	18	19	23	27	9	8	n/a	n/a	n/a
Units	3,734	2,726	2,191	2,535	3,433	1,358	805	n/a	n/a	n/a

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function (Continued)

Last Ten Years

Function	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Human Services (continued)										
Adams HealthChoices										
Ancillary										
Members	5	8	7	1	220	4	n/a	n/a	n/a	n/a
Units	28	50	34	4	475	20	n/a	n/a	n/a	n/a
BHRS										
Members	311	270	250	223	204	208	173	n/a	n/a	n/a
Units	278,591	243,382	211,977	221,953	264,246	164,081	133,406	n/a	n/a	n/a
Community supports										
Members	238	249	248	208	146	175	95	n/a	n/a	n/a
Units	45,500	53,551	51,063	32,626	19,863	15,230	8,881	n/a	n/a	n/a
Inpatient drug & alcohol										
Members	1	4	1	2	1	1	3	n/a	n/a	n/a
Units	8	80	13	12	7	3	37	n/a	n/a	n/a
Inpatient mental health										
Members	89	77	90	80	91	85	50	n/a	n/a	n/a
Units	1,872	1,197	1,654	1,310	1,366	1,197	636	n/a	n/a	n/a
Non-hospital drug & alcohol										
Members	61	57	56	29	30	22	16	n/a	n/a	n/a
Units	2,541	2,217	1,505	882	796	558	277	n/a	n/a	n/a
Other services										
Members	46	50	54	44	44	5	5	n/a	n/a	n/a
Units	3,384	3,633	4,420	2,572	3,084	606	395	n/a	n/a	n/a
Outpatient drug & alcohol										
Members	162	160	167	104	95	91	55	n/a	n/a	n/a
Units	2,111	2,527	3,884	2,497	1,665	1,495	1,112	n/a	n/a	n/a
Outpatient mental health										
Members	1,141	993	937	896	756	717	539	n/a	n/a	n/a
Units	26,645	16,998	22,200	20,933	16,517	19,548	11,815	n/a	n/a	n/a
RTF accredited										
Members	46	49	50	38	31	31	22	n/a	n/a	n/a
Units	8,917	7,968	8,826	5,643	4,829	4,790	2,352	n/a	n/a	n/a
RTF non-accredited										
Members	5	5	1	0	4	2	2	n/a	n/a	n/a
Units	683	772	52	0	381	62	148	n/a	n/a	n/a

Source: By reporting department.
n/a: Information not available.

COUNTY OF YORK, PENNSYLVANIA
 Capital Asset Statistics by Function
 Last Seven Fiscal Years

Function	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
Governmental Fund							
<u>Corrections</u>							
Motor Vehicles							
Juvenile Probation	6	6	6	6	6	6	6
Adult Probation	4	4	4	4	5	5	5
Youth Development Center	1	1	1	1	1	1	1
Prison	12	13	13	13	13	13	13
Buildings	2	2	2	2	2	2	2
<u>Cultural and Recreation</u>							
Motor Vehicles							
Parks	20	21	19	20	20	21	24
Number of Parks	8	8	9	9	9	10	10
Parks Acreage	3,991	3,991	4,070	4,070	4,070	4,261	4,261
Buildings	6	6	6	6	6	6	6
<u>General Government</u>							
Motor Vehicles							
Conservation District	8	8	9	9	9	9	9
Coroner	1	1	2	2	2	2	2
Fleet Management	0	0	0	5	6	5	6
Highway Safety	1	1	1	1	1	1	1
Human Resources	1	1	1	1	1	0	0
Maintenance	3	3	3	4	4	5	5
Penn State Coop Extension	1	1	1	2	2	4	5
Weights and Measures	0	0	0	1	1	1	1
Buildings	4	4	5	5	4	4	4
<u>Health Education and Welfare</u>							
Motor Vehicles							
Aging	1	1	2	2	2	5	4
Children & Youth	8	11	13	15	13	13	13
MH/MR	2	2	2	2	2	2	2
Veterans Affairs	1	1	1	1	1	1	1
Buildings	2	2	2	2	2	2	2
<u>Judicial</u>							
Motor Vehicles							
District Attorney	7	8	8	9	10	12	12
Sheriff	11	18	22	25	28	29	32
Buildings	1	1	1	1	2	4	7
<u>Public Safety</u>							
Motor Vehicles							
Emergency Management	3	3	4	4	6	5	4
Emergency Services	0	0	1	1	1	1	1
<u>Road and Bridges</u>							
Motor Vehicles							
Liquid Fuels	4	5	5	5	5	4	5
Business Funds							
<u>County Nursing Home</u>							
Motor Vehicles	8	10	10	10	11	10	9
Buildings	1	1	1	1	1	1	1
<u>911 Fund</u>							
Motor Vehicles	3	3	3	3	4	7	7
Buildings	2	2	2	2	2	2	2

Source: York County Fixed Asset System

NOTE: The County implemented GASB Statement 34 beginning in 2002; and, therefore, prior years are not reported.