

COUNTY OF YORK YORK, PENNSYLVANIA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2010

**PREPARED BY THE OFFICE OF THE CONTROLLER
ROBERT P. GREEN, CONTROLLER**

TABLE OF CONTENTS

COUNTY OF YORK, PENNSYLVANIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2010

TABLE OF CONTENTS

	<u>Page No.</u>
INTRODUCTORY SECTION	
Letter of Transmittal	1
County of York Organizational Chart	7
County of York Officials	8
Map of York County	9
Certificate of Achievement for Excellence in Financial Reporting.....	10
 FINANCIAL SECTION	
Independent Auditors' Report	11
Management's Discussion and Analysis	15
Basic Financial Statements	29
Statement of Net Assets	30
Statement of Activities.....	31
Balance Sheet – Governmental Funds	32
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	33
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	34
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	35
Statement of Fund Net Assets (Deficit) – Enterprise Funds	36
Statement of Revenues, Expenses, and Changes in Fund Net Assets (Deficit) – Enterprise Funds	37
Statement of Cash Flows – Enterprise Funds	38
Statement of Fiduciary Net Assets – Fiduciary Funds.....	39
Statement of Changes in Fiduciary Net Assets – Pension Trust Fund.....	40
Combining Statement of Net Assets – Discretely Presented Component Units.....	41
Combining Statement of Activities – Discretely Presented Component Units.....	42
Notes to Financial Statements.....	43
Required Supplementary Information	119
Schedule of Employer Contributions and Funding Progress.....	120
Schedule of Funding Progress for Postemployment Benefits Other than Pensions	121
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	122
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – York HealthChoices Management Fund	123
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Mental Health/Mental Retardation Fund	124
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Children and Youth Fund.....	125

COUNTY OF YORK, PENNSYLVANIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2010

TABLE OF CONTENTS (CONTINUED)

	<u>Page No.</u>
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Community Development Block Grant Fund	126
Notes to Required Supplementary Information	127
Other Supplementary Information.....	129
Combining and Individual Fund Financial Statements and Schedules.....	130
Combining Balance Sheet – Nonmajor Governmental Funds.....	132
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	134
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Liquid Fuels Fund	136
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Domestic Relations Fund	137
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Comprehensive Services to the Aged Fund	138
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Human Services Fund	139
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Drug and Alcohol Fund.....	140
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Adams HealthChoices Management Fund.....	141
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Earn It Fund.....	142
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Affordable Housing Fund	143
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Weatherization Fund	144
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Downtown Hanover Improvement Fund	145
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Core Communities Fund	146
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Justice Assistance Grant Fund	147
Combining Statement of Changes in Assets and Liabilities – Agency Funds.....	148
Combining Statement of Changes in Assets and Liabilities – Row Offices.....	150
Combining Balance Sheet – Agency Funds.....	151

COUNTY OF YORK, PENNSYLVANIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2010

TABLE OF CONTENTS (CONTINUED)

Page No.

STATISTICAL SECTION

Net Assets by Component - Last Nine Years	154
Changes in Net Assets - Last Nine Years	155
Governmental Activities Tax Revenues by Source - Last Nine Years (accrual).....	157
Fund Balances of Governmental Funds - Last Ten Years	158
Changes in Fund Balances of Governmental Funds - Last Nine Years.....	159
General Governmental Expenditures by Function – Last Ten Years	160
General Governmental Revenues by Source – Last Ten Years.....	161
Governmental Funds Tax Revenues by Source - Last Ten Years (modified accrual)	162
Property Values - Last Ten Years.....	163
Assessed and Estimated Actual Value of Taxable Property - Last Ten Years.....	164
Real Estate Millage Rates – Direct and Overlapping Governments - Last Ten Years.....	165
Property Tax Rates – Direct and Overlapping Governments - Last Ten Years	166
Principal Property Taxpayers	168
Real Estate Taxes Levied and Collected - Last Ten Years.....	169
Ratio of Outstanding Debt by Type - Last Ten Years	170
Ratio of General Obligation Debt to Assessed Value of Real Estate and General Obligation Debt Per Capita - Last Ten Years.....	171
Direct and Overlapping Governmental Activities Debt	172
Computation of Legal Debt Margin - Last Ten Years.....	175
Demographic and Economic Statistics - Last Ten Years	177
Principal Employers.....	178
Employees by Function/Program - Last Nine Years	179
Operating Indicators by Function - Last Ten Years	180
Capital Asset Statistics by Function - Last Nine Years.....	184

(This page intentionally left blank)

Office of County Controller

Robert P. Green
Controller

Deborah K. Myers
Deputy Controller



28 East Market Street
Room 232
York, Pennsylvania 17401-1596
Voice 717-771-9616
Fax 717-771-4330

County of York, Pennsylvania

June 23, 2011

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, 2010, 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. The MD&A is a complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

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.

Local Economy

Major industries located within the government’s boundaries include information and professional services, wholesale and retail trade, manufacturing firms, education services, and health care. A diversity of industry and the proximity to Harrisburg, Baltimore, Washington, and Philadelphia in the northeastern corridor has helped in a dynamic economic growth.

The location of York County provides two bedroom communities. One community falls in the northern region and travels to Harrisburg for work and the southern region community travels to Baltimore. The County also leads the Commonwealth of Pennsylvania in the new home construction. These factors have provided the York/Hanover region to be the fastest growing in the Northeast.

As the National economy has fallen into decline, jobs have become scarce and company layoffs have increased. As a result to the negative economy, York County's unemployment rate has increased. Although in the last year, York County has done better than most economies. The County's unemployment rate as of December 2010 was 7.9%, a decrease of 1.3% from December 2009's unemployment rate of 9.2%. The Commonwealth of Pennsylvania and National unemployment rates for December 2010 were 8.5% and 9.4%, respectively, which both increased from 2009. York County was 0.6% lower than the State, and 1.5% lower than the National rate.

Jobs are important, but salary is also a large factor in where families will live. A large part of York County's growth is from the Baltimore area bringing with it higher housing and service costs. York County salaries are lower than the state average and the difference in the population growth rate between the county and the state has caused an even larger gap in salaries over the past decade. The County in the past has added jobs to adjust to the increase in population, but factors such as rising costs and the lack of increase in salaries determines what families can afford, where they will live, and work.

Long-term Financial Planning

Unreserved, undesignated fund balance in the general fund was 9.2% of total general fund revenues at December 31, 2010. 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.

Relevant Financial Policies

For two consecutive years in a row, 2009 and 2010, budgetary guidelines were issued for all departments so that the County could keep the same level of service without increases taxes. With the decline of the economy, the County of York did not want to place additional burden on the taxpayers. With the exclusion of salary increases, all departments were tasked with no increase in departmental expenditures.

Major Initiatives

County Human Service Center

The original estimated cost of the renovation to the Government Center was \$20 million. Subsequently, the project was pared back to \$9.9 million with cost cutting in the construction, furniture, and fixtures budgets. The finalized project cost of \$7.1 million was awarded through the bidding process. The final reduction of \$2.8 million is a reflection of the national economic decline, which provides a favorable bidding environment for construction projects.

\$1.2 million of the \$7.1 million project cost is being funded from the Department of Energy Efficiency Grant to cover the cost of the HVAC system improvements and \$180,000 is from an ADA Grant for the automated lifts and door openers. The County has secured the financing for the remaining \$5.7 million to complete the project through a bond issue, but continues to search for grant funding to further reduce amount secured through the bond proceeds.

The renovations will create a safer environment for employees of the Human Services Division and consumers who utilize these services. Currently, many areas have unusable space and departments are divided into different floors within the building. Improvements to the floor structure will create increased efficiency within the Human Service Division, better communications between departments and consumers, and provide proficient consumer services. The project has an estimated completion date of August 2011.

York County Courts

The Court of Common Pleas of the 19th Judicial District is and has been an innovative and progressive court. Recognizing years ago that the usual criminal process was not adequate to deal with addiction problems that are rampant in the criminal population, York County was one of the first courts to implement a Drug Court in Pennsylvania back in the mid nineties. The traditional way of dealing with folks with addictions who continue to commit crimes to “feed their habits,” was to continue to incarcerate them time and again only to have them reoffend over and over. The Drug Court model is to put these people through a program where they get treatment to help overcome their addiction.

The court has expanded to what we now call Treatment Court, which now includes Mental Health Court, DUI Court and current discussions to begin a Veterans Court. All of these innovative programs use the same treatment model that was used in the original Drug Court.

Having the good fortune of occupying a Judicial Center which is only seven years old, we have at our disposal a state of the art facility which allows us to make use of electronic sound systems, video display systems and video conferencing capabilities. The ability to display items of evidence onto a screen eliminates the need to “pass” evidence between attorneys and jurors, which reduces trial time tremendously. We are also fortunate to have a first class security system and internal prison transfer system, which creates a safe environment for the public and court employees.

Our most recent initiative is to allow all of our criminal cases to be both vertically assigned and block scheduled. Vertical assignment is the practice of pairing initiating MDJ’s with Court of Common Pleas Judges for determination of who gets what case. Block scheduling is the simple process of scheduling all criminal cases for each District Court on individual pre-determined days. The practice allows for ease of scheduling for MDJ’s, police departments, the public and attorneys, thus allowing people to be present to possibly work out appropriate plea agreements

thereby moving the process forward saving manpower and money on the backend at the trial stage.

The court is in the process of implementing an electronic jury system. Jurors will now, with the new system, be able to do all the necessary processing online, saving money for paper and postage. It should also allow for a speedier, more efficient check in process for use by court personnel and provide statistics required by the National Center for State Courts and the Administrative Office of Pennsylvania Courts. The new system should be operational within the next couple of months.

Energy Efficiency

The County of York was awarded a \$3.5 million ARRA grant from the Department of Energy to acquire the services of a qualified consultant to assist in the development of an energy efficiency and conservation strategy to reduce fossil fuel emissions, decrease energy consumption, and promote energy efficiency. An energy audit of five county owned facilities will be completed to aid in the development of the strategy, along with an assessment of the vehicle fleet.

The County's 2010 budget projects the maintenance cost of all facilities to be just under \$8.8 million with some buildings dating back to the 1940's and currently utilizing natural gas and electric. There are 209 county owned vehicles, with an average of 16 mpg per vehicle. The cost associated to maintain continuity of service continues to escalate, putting an increased burden on the taxpayers.

Recent renovations and/or upgrades have followed standards for "green" facilities, however, this has been done on a case-by-case basis versus an assessment of all facilities. The proposed energy efficiency and conservation strategy will be completed within 120 days of the grant award with the allocation of block grant funding being utilized to aid in the implementation of the recommendations of the study.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of York for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2009. This is the nineteenth consecutive year that York County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized comprehensive annual financial report that satisfied 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 CAFR 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.

The completion of this CAFR represents the twentieth time York County has prepared such a report and demonstrates a commitment to continue the excellence in financial reporting previously recognized. It could not be 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.

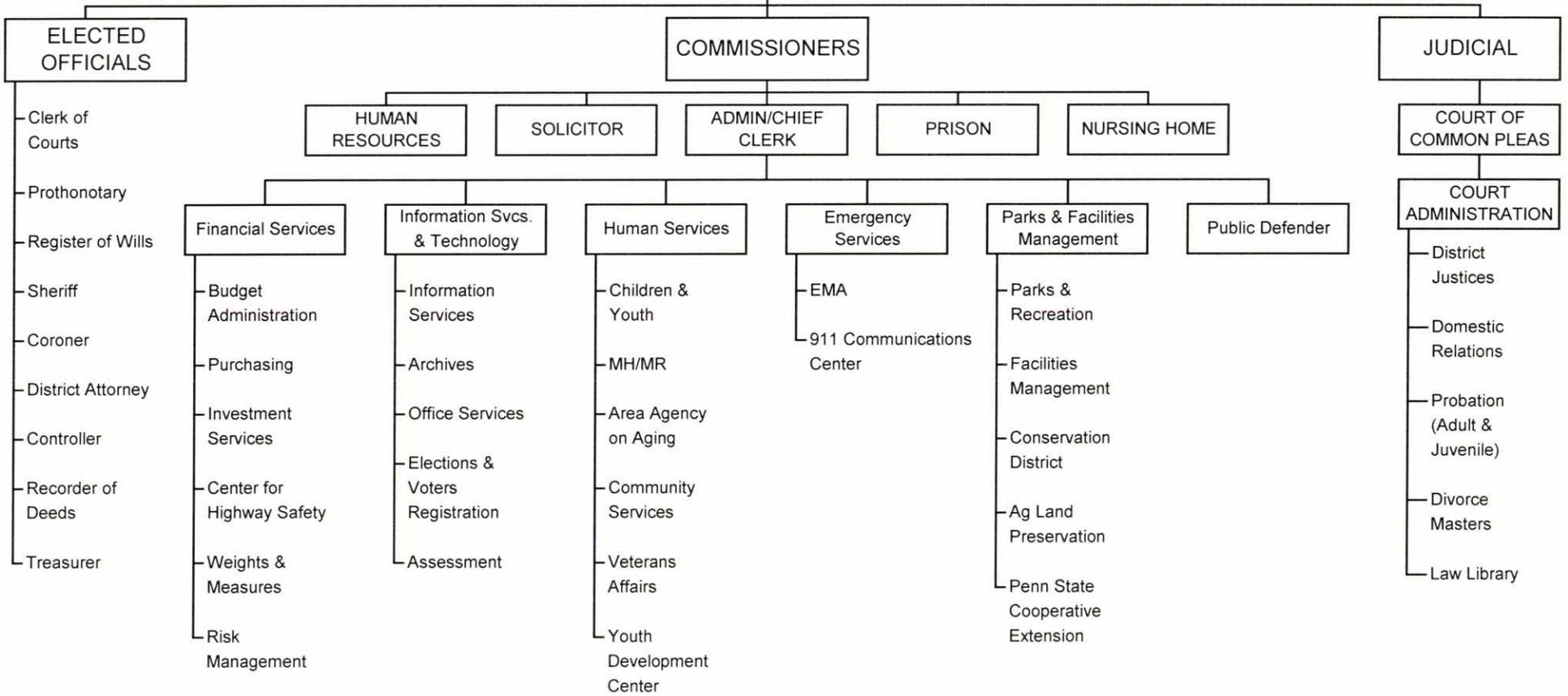
Sincerely,

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

Robert P. Green
Controller

YORK COUNTY GOVERNMENT

VOTERS



YORK COUNTY OFFICIALS

December 31, 2010

JUDICIARY COURT OF COMMON PLEAS

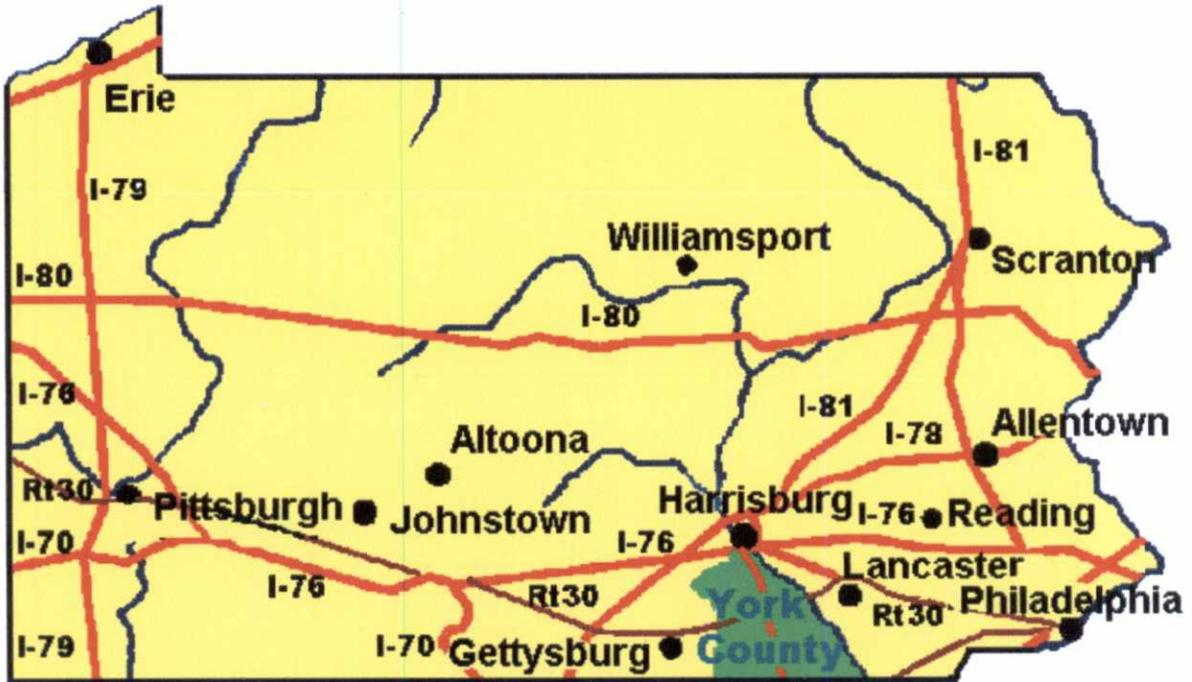
PRESIDENT JUDGE
JUDGE
JUDGE
JUDGE
JUDEG
JUDGE
JUDGE

HONORABLE RICHARD K. RENN
HONORABLE JOSEPH C. ADAMS
HONORABLE PENNY L. BLACKWELL
HONORABLE MICHAEL E. BORTNER
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 HARRY M. NESS
HONORABLE CLARENCE N. PATTERSON, JR.
HONORABLE GREGORY M. SNYDER
HONORABLE JOHN W. THOMPSON, JR.

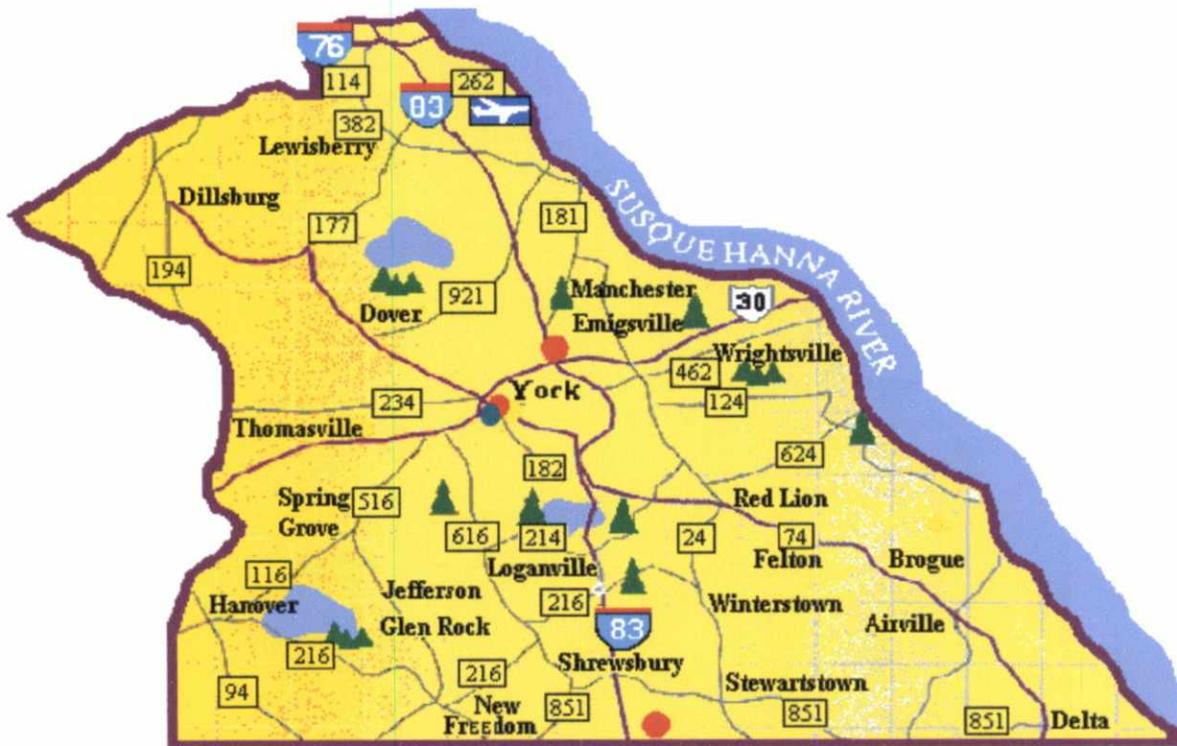
ELECTED COUNTY OFFICIALS

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
THOMAS L. KEARNEY



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, 2009

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.



President

Executive Director

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, 2010, 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 98.6%, 98.7%, and 87.5% 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, the York County Planning Commission, 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, 2010, 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 2010 the COUNTY OF YORK adopted the provisions of Governmental Accounting Standards Board's Statement No. 51, "*Accounting and Financial Reporting for Intangible Assets*", Statement No. 53, "*Accounting and Financial Reporting for Derivative Instruments*", and Statement No. 58, "*Accounting and Financial Reporting for Chapter 9 Bankruptcies*".

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2011 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.

Accounting principles generally accepted in the United States of America require that 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 schedules on pages 15 through 27, page 120, page 121, and pages 122 through 126 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the COUNTY OF YORK's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for the purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling

Zelenkofske Axelrod LLC

County Commissioners
County of York
York, Pennsylvania

such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. 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 do not express an opinion or provide any assurance on them.

Zelenkofske Axelrod LLC

ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania
June 23, 2011

(This page intentionally left blank)

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, 2010. 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, 2010. Certain reclassifications were made to prior year amounts to conform to the current year presentation.

Financial Highlights

- The County had \$188,066,334 of governmental activities general obligation debt outstanding as of December 31, 2010. This represents a decrease of \$1,762,885 or 0.9% from the previous year. The decrease pertains to principal payments of \$3.7 million that were offset by a net increase of bond issuances/refunding of \$1.9 million. Business-type activities general obligation debt decreased as a result of principal payments in the amount of \$1.5 million. As of December 31, 2010, the business-type activities general obligation debt outstanding was \$50,258,666.
- The assets of the County's governmental activities exceeded its liabilities as of December 31, 2010 by \$60,700,258 (net assets). Of this amount, there was a deficit of unrestricted net assets of \$19,233,413.
- York County's total primary government net assets decreased by \$6.6 million. Net assets of the governmental activities decreased by \$5.9 million or 8.9%. The largest governmental activities decrease (\$3.3 million) related to the amount of the annual required contribution that was not funded for OPEB benefits in the current year. The second largest governmental activities decrease (\$1.5 million) was a result of unfunded annual required contribution (ARC) to the pension plan. The remaining decrease is further detailed on page 19 of this MD&A. The net assets of the business-type activities decreased by \$0.7 million or 6.4%. The decrease was due primarily to \$1.6 million annual required contribution that was not funded for OPEB benefits in the current year.
- At the end of the fiscal year, York County's governmental funds reported combined ending fund balances of \$46,215,130 an increase of \$3,732,668 in comparison with the prior year. Approximately 32.8% of this total amount, \$15,151,606 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 increase is reflected in the General Fund (\$4,379,769 or 13.4% increase from the prior year) resulting from lower expenditures. The Capital Projects Bond Account Fund had a \$0.6 million decrease due to spending related to capital projects.

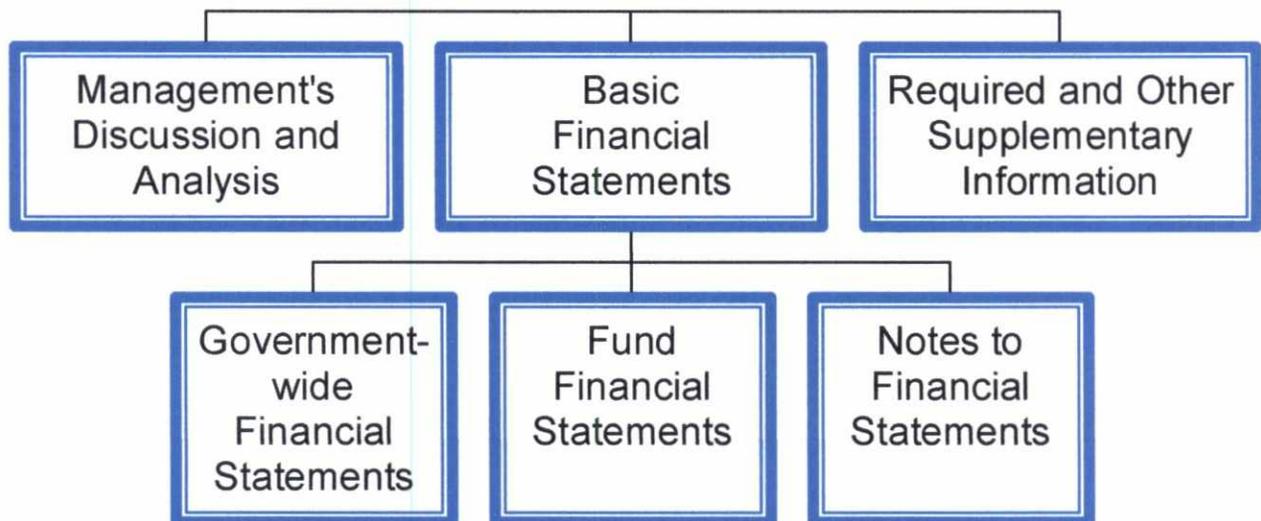
Financial Highlights (Continued)

- At the end of the fiscal year, unreserved fund balances for the General Fund was \$15,151,606 or 9.4% 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, capital 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 ninth year that the County has presented its financial statements using the 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 eighth 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	
	2010	2009	2010	2009
	(\$ in millions)			
Assets				
Capital assets, net	\$ 233.9	\$ 231.5	\$ 68.4	\$ 68.1
Other assets	94.2	106.8	5.5	6.1
Total assets	328.1	338.3	73.9	74.2
Liabilities				
Current liabilities	54.6	59.2	3.3	3.9
Long-term liabilities	212.8	212.5	60.9	59.9
Total liabilities	267.4	271.7	64.2	63.8
Net assets				
Invested in capital assets, net of related debt	72.0	66.8	16.6	16.4
Restricted	7.9	9.4	1.7	1.9
Unrestricted	(19.2)	(9.6)	(8.6)	(7.9)
Total net assets	\$ 60.7	\$ 66.6	\$ 9.7	\$ 10.4

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 that remained constant at 4.15 mills. Total real estate assessed values increased by 1.4% for 2010. In 2010, property tax revenue increased by \$871,390 or 0.8%.

Net assets of the County of York's governmental activities decreased by \$5.9 million or 8.9% (\$60.7 million compared to \$66.6 million). \$1.5 million of the decrease was due to unfunded annual required contribution (ARC) to the pension plan. \$3.3 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 \$1.1 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 \$(9.6) million at December 31, 2009 to \$(19.2) million at the end of this year.

The net assets of our business-type activities decreased by \$0.7 million or 6.7% (\$9.7 million compared to \$10.4 million). The majority of the decrease was related to increased operating expenses over program services provided at the Nursing Home in the amount of \$0.9 million. The 911 operations had an increase of \$0.2 million. Unrestricted net assets of business-type activities further deteriorated from a negative \$7.9 million in 2009 to a negative \$8.6 million in 2010.

York County's total assets as of December 31, 2010 are \$402.0 million, a decrease of \$10.5 million. Capital assets increased \$2.7 million totaling \$302.3 million, which includes infrastructure. The increase is primarily due to purchases and reconstruction of Magisterial District Justice offices of \$2.4 million. The remaining \$0.3 million of the increase was related to various other capital asset additions. Long-term liabilities increased \$1.3 million totaling \$273.7 million. \$5.0 million was due to current year OPEB cost in excess of payments made and unfunded (ARC) pension liability of \$2.5 million reduced by general obligation debt of \$3.3 million and \$2.9 million for payments made against the litigation liability.

Changes in Net Assets

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

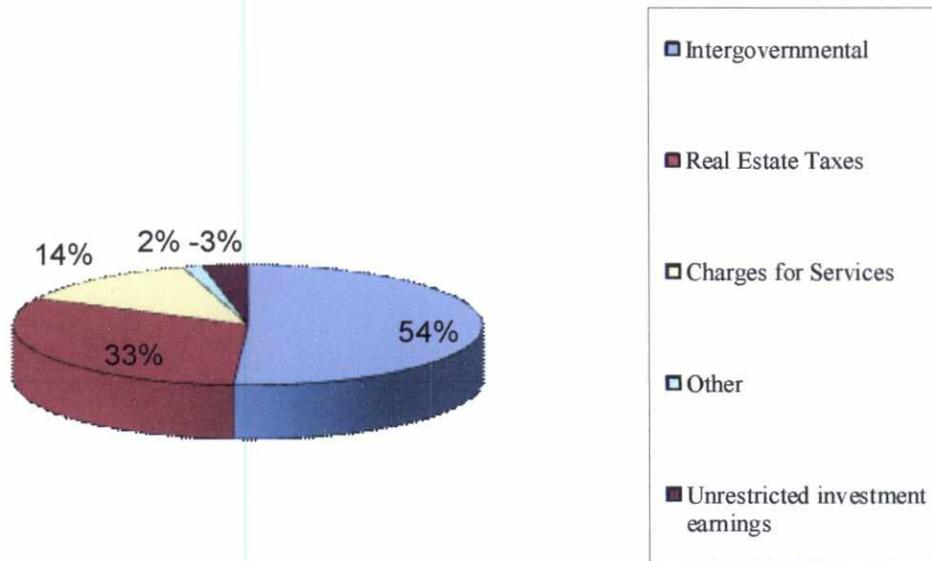
	Governmental Activities		Business-Type Activities	
	2010	2009	2010	2009
	<i>(\$ in millions)</i>			
Revenue				
Program revenues:				
Charges for services	\$ 46.3	\$ 41.5	\$ 40.4	\$ 36.2
Operating grants and contributions	173.8	192.8	-	-
Capital grants and contributions	4.6			
General revenues:				
Real estate taxes	109.2	108.4	-	-
Other	3.6	8.9	-	-
Unrestricted investment earnings	(10.8)	3.2	-	-
Hotel taxes	1.3	1.3	-	-
Total revenues	<u>328.0</u>	<u>356.1</u>	<u>40.4</u>	<u>36.2</u>
Expenses				
General government	14.6	14.2	-	-
Public safety	60.7	79.2	-	-
Roads and bridges	1.2	1.4	-	-
Health, education and welfare	178.0	187.2	-	-
Judicial	40.3	40.7	-	-
Cultural and recreation	6.9	8.0	-	-
Community development	14.9	9.5	-	-
Other	-	-	-	-
Interest expense	3.8	8.8	-	-
Nursing home	-	-	39.9	40.3
911 operations	-	-	14.7	13.5
Total expenses	<u>320.4</u>	<u>349.0</u>	<u>54.6</u>	<u>53.8</u>
Increase (decrease) in net assets before transfers	7.6	7.1	(14.2)	(17.6)
Transfers	(13.5)	(12.6)	13.5	12.6
Change in net assets	<u>(5.9)</u>	<u>(5.5)</u>	<u>(0.7)</u>	<u>(5.0)</u>
Net assets – beginning (as restated)	66.6	72.1	10.4	15.4
Net assets – ending	<u>\$ 60.7</u>	<u>\$ 66.6</u>	<u>\$ 9.7</u>	<u>\$ 10.4</u>

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, 2010:

Sources of Revenues Total Revenues of \$328.0 Million



Total government-wide revenues of \$328.0 million were derived primarily from intergovernmental grants, representing 51% of the total. Intergovernmental grants accounted for \$178.4 million. The second largest source of revenue came from real estate taxes of \$109.2 million, which comprised 33% of the total. Revenue to house INS detainees and state boarding of prisoners accounted for 44% of the \$46.3 million in charges for services, which represented 14% of total revenues, followed by unrestricted investment loss of \$10.8 million. Hotel tax accounted for \$1.3 million of the \$4.9 million of other revenues.

Total revenues decreased by \$28.1 million during 2010. The majority of the decrease came from operating grants and contributions of \$14.4 million, due to direct care services payments for the County's Mental Health/Mental Retardation Program being managed by the Department of Public Welfare, Office of Developmental Programs. As of December 31, 2010, the County determined that three derivative instruments under governmental activities no longer met the criteria for effectiveness; therefore termination of hedge accounting had to be applied that resulted in \$9.0 million of the \$10.8 million loss of unrestricted investment earnings.

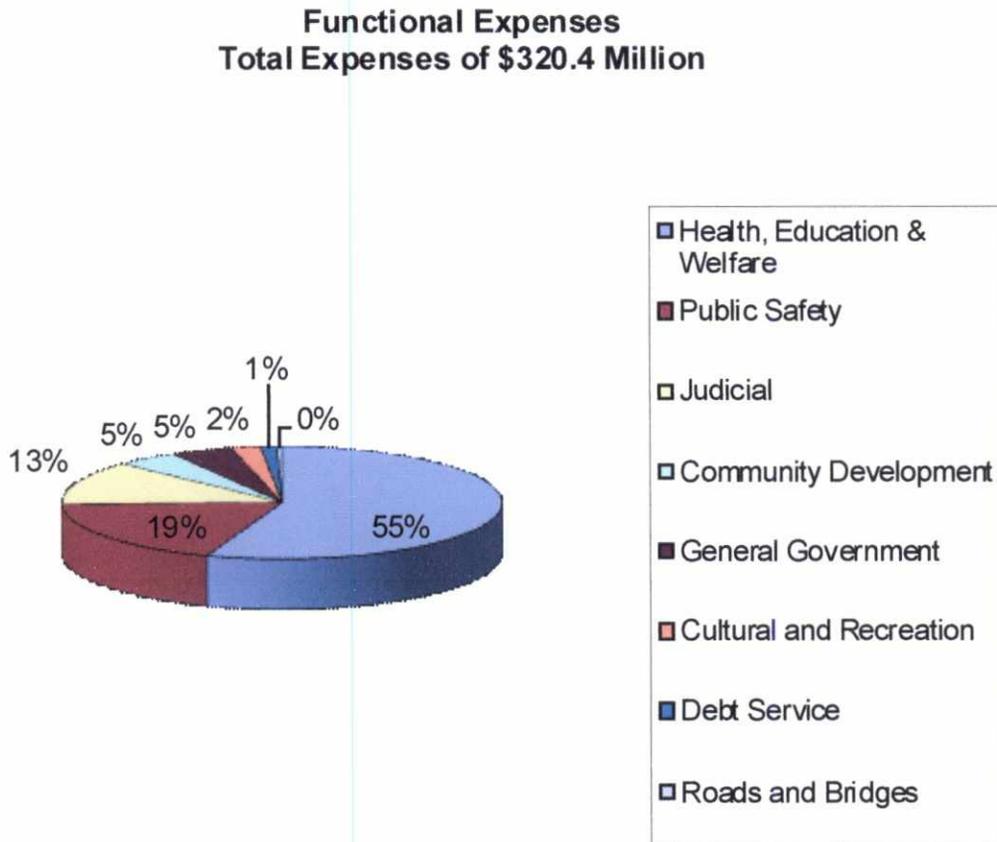
Financial Analysis of the County as a Whole (Continued)

Business-Type Activities

Total business-type revenues of \$40.4 million, increased \$4.2 million from 2009, were derived from charges for sales and services from the County Nursing Home of \$34.2 million and telephone surcharge revenues from 911 operations of \$6.2 million. The County Nursing Home revenues increased by \$3.8 million from higher occupancy rates due to the completion of reconstruction efforts. 911 revenues increased by \$0.4 million which was due to an increase in additional wireless funding.

Governmental Activities

The following chart graphically depicts the functional expenses for the fiscal year ended December 31, 2010:



Financial Analysis of the County as a Whole (Continued)

Governmental Activities (Continued)

Total expenses in 2010 were \$320.4 million. The expenses cover a wide range of services, with health, education, and welfare being the largest at \$178.0 million comprising 55% of total expenses. Within health, education, and welfare; Human services, Children and Youth, and MH/MR had the largest expenses at \$96.8 million, \$39.1 million, and \$30.3 million, respectively. The second largest category is public safety at \$60.7 million comprising 19% of total expenses. The other categories are as follows: judicial at \$40.3 million, community development at \$14.9 million, general government at \$14.6 million, cultural and recreation at \$6.9 million, interest expense at \$3.8 million, and roads and bridges at \$1.2 million.

Expenditures decreased in 2010 by \$28.6 million. The majority of the decrease came from health, education, and welfare (MH/MR) for direct care services payments being managed by the Department of Public Welfare, Office of Developmental Programs which accounted for a decrease of \$21.6 million. The second largest decrease was Public Safety by \$18.5 million. \$13.0 million was a reclassification of shelter and detention expenditures from Public Safety in the General Fund to the Children and Youth Fund and \$6.5 million decrease in expenditures for subscriber units for public safety.

Business Type Activities

Total expenses in 2010 were \$54.6 million, an increase of \$0.8 million from 2009. The County nursing home comprised 73.1% of the total, having total operating and administrative expenses of \$39.9 million, which included depreciation expense of \$0.5 million. The 911 operations incurred \$14.7 million in total expenses, which included bond interest expense of \$2.1 million and depreciation expense of \$2.1 million. Expenditures increased primarily due to the increase in salary and fringe benefit expense.

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, Mental Health/Mental Retardation Fund, Children and Youth Fund, Community Development Block Grant Fund, and Capital Projects Bond Account Fund. For the fiscal year ended December 31, 2010, the County of York governmental funds had a combined ending fund balance of \$46.2 million, an increase of \$3.7 million from fiscal year 2009.

Financial Analysis of the County's Funds (Continued)

Governmental Funds (Continued)

The General Fund is the primary operating fund of the County of York. The General Fund had a fund balance of \$37.0 million, an increase of \$4.4 million. The General Fund had an excess of revenues over expenditures of \$26.8 million for 2010 before other financing sources/(uses). Other financing sources/(uses) amounted to (\$22.4) million with General Fund net transfers out of (\$23.4) million and \$1.0 million in from bond related revenue.

The decrease in General Funds revenues from the prior year was insignificant. The General Funds excess of revenues over expenditures of \$26.8 million was primarily related to the reclassification of maintenance of children in shelter and detention to the Children & Youth Fund in the amount of \$13.4 million. The remaining decreases/increases were minimal and in combination accounted for a decrease of \$2.0 million. The remaining excess of \$10.4 million was primarily related to an \$8.0 million positive variance between budgeted and actual debt service payments.

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 2010 was \$8.1 million. Mental Health/Mental Retardation Fund had contributions from the General Fund of \$0.8 million.

The Mental Health/Mental Retardation Fund had expenditures of \$30.4 million in 2010 compared to \$51.9 million in 2009. The decrease in expenditures of \$21.6 million was due to direct care services payments being paid by the Department of Public Welfare, Office of Developmental Programs at the State level.

The Capital Projects Bond Account Fund had a fund balance at the end of December 31, 2010 of \$1.6 million. The Capital Projects Bond Account Fund had a decrease in fund balance by \$0.6 million. The fund balance decreased due to \$3.3 million expended on various capital projects including the purchase and renovation of district justice's offices of \$2.4 million, which was offset by an additional \$2.7 million in borrowings (issuance of debt).

The fund balance for Other Nonmajor Funds remained constant from 2009 to 2010 totaling \$7.7 million.

Enterprise Funds

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

Financial Analysis of the County's Funds (Continued)

Enterprise Funds (Continued)

As of December 31, 2010, the net assets of the County's nursing home amounted to \$(4.3) million and those for 911 operations amounted to \$14.0 million. The nursing home's net assets decreased by \$0.9 million due to the program not generating enough revenue to cover operating costs for the Nursing Home. Other factors concerning the finances of these two funds reflect those highlighted in the analysis of the County's business-type activities.

Capital Asset and Debt Administration

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, amounted to \$302.3 million as of December 31, 2010. This represented an increase of \$2.7 million, or 0.9% over the previous year's total of \$299.6 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	
	2010	2009	2010	2009	2010	2009
Land	\$ 53,144,964	\$ 52,790,754	\$ 260,065	\$ 260,065	\$ 53,405,029	\$ 53,050,819
Construction in progress	7,104,570	26,594,487	30,518,636	34,640,055	37,623,206	61,234,542
Buildings and improvements	194,628,288	170,501,598	37,282,408	30,806,070	231,910,696	201,307,668
Leasehold assets	-	-	997,500	997,500	997,500	997,500
Furniture, Fixtures, and Equipment	12,943,031	12,281,100	20,166,388	19,671,764	33,109,419	31,952,864
Easements	17,717,054	17,717,054	-	-	17,717,054	17,717,054
Bridges, roads and rail trail	22,091,163	19,781,429	-	-	22,091,163	19,781,429
Less accumulated depreciation	(73,688,578)	(68,132,991)	(20,850,069)	(18,289,746)	(94,538,647)	(86,422,737)
Total capital assets, net	\$ 233,940,492	\$ 231,533,431	\$ 68,374,928	\$ 68,085,708	\$ 302,315,420	\$ 299,619,139

Governmental activities decreased construction in progress by \$19.5 million. The majority of the decrease related to the completion of the prison expansion project of \$19.2 million which in turn increased buildings and improvements for governmental activities. The County continues its plan to purchase Magisterial District offices. During 2010, three more offices were purchased and renovated which accounted for \$2.4 million decrease in construction in progress. The County started two new projects, government center renovations and ARRA energy project, which increased construction in progress by \$2.6 million and \$2.8 million respectively.

The County business-type activities decreased construction in progress by \$4.1 million. The completion of the renovations to the Nursing Home accounted for a \$6.5 million reduction to construction in progress and an increase in buildings and improvements by that same amount. \$2.4 million was added to construction in progress for the radio communication project.

Financial Analysis of the County's Funds (Continued)

Long-Term Debt

As of December 31, 2010, the County had \$238,325,000 of general obligation debt outstanding. This was a decrease of \$3.3 million, or 1.4% from the previous year. The following details activity related to general obligation bonds during 2010:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Beginning balance at January 1, 2010	\$ 189,829,219	\$ 51,790,122
Debt issued	136,209,526	-
Bonds refunded	(134,253,867)	-
Less principal payments	(3,692,743)	(1,557,257)
Transfers to Enterprise Funds	(25,801)	25,801
Ending balance at December 31, 2010	<u>\$ 188,066,334</u>	<u>\$ 50,258,666</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 7 and Note 6, 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 approved a few minor amendments to the original budget and the Board also 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 and will provide budget adjustments within their respective departments.

The County had a few minor amendments to the original 2010 revenue budget. Actual revenue received totaled \$164.3 million or 100.3% of the final budget. Departmental revenues contributed to a majority of the variance in which maintenance of prisoners and maintenance of children in shelter and detention was higher by \$1.2 million and \$1.6 million respectively. Investment revenue was lower than budgeted by \$2.9 million.

The County had a few minor amendments to the original 2010 expenditure budget. Actual expenditures totaled \$137.5 million or 94.9% of the final budget. A positive variance for debt service expenditures of \$8.0 million accounted for a majority of the variance.

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 remained the same at 4.15 mills.
- The County's general fund budgeted expenses will increase \$6.9 million.
- The rising wage and medical health care costs.
- The County budgeted \$10.0 million for the annual required contribution to the retirement fund.

The County's General Fund has been growing at a pace approximating 4.9% per year or almost \$6.9 million annually. The year-over-year increases can be attributed to four specific areas: (1) growth in manpower costs to meet increasing customer demand for services; (2) rising cost of employee benefits including health and retirement; (3) increased operating costs for materials and services; and (4) capital project debt service costs related to new facilities and systems. The County's employee benefits are budgeted at \$33.9 million with only two part-time positions being added to the workforce. Health care costs still continue to increase but the County is trying to maintain an increased rate of only 9.7% for 2011. Government administration budgeted expenses increased by \$1.7 million. The court system and public safety budgeted expenses increased \$1.5 million, which includes court and court related functions, corrections, and public safety. The County's budget for 2011 reflects the annual required retirement contribution to be approximately \$10.0 million, which is \$1.5 million less than the ARC.

These factors were considered in preparing the County's 2011 budget. Amounts available for appropriation in the general fund budget are \$174.0 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**

(This page intentionally left blank)

BASIC FINANCIAL STATEMENTS

County of York, Pennsylvania

Statement of Net Assets

December 31, 2010

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and cash equivalents	\$ 12,349,592	\$ 433,650	\$ 12,783,242	\$ 10,907,704
Receivables:				
Taxes, net	4,708,549	-	4,708,549	-
Accounts	12,947,714	4,367,595	17,315,309	15,605,667
Due from other governments	6,576,254	44,354	6,620,608	-
Loan and note	12,963,981	-	12,963,981	284,952
Internal balances	2,233,474	(2,233,474)	-	-
Investments	23,391,310	-	23,391,310	5,993,234
Bond issuance costs, net	584,742	460,878	1,045,620	-
Restricted cash	7,329,218	2,257,397	9,586,615	7,370,035
Restricted investments	8,317,410	146,832	8,464,242	141,519,348
Other assets	2,707,574	73,995	2,781,569	2,550,422
Capital assets not being depreciated	77,966,588	30,778,701	108,745,289	13,992,940
Capital assets being depreciated, net of depreciation	155,973,904	37,596,227	193,570,131	51,121,598
Total assets	\$ 328,050,310	\$ 73,926,155	\$ 401,976,465	\$ 249,345,900
Liabilities				
Accounts payable and accrued liabilities	\$ 26,236,749	\$ 2,184,486	\$ 28,421,235	\$ 1,969,845
Due to other governments	159,910	-	159,910	5,583,726
Deposits held in escrow	6,201,351	534,912	6,736,263	-
Accrued interest payable	945,967	202,258	1,148,225	-
Unearned revenue	20,748,714	422,514	21,171,228	10,357,783
Other liabilities	216,300	-	216,300	792,316
Long-term liabilities:				
Due within one year	7,810,622	2,536,239	10,346,861	7,750,000
Due in more than one year	205,030,439	58,328,200	263,358,639	26,818,267
Total liabilities	267,350,052	64,208,609	331,558,661	53,271,937
Net assets (deficit)				
Invested in capital assets, net of related debt	71,979,387	16,620,389	88,599,776	30,726,031
Restricted:				
Program purposes:				
Public safety	437,335	1,692,364	2,129,699	-
Roads and bridges	948,170	-	948,170	-
Judicial	5,073,336	-	5,073,336	-
Cultural and recreation	87,295	-	87,295	-
Conservation and community development	1,111,535	-	1,111,535	-
Capital activity and debt service	-	-	-	135,067,099
Legal purposes	296,613	-	296,613	13,822,284
Unrestricted (Deficit)	(19,233,413)	(8,595,207)	(27,828,620)	16,458,549
Total net assets	\$ 60,700,258	\$ 9,717,546	\$ 70,417,804	\$ 196,073,963

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

County of York, Pennsylvania

Statement of Activities

Year ended December 31, 2010

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-Type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 14,640,710	\$ 4,937,098	\$ 579,609	\$ 2,714,932	\$ (6,409,071)	\$ -	\$ (6,409,071)	\$ -
Public safety	60,711,011	28,407,477	2,777,420	-	(29,526,114)	-	(29,526,114)	-
Roads and bridges	1,222,838	-	679,314	1,827,996	1,284,472	-	1,284,472	-
Health, education, and welfare:								
Drug and alcohol	3,225,649	-	3,110,695	-	(114,954)	-	(114,954)	-
Mental health/mental retardation	30,334,600	-	29,476,236	-	(858,364)	-	(858,364)	-
Office of aging	8,532,226	168,491	7,727,666	-	(636,069)	-	(636,069)	-
Children and youth	39,058,339	674,347	30,321,577	-	(8,062,415)	-	(8,062,415)	-
Human services	96,837,958	-	84,130,696	-	(12,707,262)	-	(12,707,262)	-
Judicial	40,303,397	11,092,481	5,153,466	-	(24,057,450)	-	(24,057,450)	-
Cultural and recreation	6,911,070	601,593	1,366,854	-	(4,942,623)	-	(4,942,623)	-
Conservation and community development	14,873,633	459,155	8,480,754	-	(5,933,724)	-	(5,933,724)	-
Interest expense	3,837,074	-	-	-	(3,837,074)	-	(3,837,074)	-
Total governmental activities	320,488,505	46,340,642	173,804,287	4,542,928	(95,800,648)	-	(95,800,648)	-
Business-type activities:								
Nursing home	39,864,197	34,225,173	-	-	-	(5,639,024)	(5,639,024)	-
911 operations	14,739,999	6,208,753	-	-	-	(8,531,246)	(8,531,246)	-
Total business-type activities	54,604,196	40,433,926	-	-	-	(14,170,270)	(14,170,270)	-
Total primary government	\$ 375,092,701	\$ 86,774,568	\$ 173,804,287	\$ 4,542,928	(95,800,648)	(14,170,270)	(109,970,918)	-
Component units:								
York County Solid Waste and Refuse Authority	\$ 40,208,528	\$ 43,892,367	\$ -	\$ -	-	-	-	3,683,839
York County Industrial Development Authority	1,442,775	287,875	342,653	-	-	-	-	(812,247)
York County Library System	7,020,753	2,236,468	4,556,938	-	-	-	-	(227,347)
York County Planning Commission	3,868,196	2,584,189	1,445,000	-	-	-	-	160,993
Total component units	\$ 52,540,252	\$ 49,000,899	\$ 6,344,591	\$ -	-	-	-	2,805,238
General revenues:								
Property taxes	-	-	-	-	109,249,003	-	109,249,003	-
Unrestricted investment earnings/(loss)	-	-	-	-	(10,844,101)	16,571	(10,827,530)	285,534
Hotel tax	-	-	-	-	1,340,664	-	1,340,664	-
Other	-	-	-	-	3,623,839	-	3,623,839	-
Transfers	-	-	-	-	(13,484,220)	13,484,220	-	-
Total general revenues and transfers	-	-	-	-	89,885,185	13,500,791	103,385,976	285,534
Change in net assets	-	-	-	-	(5,915,463)	(669,479)	(6,584,942)	3,090,772
Net assets – beginning, as restated (see note 27)	-	-	-	-	66,615,721	10,387,025	77,002,746	192,983,191
Net assets – ending	\$	\$	\$	\$	\$ 60,700,258	\$ 9,717,546	\$ 70,417,804	\$ 196,073,963

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

County of York, Pennsylvania

Balance Sheet – Governmental Funds

December 31, 2010

	General Fund	York HealthChoices Management Fund	Mental Health/Mental Retardation Fund	Children and Youth Fund	Community Development Block Grant Fund	Capital Projects Bond Account Fund	Other Nonmajor Funds	Total Governmental Funds
Assets								
Cash and cash equivalents	\$ 2,736,097	\$ 1,818,075	\$ 1,115,986	\$ 1,400	\$ 81,892	\$ -	\$ 6,596,142	\$ 12,349,592
Restricted cash	3,461,180	961,758	60,634	-	-	2,452,495	393,151	7,329,218
Investments	14,543,567	10,837,509	2,057,228	-	1	-	7,094,567	34,532,872
Restricted investments	389,427	7,140,072	-	-	-	103,651	684,260	8,317,410
Receivables:								
Taxes, net	4,708,549	-	-	-	-	-	-	4,708,549
Accounts	5,722,616	2	319,270	82	5,379,047	148,837	1,377,860	12,947,714
Due from other funds	4,916,272	291	32,094	168,733	-	199	2,142,046	7,259,635
Due from other governments	762,895	-	133,035	3,640,453	1,166,403	-	873,468	6,576,254
Loan and note	12,963,981	-	-	-	-	-	-	12,963,981
Other assets	238,497	-	52,246	-	-	-	-	290,743
Total assets	\$ 50,443,081	\$ 20,757,707	\$ 3,770,493	\$ 3,810,668	\$ 6,627,343	\$ 2,705,182	\$ 19,161,494	\$ 107,275,968
Liabilities and fund balances								
Liabilities:								
Accounts payable and accrued liabilities	\$ 6,347,748	\$ 9,555,974	\$ 1,785,193	\$ 2,089,680	\$ 1,238,062	\$ 1,153,572	\$ 4,066,520	\$ 26,236,749
Due to other funds	545,279	1,745,581	744,293	1,550,441	3,996	1,558	435,013	5,026,161
Deposits held in escrow	3,850,607	1,822,500	-	-	-	-	528,244	6,201,351
Due to other governments	-	154,561	-	-	-	-	5,349	159,910
Deferred revenue	2,692,040	7,479,091	1,241,007	170,547	5,385,285	-	6,468,697	23,436,667
Total liabilities	13,435,674	20,757,707	3,770,493	3,810,668	6,627,343	1,155,130	11,503,823	61,060,838
Fund balances:								
Reserved for legal purposes	296,613	-	-	-	-	-	-	296,613
Reserved for loans receivable	12,963,981	-	-	-	-	-	-	12,963,981
Reserved for capital projects	-	-	-	-	-	1,550,052	-	1,550,052
Reserved for county nursing home	7,965,481	-	-	-	-	-	-	7,965,481
Reserved for 911	629,726	-	-	-	-	-	-	629,726
Reserved for program purposes	-	-	-	-	-	-	7,657,671	7,657,671
Unreserved:								
Designated for specific purposes	97,076	-	-	-	-	-	-	97,076
Undesignated	15,054,530	-	-	-	-	-	-	15,054,530
Total fund balances	37,007,407	-	-	-	-	1,550,052	7,657,671	46,215,130
Total liabilities and fund balances	\$ 50,443,081	\$ 20,757,707	\$ 3,770,493	\$ 3,810,668	\$ 6,627,343	\$ 2,705,182	\$ 19,161,494	\$ 107,275,968

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, 2010

Total Fund Balances of Governmental Funds:	\$ 46,215,130
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.	233,940,492
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.	2,687,953
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.	584,742
Assets/Liabilities not available to pay for current period's expenditures and therefore not reported in the funds.	
Investments in derivative instruments	(11,141,562)
Other assets	115,075
Deferred refunding loss	2,301,756
Claims and judgments	(216,300)
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	(188,066,334)
Litigation liability	(3,500,000)
Unamortized premium	(1,288,056)
Accrued interest payable	(945,967)
Workers compensation claims liability	(1,679,266)
Accrued compensated absences	(3,776,397)
Liability for other postemployment benefits	(11,322,410)
Liability for pension benefits	(3,208,598)
Total Net Assets of Governmental Activities	<u>\$ 60,700,258</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, 2010

	General Fund	York HealthChoices Management Fund	Mental Health/Mental Retardation Fund	Children & Youth Fund	Community Development Block Grant Fund	Capital Projects Bond Account Fund	Other Nonmajor Funds	Total Governmental Funds
Revenues								
Real estate taxes	\$ 109,762,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,762,800
Intergovernmental	9,075,285	65,829,373	29,476,236	30,321,577	6,853,180	14,531	36,777,033	178,347,215
Departmental	38,186,538	-	-	674,347	2,282	-	1,632,812	40,495,979
Fines and costs	5,844,663	-	-	-	-	-	-	5,844,663
Hotel tax	1,340,664	-	-	-	-	-	-	1,340,664
Investment	81,014	45,598	18,750	-	1,059	7,370	39,063	192,854
Other	-	106,916	5,582	-	1,395,499	782,382	1,333,460	3,623,839
Total revenues	164,290,964	65,981,887	29,500,568	30,995,924	8,252,020	804,283	39,782,368	339,608,014
Expenditures								
Current:								
General government	12,603,984	-	-	-	-	-	-	12,603,984
Public safety	57,925,847	-	-	-	-	-	1,714,193	59,640,040
Roads and bridges	-	-	-	-	-	-	706,836	706,836
Health, education, and welfare:								
Drug and alcohol	-	-	-	-	-	-	3,225,649	3,225,649
Mental health/mental retardation	-	-	30,334,600	-	-	-	-	30,334,600
Office of aging	-	-	-	-	-	-	8,532,226	8,532,226
Children and youth	-	-	-	39,058,339	-	-	-	39,058,339
Human services	10,111,283	65,981,887	-	-	-	-	18,554,015	94,647,185
Judicial	31,359,892	-	-	-	-	-	5,708,195	37,068,087
Cultural and recreation	7,591,649	-	-	-	-	-	35,164	7,626,813
Conservation and community development	4,589,162	-	-	-	8,252,020	-	1,974,796	14,815,978
Capital outlay	4,112,159	-	-	-	-	3,284,348	1,276,979	8,673,486
Debt service:								
Principal retirement	3,692,743	-	-	-	-	-	-	3,692,743
Interest and fiscal charges	5,526,084	-	-	-	-	-	-	5,526,084
Total expenditures	137,512,803	65,981,887	30,334,600	39,058,339	8,252,020	3,284,348	41,728,053	326,152,050
Excess (deficiency) of revenues over (under) expenditures	26,778,161	-	(834,032)	(8,062,415)	-	(2,480,065)	(1,945,685)	13,455,964
Other financing sources (uses)								
Transfers in	44,497	-	834,032	8,062,415	5,843	-	1,945,191	10,891,978
Transfers out	(23,398,815)	-	-	-	(5,843)	(921,200)	(50,340)	(24,376,198)
Transfer in of bond proceeds	-	-	-	-	-	241,264	-	241,264
Transfer out of bond proceeds	-	-	-	-	-	(267,065)	-	(267,065)
Payments to redeem bonds and notes	(53,518,867)	-	-	-	-	(80,735,000)	-	(134,253,867)
Bond premium	1,831,066	-	-	-	-	-	-	1,831,066
Issuance of refunding of bonds and notes	52,550,000	-	-	-	-	80,840,000	-	133,390,000
Issuance of debt	93,727	-	-	-	-	2,675,799	50,000	2,819,526
Total other financing sources (uses)	(22,398,392)	-	834,032	8,062,415	-	1,833,798	1,944,851	(9,723,296)
Net change in fund balances	4,379,769	-	-	-	-	(646,267)	(834)	3,732,668
Fund balances, January 1	32,627,638	-	-	-	-	2,196,319	7,658,505	42,482,462
Fund balances, December 31	\$ 37,007,407	\$ -	\$ -	\$ -	\$ -	\$ 1,550,052	\$ 7,657,671	\$ 46,215,130

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, 2010

Net change in fund balances - total governmental funds	\$ 3,732,668
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 (\$8,673,486), depreciation expense (\$5,961,339), and loss on disposal of capital assets (\$305,086) is a reconciling item.	2,407,061
Amount represents the change in the receivable recorded over 60 days. The funds report only receipts through 60 days of subsequent period. Statement of Activities includes full amount of levy deemed collectible by the County.	(513,797)
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:	
Proceeds from refunding bonds and notes issuance	(133,390,000)
Proceeds from bonds and notes issuance	(2,819,526)
Transfer of principal from business type activities	(241,264)
Payments to redeem bonds and notes	134,253,867
Transfer of principal to business type activities	267,065
Principal repayments on general obligation bonds	3,692,743
Payments for litigation liability	2,937,560
Pursuant to the modified accrual 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:	
Workers compensation expense	(116,446)
Compensated absence expense	(145,747)
Other postemployment benefits expense	(3,353,069)
Investment loss from derivative instruments	(11,036,955)
Pension expense	(1,489,714)
Accrual of interest on long-term debt	(177,745)
Amortization of bond premium	56,134
Amortization of issuance costs	(295,391)
Amortization of deferred refunding loss	317,093
Change in net assets of governmental activities	<u>\$ (5,915,463)</u>

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, 2010

	County		
	Nursing Home Fund	911 Fund	Total
Assets			
Current assets:			
Cash	\$ 1,165	\$ 432,485	\$ 433,650
Accounts receivable	4,070,698	296,897	4,367,595
Due from other governments	-	44,354	44,354
Bond issuance costs, net	-	460,878	460,878
Restricted cash	534,912	1,722,485	2,257,397
Restricted investments	-	146,832	146,832
Other assets	59,986	14,009	73,995
Total current assets	<u>4,666,761</u>	<u>3,117,940</u>	<u>7,784,701</u>
Noncurrent assets:			
Capital assets not being depreciated	17,000	30,761,701	30,778,701
Capital assets being depreciated, net of depreciation	10,239,953	27,356,274	37,596,227
Total noncurrent assets	<u>10,256,953</u>	<u>58,117,975</u>	<u>68,374,928</u>
Total assets	<u>\$ 14,923,714</u>	<u>\$ 61,235,915</u>	<u>\$ 76,159,629</u>
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 1,657,353	\$ 527,133	\$ 2,184,486
Due to other funds	2,229,941	3,533	2,233,474
Deposits held in escrow	534,912	-	534,912
Accrued interest payable	30,366	171,892	202,258
Unearned revenue	83,690	338,824	422,514
General obligation debt	212,481	1,466,094	1,678,575
Liability for workers' compensation self-insurance	109,916	-	109,916
Compensated absences	427,782	112,004	539,786
Capital lease obligation	-	207,962	207,962
Total current liabilities	<u>5,286,441</u>	<u>2,827,442</u>	<u>8,113,883</u>
Noncurrent liabilities:			
General obligation debt	6,362,131	43,466,661	49,828,792
Liability for workers' compensation self-insurance	1,264,029	-	1,264,029
Compensated absences	176,263	46,151	222,414
Liability for other postemployment benefits	4,722,050	699,852	5,421,902
Liability for pension benefits	1,396,139	194,924	1,591,063
Total noncurrent liabilities	<u>13,920,612</u>	<u>44,407,588</u>	<u>58,328,200</u>
Total liabilities	<u>19,207,053</u>	<u>47,235,030</u>	<u>66,442,083</u>
Net assets (deficit)			
Invested in capital assets, net of related debt	3,682,142	12,938,247	16,620,389
Restricted for program purposes	-	1,692,364	1,692,364
Unrestricted (deficit)	(7,965,481)	(629,726)	(8,595,207)
Total net assets (deficit)	<u>\$ (4,283,339)</u>	<u>\$ 14,000,885</u>	<u>\$ 9,717,546</u>

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, 2010

	County Nursing Home Fund	911 Fund	Total
Operating revenues:			
Charges for sales and services:			
Charges for services	\$ 34,225,173	\$ -	\$ 34,225,173
Telephone surcharge revenue	-	6,208,753	6,208,753
Total operating revenues	<u>34,225,173</u>	<u>6,208,753</u>	<u>40,433,926</u>
Operating expenses:			
Operating/administrative	39,019,753	10,603,467	49,623,220
Depreciation	476,711	2,083,612	2,560,323
Total operating expenses	<u>39,496,464</u>	<u>12,687,079</u>	<u>52,183,543</u>
Operating loss	(5,271,291)	(6,478,326)	(11,749,617)
Nonoperating revenue (expense)			
Investment income	-	16,571	16,571
Bond interest	(367,733)	(2,052,920)	(2,420,653)
Total nonoperating expense	<u>(367,733)</u>	<u>(2,036,349)</u>	<u>(2,404,082)</u>
Loss before transfers	(5,639,024)	(8,514,675)	(14,153,699)
Transfers in	4,712,163	8,772,057	13,484,220
Change in net assets (deficit)	<u>(926,861)</u>	<u>257,382</u>	<u>(669,479)</u>
Total net assets (deficit), January 1	(3,356,478)	13,743,503	10,387,025
Total net assets (deficit), December 31	<u>\$ (4,283,339)</u>	<u>\$ 14,000,885</u>	<u>\$ 9,717,546</u>

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, 2010

	County Nursing Home		
	Fund	911 Fund	Total
Cash flows from operating activities			
Cash received on patient accounts	\$ 33,494,469	\$ -	\$ 33,494,469
Cash received from telephone surcharge revenue	-	6,569,131	6,569,131
Cash payments for material and supplies	(4,160,445)	(196,981)	(4,357,426)
Cash payments for patient services	(6,840,133)	-	(6,840,133)
Cash payments for program services	-	(3,317,839)	(3,317,839)
Cash payments for salaries and employee benefits	(26,630,285)	(7,282,744)	(33,913,029)
Net cash used in operating activities	(4,136,394)	(4,228,433)	(8,364,827)
Cash flows from investing activities			
Investment income	-	16,571	16,571
Investment purchases	2,398,644	904,356	3,303,000
Investment redemptions	(382,167)	(689,420)	(1,071,587)
Net cash provided by investing activities	2,016,477	231,507	2,247,984
Cash flows from noncapital financing activities			
Transfers from other funds	4,712,163	8,772,057	13,484,220
Net cash provided by noncapital financing activities	4,712,163	8,772,057	13,484,220
Cash flows from capital and related financing activities			
Transfer of bond proceeds from/(to) capital projects account fund	(969,033)	994,834	25,801
Interest expense	(368,414)	(2,085,454)	(2,453,868)
Payments on capital lease	-	(199,676)	(199,676)
Principal payments on bonds	(233,859)	(1,323,398)	(1,557,257)
Purchases of capital assets	(1,106,371)	(2,183,352)	(3,289,723)
Net cash used in capital and related financing activities	(2,677,677)	(4,797,046)	(7,474,723)
Net increase/(decrease) in cash and cash equivalents	(85,431)	(21,915)	(107,346)
Cash and cash equivalents, January 1	621,508	2,176,885	2,798,393
Cash and cash equivalents, December 31	\$ 536,077	\$ 2,154,970	\$ 2,691,047
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss	\$ (5,271,291)	\$ (6,478,326)	\$ (11,749,617)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation	476,711	2,083,612	2,560,323
Changes in assets and liabilities in:			
Accounts receivable	(799,341)	30,333	(769,008)
Due from other funds	-	114,233	114,233
Due from other governments	68,637	(8,779)	59,858
Other assets	(2)	(14,009)	(14,011)
Accounts payable	(202,420)	(245,370)	(447,790)
Due to other funds	(743,049)	(414,140)	(1,157,189)
Deposits held in escrow	(85,431)	-	(85,431)
Compensated absences payable	(48,718)	1,325	(47,393)
Unearned revenue	-	338,824	338,824
Liability for other postemployment benefits	1,440,010	224,952	1,664,962
Liability for pension benefits	933,226	138,912	1,072,138
Liability for workers' compensation self-insurance	95,274	-	95,274
Total adjustments	1,134,897	2,249,893	3,384,790
Net cash used in operating activities	\$ (4,136,394)	\$ (4,228,433)	\$ (8,364,827)
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, 2010

	Pension Trust		Agency Funds
	Fund		
Assets			
Cash and cash equivalents	\$ 5,882,029	\$	9,043,864
Investments:			
Certificates of deposit	-		99,762
U.S. treasuries	23,835,787		-
U.S. government obligations	10,759,447		3,100,783
Corporate bonds	28,346,333		-
Municipal bonds	-		965,113
Stocks	72,733,827		-
Fixed income mutual funds	-		3,171,372
International equity mutual funds	35,873,859		-
Equity mutual funds	38,627,833		-
Other	575,545		1,223
Receivables:			
Delinquent taxes on behalf of other governments	-		12,174,459
Other	1,699		151,896
Total assets	<u>\$ 216,636,359</u>	<u>\$</u>	<u>28,708,472</u>
Liabilities			
Liabilities:			
Accounts payable	\$ 94	\$	-
Due to other governments	-		5,462,079
Other liabilities	-		23,246,393
Total liabilities	<u>94</u>	<u>\$</u>	<u>28,708,472</u>
Net assets			
Net assets held in trust for pension benefits	<u>216,636,265</u>		
Total net assets	<u>\$ 216,636,265</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, 2010

Additions:	
Employer contributions	\$ 8,000,000
Employee contributions	<u>4,958,084</u>
Total contributions	12,958,084
Investment income:	
Net appreciation in fair value of investments	19,161,601
Interest	2,308,224
Dividends	<u>2,585,751</u>
Total investment income	<u>24,055,576</u>
Total additions	<u>37,013,660</u>
Deductions:	
Benefit payments	9,900,011
Refunds of contributions	<u>1,408,940</u>
Total deductions	<u>11,308,951</u>
Net increase	25,704,709
Net assets held in trust for pension benefits, beginning of year	<u>190,931,556</u>
Net assets held in trust for pension benefits, end of year	<u>\$ 216,636,265</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, 2010

	Solid Waste and Refuse Authority	Industrial Development Authority	Library System	Planning Commission	Total
Assets					
Cash and cash equivalents	\$ 2,548,186	\$ 745,369	\$ 1,008,216	\$ 6,605,933	\$ 10,907,704
Accounts receivable	15,043,005	308,346	60,137	194,179	15,605,667
Notes receivable	-	284,952	-	-	284,952
Investments	-	4,686,120	1,307,114	-	5,993,234
Restricted cash	7,370,035	-	-	-	7,370,035
Restricted investments	141,519,348	-	-	-	141,519,348
Other assets	1,551,856	1,178	408,385	589,003	2,550,422
Capital assets not being depreciated	9,153,741	4,839,199	-	-	13,992,940
Capital assets being depreciated, net of depreciation	23,978,948	26,382,456	677,130	83,064	51,121,598
Total assets	<u>\$ 201,165,119</u>	<u>\$ 37,247,620</u>	<u>\$ 3,460,982</u>	<u>\$ 7,472,179</u>	<u>\$ 249,345,900</u>
Liabilities and net assets					
Liabilities:					
Accounts payable and accrued liabilities	\$ 1,694,626	\$ 13,115	\$ 147,563	\$ 114,541	\$ 1,969,845
Due to other governments	-	-	-	5,583,726	5,583,726
Unearned revenue	9,719,160	-	638,623	-	10,357,783
Other liabilities	792,316	-	-	-	792,316
Long-term liabilities:					
Due within one year	7,750,000	-	-	-	7,750,000
Due in more than one year	26,638,507	109,165	35,865	34,730	26,818,267
Total liabilities	<u>46,594,609</u>	<u>122,280</u>	<u>822,051</u>	<u>5,732,997</u>	<u>53,271,937</u>
Net assets:					
Invested in capital assets, net of related debt	(1,255,818)	31,221,655	677,130	83,064	30,726,031
Restricted					
Capital activity and debt service	135,067,099	-	-	-	135,067,099
Legal purposes	13,822,284	-	-	-	13,822,284
Unrestricted	6,936,945	5,903,685	1,961,801	1,656,118	16,458,549
Total net assets	<u>\$ 154,570,510</u>	<u>\$ 37,125,340</u>	<u>\$ 2,638,931</u>	<u>\$ 1,739,182</u>	<u>\$ 196,073,963</u>

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, 2010

	Solid Waste and Refuse Authority	Industrial Development Authority	Library System	Planning Commission	Total
Program revenues:					
Charges for goods and services	\$ 43,892,367	\$ 287,875	\$ 2,236,468	\$ 2,584,189	\$ 49,000,899
Operating grants and contributions	-	342,653	4,556,938	1,445,000	6,344,591
Total program revenues	43,892,367	630,528	6,793,406	4,029,189	55,345,490
General revenues:					
Unrestricted investment earnings	-	125,873	158,051	1,610	285,534
Total revenues	43,892,367	756,401	6,951,457	4,030,799	55,631,024
Expenses	40,208,528	1,442,775	7,020,753	3,868,196	52,540,252
Change in net assets	3,683,839	(686,374)	(69,296)	162,603	3,090,772
Net assets, January 1	150,886,671	37,811,714	2,708,227	1,576,579	192,983,191
Net assets, December 31	\$ 154,570,510	\$ 37,125,340	\$ 2,638,931	\$ 1,739,182	\$ 196,073,963

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

County of York, Pennsylvania

Notes to Financial Statements

December 31, 2010

(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 15).

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. 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 2010 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)

Governmental Funds (Continued)

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 rehabilitation program that provides loans to multifamily property owners to rehabilitate rental units for low income and elderly occupancy.

Enterprise Funds

Enterprise Funds are used to account for operations of the County Nursing Home and 911 activities that are financed and operated 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

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)

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.
- 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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

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.

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 with an indefinite useful life and is recorded in the government-wide financial statements.

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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

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. Easements with an indefinite useful live are considered intangible assets of the County and accordingly are not depreciated.

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

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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Receivables

Taxes and the Nursing Home accounts receivable are shown net of an allowance for uncollectible amounts. The County recorded an allowance for uncollectible accounts receivable of the Nursing Home and an allowance for uncollectible property taxes of \$400,939 and \$523,172, respectively as of December 31, 2010.

Due from other governments balance represents amounts due from governments for various grant programs. The loan receivable represents funds loaned to York County Agricultural Society.

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.

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 recorded as unearned revenue 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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

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.

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.

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. 51, “*Accounting and Financial Reporting for Intangible Assets*”. The adoption of this statement resulted in the restatement of net assets (See note 27) and the modification of note 6.

The County adopted the requirements of GASB statement No. 53, “*Accounting and Financial Reporting for Derivative Instruments*”. The adoption of this statement resulted in the restatement of net assets (See note 27) and the modification of notes 2, 7, and 9.

The County adopted the requirements of GASB statement No. 58, “*Accounting and Financial Reporting for Chapter 9 Bankruptcies*”. The adoption of this statement had no effect on previously reported amounts.

Pending Changes in Accounting Principles

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.

In December 2009, the GASB issued Statement No. 57, “*OPEB Measurement by Agent Employers and Agent Multi-Employer Plans*”. The County is required to adopt statement No. 57 for its calendar year 2012 financial statements.

In June 2010, the GASB issued Statement No. 59, “*Financial Instruments Omnibus*”. The County is required to adopt statement No. 59 for its calendar year 2011 financial statements.

In November 2010, the GASB issued Statement No. 60, “*Accounting and Financial Reporting for Service Concession Arrangements*”. The County is required to adopt statement No. 60 for its calendar year 2012 financial statements.

In November 2010, the GASB issued Statement No. 61, “*The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*”. The County is required to adopt statement No. 61 for its calendar year 2013 financial statements.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Pending Changes in Accounting Principles (Continued)

In December 2010, the GASB issued Statement No. 62, “*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*”. The County is required to adopt statement No. 62 for its calendar year 2012 financial statements.

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

(2) Deposit and Investment Risk

As of December 31, 2010, the County had the following debt investments and maturities within its excess operating and agency fund accounts:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Fixed Income Mutual Funds	\$ 3,171,372	\$ -	\$ 3,171,372	\$ -	\$ -
Certificates of Deposit	724,180	724,180	-	-	-
U.S. Government Agencies	23,699,520	20,498,625	2,950,996	249,899	-
Municipal Bonds	20,238,280	6,946,530	3,636,750	1,905,000	7,750,000
Investment Derivatives	(11,141,562)	-	-	-	(11,141,562)
Total	\$ 36,691,790	\$ 28,169,335	\$ 9,759,118	\$ 2,154,899	\$ (3,391,562)

As of December 31, 2010, 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	\$ 23,835,787	\$ 325,719	\$ 15,378,194	\$ 8,131,874	\$ -
U.S. Government Agencies	10,759,447	-	107,490	4,316,274	6,335,683
Corporate Bonds	28,346,333	-	13,161,204	13,418,564	1,766,565
Total	\$ 62,941,567	\$ 325,719	\$ 28,646,888	\$ 25,866,712	\$ 8,102,248

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 puttable within 7 days notice to the remarketing agent.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(2) Deposit and Investment Risk (Continued)

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.

The County is invested in three pay-fixed, receive variable interest rate swaps and a basis swap with notional amounts totaling \$157,230,000. The County makes semiannual payments to the counterparty of 4.34%, 4.06%, 4.43%, and SIFMA swap index rate and receives variable payments of 87.3% of 1-month LIBOR, 87.5% of 1-month LIBOR, 88.3% of 1-month LIBOR, and 67% of LIBOR plus 42.39 basis points, respectively. The swaps were executed and mature at varying times. See note 9 for more detail. At December 31, 2010, the swaps had a total fair value of (\$11,141,562).

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, 2010, the County's operating investments in cash equivalents, certificates of deposit, fixed income mutual funds and U.S. Government Agencies were rated AAA by Standard & Poor's. \$1,220,000 (6%), \$8,088,280 (40%), and \$10,930,000 (54%) of the County's operating investments in municipal bonds as of December 31, 2010 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)

As of December 31, 2010, the County was not exposed to credit risk related to its investment derivatives because the swaps had a negative fair value or a liability position. However, should interest rates change and the fair value of the swaps become positive, the County would be exposed to credit risk in the amount of the derivative's fair value. As of December 31, 2010, the counterparty of the swaps was rated Aaa by Moody's Investors Service, and AA- 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 investment grade quality of a single fixed income investment is defined by two out of three of the following rating agencies; Moody's, Standard and Poor's, or Fitch. Investments in commercial paper will have a minimum rating of A. 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. In addition, mortgage backed securities are limited to 30% of the fixed income portfolio and zero coupon bonds are limited to 20% of the fixed income portfolio.

As of December 31, 2010, all of the County's retirement investments in cash equivalents and U.S. Government Agencies were rated AAA by Standard & Poor's. \$3,713,284 (13%), \$8,173,539 (29%), and \$16,459,510 (58%) of the County's retirement investments in corporate bonds as of December 31, 2010 were rated AAA, AA, and A respectively, by Standard & Poor's.

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, 2010, \$28,762,539 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, 2010. 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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(2) Deposit and Investment Risk (Continued)

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 primary government investments are in the Federal Home Loan Bank. This investment is 5% of the County's primary government investments.

More than 5% of the County's government activities investments are in the Federal Home Loan Bank, Pennsylvania Economic Development, and Federal Farm Credit Bank. These investments are 32%, 10%, and 11%, respectively, of the County's government activities investments.

More than 5% of the County's general fund investments are in Federal Farm Credit Bank and Federal Home Loan Bank. These investments are 14% and 49% of the County's general fund investments. More than 5% of the County's mental health/mental retardation fund investments are in Federal National Mortgage Association, York Pennsylvania Suburban School District, Highlands Pennsylvania School District, and Washington County PA. These investments are 24%, 10%, 27%, and 15%, 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 Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Montgomery County PA, and Pennsylvania Economic Development. These investments total 7%, 8%, and 15%, respectively, of the County's health choices management fund investments. More than 5% of the County's nonmajor funds investments are in the Federal Home Loan Mortgage Corporation and Pennsylvania Economic Development. These investments are 9% and 21%, 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, 2010, the carrying values of the YCSWRA's cash deposits amounted to \$278,069 and the bank balances amounted to \$637,001. 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, 2010:

Amount insured by federal depository insurance	\$ 250,000
Collateralized with securities held by the pledging financial institution's trust department held in the YCSWRA's name	<u>387,001</u>
	<u>\$ 637,001</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, 2010:

Securities held by the pledging financial institution's trust department, but in the YCSWRA's name	<u>\$ 2,270,117</u>
----------------------------------------------------------------------------------------------------------	---------------------

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 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, are 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, 2010:

At fair value:	
Cash equivalents	\$ 6,547,111
U.S. Government and Agency investments	120,925,938
County of York, PA - general obligation note	11,330,000
	<u>\$ 138,803,049</u>
Current portion	\$ 129,685,400
Non-current portion	9,117,649
	<u>\$ 138,803,049</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 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, 2010:

At fair value:

Section 1109 trust Fund	\$ 6,259,881
Collateral Bond	439,253
	<u>\$ 6,699,134</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)

Self-insurance trust fund consists of the following as of December 31, 2010:

At fair value:

Cash equivalents	\$ 29,374
U.S. Government and Agency Investments	253,951
Fixed income funds	<u>2,310,325</u>
	<u>\$ 2,593,650</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, 2010:

Stewartstown Borough Trust Fund	<u>\$ 793,550</u>
---------------------------------	-------------------

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, 2010:

Investment Type	Maturity Date	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Cash and cash equivalents:					
Cash		\$ 371,087	\$ -	\$ -	\$ -
U.S. Government Money Market Inst II Fund #904		6,969,571	-	-	-
Federated Treasury Obligation MMF #395		137,512	-	-	-
Money Market Inst I Fund #420		29,374	-	-	-
Equity Securities:					
LSV Value Equity Fund		166,043	-	-	-
MTB Large Cap Value- Institutional I Fund #327		165,436	-	-	-
T Rowe Price Institutional Large- Cap Growth Fund		243,882	-	-	-
Morgan Stanley Focus Growth Fund		273,588	-	-	-
RS Global Natural Resources Fund		84,249	-	-	-
SPDR S&P Dividend ETF		68,354	-	-	-
Vanguard High Dividend Yield ETF		116,316	-	-	-
Vanguard Institutional Index Fd #94		103,885	-	-	-
Debt Securities:					
FHLB	01/09/12	-	254,093	-	-
FHLB	01/12/12	-	250,089	-	-
FHLB	07/20/12	-	250,220	-	-
FHLMC	10/21/13	-	496,375	-	-
FHLMC Step Cpn	04/19/13	-	500,005	-	-
FNMA Step Cpn	10/18/13	-	497,283	-	-
FNMA Step Cpn	07/28/14	-	702,933	-	-
Federal National Mortgage Association	07/11/11	2,589,538	-	-	-
Federal National Mortgage Association	07/11/11	8,878,557	-	-	-
Federal National Mortgage Association	07/11/11	2,901,241	-	-	-
Federal National Mortgage Association	07/11/11	8,778,652	-	-	-
Federated Total Return Bond Fund		333,007	-	-	-
MTB Short Term Corporate Bond Inst I - Fund #518		180,667	-	-	-
MTB Intermediate Term Bond-Inst I Fund #220		363,848	-	-	-

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):					
Vanguard Intermediate Term Corporate Bond Fund		170,844	-	-	-
MTB Short Duration Government Bond Inst I Fund #120		1,605,932	-	-	-
Treasury Inflation Protected Securities Series IX	07/15/13	-	253,951	-	-
MTB PA Municipal Bond - Inst I Fund # 476		704,393	-	-	-
United States Treasury Note	09/30/11	439,253	-	-	-
United States Treasury Note	11/30/11	4,111,134	-	-	-
United States Treasury Note	11/30/11	6,254,546	-	-	-
United States Treasury Note	11/30/11	15,616,287	-	-	-
United States Treasury Note	11/30/11	25,871,534	-	-	-
United States Treasury Note	11/30/11	13,854,372	-	-	-
United States Treasury Note	11/30/11	1,504,767	-	-	-
United States Treasury Note	11/30/11	1,406,178	-	-	-
United States Treasury Note	11/30/11	5,500,181	-	-	-
United States Treasury Note	11/30/11	6,475,685	-	-	-
United States Treasury Note	11/30/11	5,090,262	-	-	-
United States Treasury Note	10/31/12	-	912,209	-	-
United States Treasury Note	10/31/12	-	852,392	-	-
United States Treasury Note	10/31/12	-	3,334,798	-	-
United States Treasury Note	10/31/12	-	3,913,029	-	-
United States Treasury Note	10/31/12	-	3,080,576	-	-
GS Short Dur Gov In (447)		1,181,503	-	-	-
Vanguard Intermd Treas Admrl (535)		1,128,888	-	-	-
Vanguard Short-term Treas - Adm #532		860,981	-	-	-
County of York, PA General Obligation Note	11/1/2029	390,000	2,225,000	2,785,000	5,930,000
		<u>\$124,921,547</u>	<u>\$17,522,953</u>	<u>\$2,785,000</u>	<u>\$5,930,000</u>

Credit Risk

As of December 31, 2010, all of the YCSWRA's rated investments in debt securities were rated Aaa by Moody's and AAA or AA by Standard & Poor's.

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)

Custodial Credit Risk

For deposits and short-term 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, 2010, \$2,657,118 of the YCSWRA's deposits and short-term 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. As of December 31, 2010, more than 5% of the YCSWRA's investments are in the United States Treasury Notes, Federal National Mortgage Association, County of York, PA General Obligation Note, United States Treasury Bills, and Federal Home Loan Bank. As of December 31, 2010, these investments are 64.98%, 16.11%, 7.50%, 0%, and .50% respectively, of the YCSWRA's total investments.

York County Industrial Development Authority

The Authority is governed by the deposit and investment limitations of Commonwealth of Pennsylvania (Commonwealth) law. The Commonwealth requires the Authority to adopt an investment policy. The Authority's investment policy follows those requirements set forth by the Commonwealth. The Authority does not invest in any securities not approved by the Commonwealth.

Commonwealth statutes require that any depository holding public funds maintain investment securities in amounts equal to the total of all public funds on deposit. The securities may be held in the name of the depository, but must be pledged as collateral for those public funds.

Section 5611 of the Pennsylvania Municipal Authority Code authorizes the types of investments Authorities may have:

- United States (US) Treasury bills.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Industrial Development Authority (Continued)

- Short-term obligations (less than 13 months) of the U.S. Government or its agencies or instrumentalities.
- Deposits in savings accounts, time deposits, or share accounts of institutions insured by the Federal Deposit Insurance Corporation (FDIC), the Federal Savings and Loan Insurance Corporation, or the National Credit Union Share Insurance Fund to the extent that such accounts are so insured, and, for any amounts about the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository.
- Obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, the Commonwealth or any of its agencies or instrumentalities. These investments include any bonds issued by the Commonwealth or any municipality or school Authority carrying the backing of the taxation powers of the governmental unit assuming the debt.
- Shares of an investment company registered under the Investment Company Act of 1940 whose shares are registered under the Securities Act of 1933 if the only investments of that company are in the authorized investments for authority funds listed above.
- Sovereign debt if the instruments are dollar denominated and backed by the full faith and credit of the sovereign government and if the investments do not exceed more than two percent of the market value of the authority's assets at the time of investment and if the maturity of the instruments does not exceed 15 years and if the obligations are permitted investments of the State Employees' Retirement System and it is established that the issuer had issued such sovereign debt over a period of at least 30 years and has not defaulted on the payment either of principle or interest on its obligations.

Custodial Credit Risk

Deposits in financial institutions had a bank balance of \$910,088 at December 31, 2010, none of which was exposed to custodial credit risk.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Industrial Development Authority

Deposits

The deposits held at December 31, 2010 were as follows:

<u>Type</u>	<u>Maturities</u>	<u>Carrying Value</u>
Demand Deposits		\$ 469,714
Time Deposits; 2.227% to 3.93%	11/2013- 06/2015	395,000
		<u>\$ 864,714</u>

Investments

	<u>Investment Maturities (in Years)</u>				<u>Fair Value</u>
	<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u>	
Money Market Investments	\$ 275,655	\$ -	\$ -	\$ -	\$ 275,655
Federal Home Loan Mortgage Corporation	100,704	203,794	-	-	304,498
Federal Home Loan Bank	201,546	466,217	-	-	667,763
Federal Farm Credit Bank	100,034	-	-	-	100,034
Federal National Mortgage Association	200,707	546,912	-	-	747,619
U.S. Treasury Note	462,229	2,008,977	-	-	2,471,206
	<u>\$ 1,340,875</u>	<u>\$ 3,225,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,566,775</u>

As of December 31, 2010, all of the Authority's investments were rated AAA by Moody's and Standard & Poor's. U.S. Treasury Notes are issued by the U.S. Government.

Custodial Credit Risk

Custodial credit risk is the risk that the counterparty to an investment transaction will fail and the government will not recover the value of the investment or collateral securities that are in possession of an outside party. The Authority does not have a formal investment policy for any fund for custodial credit risk. All of the Authority's investments are held by the financial institutions' trust departments or agents not in the Authority's name.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Industrial Development Authority (Continued)

Custodial Credit Risk (Continued)

The institution holding the Authority's investments is a member of the Securities Investor Protection Corporation (SIPC). SIPC insures the cash and securities in each investor's account up to \$500,000 against loss in the case of a failed brokerage firm or misappropriation of assets by the broker, however only up to \$100,000 for cash investments. The Authority has over \$500,000 in investments at the institution, thus would be insured up to \$500,000 by the SIPC in the event such failure or misappropriation occurs.

Interest Rate Risk

The Authority has a formal investment policy which states that at the time of purchase, the maximum final maturity for any single issue should be between five and seven years, depending on whether there is a significant benefit to having a seven year maturity date. Also, the investment policy states that ladder maturity dates may not exceed an average maturity of five years. Maturities of investments held at December 31, 2010 are provided in the previous schedule.

Credit Risk and Concentration of Credit Risk

The Authority's investment policy sets limits as to the levels of allowable concentration risk. The money market portion of the investment portfolio is not to exceed one percent of the total portfolio. The Federal National Mortgage Association portion may not exceed 20% of the total investment portfolio. No portion, except for United States Treasury Notes, shall exceed 40% of the total investment portfolio.

At December 31, 2010, more than five percent of the Authority's investment were in Blackrock Liquidity Funds (money market investments), Federal Home Loan Bank, Federal National Mortgage Association, and Federal Home Loan Mortgage Corp. securities. As of December 31, 2010, these investments were 6.04%, 14.62%, 16.37%, and 6.67%, respectively, of the Authority's total investments.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Library System

As of December 31, 2010, the Library System had the following cash and cash equivalents and debt investments with their respective maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>
Cash Equivalents	\$ 51,320	\$ 51,320	\$ -	\$ -
U.S. Government Agencies	25,781	25,781	-	-
Corporate Bonds	51,308	-	51,308	-
Fixed Income Mutual Funds	368,996	26,976	104,468	237,552
Mutual Funds	861,029	N/A	N/A	N/A
Total	<u>\$ 1,358,434</u>	<u>\$ 104,077</u>	<u>\$ 155,776</u>	<u>\$ 237,552</u>

In addition to cash equivalents and investments, an additional cash balance of \$956,896 is reported on the balance sheet. Total cash equivalents and investments are reported as follows:

Cash and Cash Equivalents	\$ 1,008,216
Investments	1,307,114
	<u>\$ 2,315,330</u>

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 B.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Library System (Continued)

As of December 31, 2010, 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	A	51%
Corporate Bonds	BB+	49%
Fixed Income Mutual Funds	AAA	8%
Fixed Income Mutual Funds	A	43%
Fixed Income Mutual Funds	BBB	25%
Fixed Income Mutual Funds	BB	7%
Fixed Income Mutual Funds	B	17%

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, 2010, \$490,040 of the Library System's cash in bank of \$1,008,216 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.

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 12% of the Library System's total investments.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Planning Commission

Cash and temporary investments include the following as of December 31, 2010:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Cash	\$ 5,818,350	\$ 5,942,201
PLGIT	787,583	787,583
	<u>\$ 6,605,933</u>	<u>\$ 6,729,784</u>

Concentration of Credit Risk

The Commission places no limit on the amount the Commission may invest in any one issuer. All of the Commission's temporary investments consist of temporary investments with PLGIT (11.9%).

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Commission does not have a formal policy for custodial credit risk. As of December 31, 2010, the book balance of the Commission's deposits was \$6,605,933 and the bank balance was \$6,729,784. Of the bank balance at December 31, 2010, \$250,000 was covered by federal depository insurance and \$5,692,201 was collateralized under Act No. 72 (Act) of the 1971 Session of the Pennsylvania General Assembly, in which financial institutions were granted the authority to secure deposits of public bodies by pledging a pool of assets, as defined in the Act, to cover all public funds deposited in excess of federal depository insurance limits. At December 31, 2010, 787,583 is invested in an external investment pool with PLGIT.

PLGIT separately issues audited financial statements which are available to the public. The fair value of the Commission's position in the external investment pool is equivalent to the value of the pool shares. The Commonwealth is the formal external regulatory oversight for the external investment pool. At December 31, 2010, PLGIT carried an AAA rating and had an average maturity of less than one year.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(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 2010 was 4.15 mills with .1 mill pertaining to a dedicated library tax.

The County recorded an allowance for uncollectible taxes of \$523,172 as of December 31, 2010. This represents the County's estimate of taxes earned but ultimately expected not to be collected.

(5) Component Unit 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 \$18,823,781 for the year ended December 31, 2010.

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 \$3,000,000 was received in the year ended December 31, 2010. 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 \$9,719,160 is recorded as a contract receivable, with \$2,125,276 being shown as the current portion as of December 31, 2010. Similar amounts are recorded as deferred contract revenue which will be amortized to income as payments are received from Viacom.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(6) Capital Assets

A summary of changes in the capital assets for the year ended December 31, 2010 is as follows:

	Beginning Balance as Restated (See Note 27)	Additions	Reductions	Ending Balance
Governmental activities				
Capital assets not being depreciated (cost):				
Land	\$ 52,790,754	\$ 479,910	\$ 125,700	\$ 53,144,964
Construction in progress	26,594,487	5,718,661	25,208,578	7,104,570
Easements	17,717,054	-	-	17,717,054
Total capital assets not being depreciated	<u>97,102,295</u>	<u>6,198,571</u>	<u>25,334,278</u>	<u>77,966,588</u>
Capital assets being depreciated (cost):				
Buildings and improvements	170,501,598	24,624,607	497,917	194,628,288
Furniture, fixtures, and equipment	12,281,100	749,152	87,221	12,943,031
Bridges, roads, and rail trail	19,781,429	2,309,734	-	22,091,163
Total capital assets being depreciated	<u>202,564,127</u>	<u>27,683,493</u>	<u>585,138</u>	<u>229,662,482</u>
Less accumulated depreciation for:				
Buildings and improvements	45,653,251	4,116,744	318,531	49,451,464
Furniture, fixtures, and equipment	9,122,889	1,354,771	87,221	10,390,439
Bridges, roads, and rail trail	13,356,851	489,824	-	13,846,675
Total accumulated depreciation	<u>68,132,991</u>	<u>5,961,339</u>	<u>405,752</u>	<u>73,688,578</u>
Total capital assets being depreciated, net	<u>134,431,136</u>	<u>21,722,154</u>	<u>179,386</u>	<u>155,973,904</u>
Total capital assets, governmental activities	<u>\$ 231,533,431</u>	<u>\$ 27,920,725</u>	<u>\$ 25,513,664</u>	<u>\$ 233,940,492</u>
Business-type activities				
Capital assets not being depreciated (cost):				
Land	\$ 260,065	\$ -	\$ -	\$ 260,065
Construction in Progress	34,640,055	2,733,133	6,854,552	30,518,636
Total capital assets not being depreciated	<u>34,900,120</u>	<u>2,733,133</u>	<u>6,854,552</u>	<u>30,778,701</u>
Capital assets being depreciated (cost):				
Buildings and improvements	30,806,070	6,476,338	-	37,282,408
Leasehold assets	997,500	-	-	997,500
Furniture, fixtures, and equipment	19,671,764	494,624	-	20,166,388
Total capital assets being depreciated	<u>51,475,334</u>	<u>6,970,962</u>	<u>-</u>	<u>58,446,296</u>
Less accumulated depreciation for:				
Buildings and improvements	6,682,383	805,722	-	7,488,105
Leasehold assets	565,250	199,500	-	764,750
Furniture, fixtures, and equipment	11,042,113	1,555,101	-	12,597,214
Total accumulated depreciation	<u>18,289,746</u>	<u>2,560,323</u>	<u>-</u>	<u>20,850,069</u>
Total capital assets being depreciated, net	<u>33,185,588</u>	<u>4,410,639</u>	<u>-</u>	<u>37,596,227</u>
Total capital assets, business-type activities	<u>\$ 68,085,708</u>	<u>\$ 7,143,772</u>	<u>\$ 6,854,552</u>	<u>\$ 68,374,928</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(6) Capital Assets (Continued)

	Beginning Balance	Additions	Reductions	Ending Balance
Component units				
Capital assets not being depreciated (cost):				
Land	\$ 7,641,400	\$ -	\$ -	\$ 7,641,400
Construction in progress	6,031,591	319,949	-	6,351,540
Total capital assets not being depreciated	<u>13,672,991</u>	<u>319,949</u>	<u>-</u>	<u>13,992,940</u>
Capital assets being depreciated (cost):				
Buildings and improvements	159,260,912	865,724	-	160,126,636
Furniture, fixtures, and equipment	7,216,166	332,063	15,470	7,532,759
Total capital assets being depreciated	<u>166,477,078</u>	<u>1,197,787</u>	<u>15,470</u>	<u>167,659,395</u>
Less accumulated depreciation for:				
Buildings and improvements	105,654,139	6,086,967	-	111,741,106
Furniture, fixtures, and equipment	4,033,334	778,827	(15,470)	4,796,691
Total accumulated depreciation	<u>109,687,473</u>	<u>6,865,794</u>	<u>(15,470)</u>	<u>116,537,797</u>
Total capital assets being depreciated, net	<u>56,789,605</u>	<u>(5,668,007)</u>	<u>-</u>	<u>51,121,598</u>
Total capital assets, business-type activities	<u>\$ 70,462,596</u>	<u>\$ (5,348,058)</u>	<u>\$ -</u>	<u>\$ 65,114,538</u>

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

Governmental activities	
Public safety	\$ 1,468,395
General government	1,210,980
Judicial	2,148,155
Health, education, and welfare	387,084
Road and bridges	516,002
Cultural and recreation	230,723
Total depreciation expense – governmental activities	<u>\$ 5,961,339</u>
Business-type activities	
County Nursing Home Fund	\$ 2,083,612
911 Fund	476,711
Total depreciation expense - business-type activities	<u>\$ 2,560,323</u>
Component units	
York County Planning Commission	\$ 39,465
York County Library System	375,672
York County Industrial Development Authority	981,613
York County Solid Waste and Refuse Authority	5,469,044
Total depreciation expense - component units	<u>\$ 6,865,794</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended December 31, 2010:

	Beginning Balance as Restated (See Note 27)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation debt	\$ 189,829,219	\$ 136,450,790	\$ 138,213,675	\$ 188,066,334	\$ 3,945,717
Litigation liability	6,437,560	-	2,937,560	3,500,000	1,000,000
Unamortized bond premium	1,344,190	-	56,134	1,288,056	56,134
Liability for workers' compensation self-insurance	1,562,820	597,091	480,645	1,679,266	134,341
Compensated absences	3,630,650	2,902,887	2,757,140	3,776,397	2,674,430
Liability for other postemployment benefits	7,969,341	6,751,478	3,398,409	11,322,410	-
Liability for pension benefits	1,718,884	1,489,714	-	3,208,598	-
Derivative instrument liability	8,989,278	-	8,989,278	-	-
	<u>\$ 221,481,942</u>	<u>\$ 148,191,960</u>	<u>\$ 156,832,841</u>	<u>\$ 212,841,061</u>	<u>\$ 7,810,622</u>
Business-type activities					
General obligation debt	\$ 51,790,122	\$ 994,834	\$ 2,526,290	\$ 50,258,666	\$ 1,624,284
Unamortized bond premium	1,302,992	-	54,291	1,248,701	54,291
Liability for workers' compensation self-insurance	1,278,671	488,529	393,255	1,373,945	109,916
Compensated absences	809,592	517,323	564,715	762,200	539,786
Liability for other postemployment benefits	3,756,940	3,264,213	1,599,251	5,421,902	-
Liability for pension benefits	518,925	1,072,138	-	1,591,063	-
Capital lease obligation	407,638	-	199,676	207,962	207,962
	<u>\$ 59,864,880</u>	<u>\$ 6,337,037</u>	<u>\$ 5,337,478</u>	<u>\$ 60,864,439</u>	<u>\$ 2,536,239</u>

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

During 2010, there was a transfer of General Obligation Debt in the amount of \$267,065 from the Governmental Activities to the Business-Type Activities and a transfer in of General Obligation Debt in the amount of \$241,264 from the Business-Type Activities to the Governmental Activities which related to the transfer of bond proceeds of the Series of 2006 General Obligation Bonds discussed in Note 17.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities (Continued)

Governmental activities general obligation debt consisted of the following individual issues at December 31, 2010 (Payable from General Fund Tax Revenues):

\$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.	\$ 21,460,000
\$74,890,000 Series of 2006 – general obligation bonds (\$21,836,334 for Governmental Activities and \$50,258,666 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.	21,836,334
\$11,700,000 Series A of 2009 – general obligation note with interest on the outstanding balance due semi-annually on May 1 and November 1 at a fixed rate equal to 4.63% for the period November 1, 2009 to November 1, 2014. After November 1, 2014, the interest rate will be variable rate equal to the Wall Street Prime Rate plus 500 basis points, not to exceed 15%. Principal due in annual installments on November, increasing from \$370,000 in 2010 to \$825,000 in 2029.	11,330,000
\$52,550,000 Series of 2010 – general obligation bonds with interest due semiannually June 1 and December 1 at various annual rates from 2.00% to 5.00%. Principal due in annual installments on June 1, increasing from \$105,000 in 2011 to \$44,735,000 in 2036.	52,550,000
\$17,975,000 Series 1 of 2010 – general obligation notes with interest due semiannually June 1 and December 1 at a rate of 65% of 1-month LIBOR plus 100 basis points. Principal due in annual installments on June 1, increasing from \$605,000 in 2011 to \$16,740,000 in 2013.	17,975,000
\$29,780,000 Series 2 of 2010 – general obligation notes with interest due semiannually June 1 and December 1 at a rate of 65% of 1-Month LIBOR plus 100 basis points. Principal due in annual installments on June 1, increasing from \$720,000 in 2011 to \$28,300,000 in 2013.	29,780,000
\$33,085,000 Series 3 of 2010 – general obligation notes with interest due semiannually June 1 and December 1 at a rate of 65% of 1-month LIBOR plus 100 basis points. Principal due in annual installments on June 1, increasing from \$345,000 in 2011 to \$32,380,000 in 2013.	33,085,000
\$3,293,000 Series A of 2010 – general obligation note with interest on the outstanding balance due monthly at a fixed rate equal to 4.50%. Principal due in monthly installments increasing from 7,265 in November 2012 to \$17,995 in October 2032.	50,000
Total general obligation debt	<u>\$ 188,066,334</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities (Continued)

The General Obligation Notes Series A of 2010, Series B of 2010, Series C of 2010, and the General Obligation Bonds Series of 2006 descriptions described in the table above do not reflect the swap transactions disclosed in Note 9. However, the amounts of those bonds are reflective of the swap transactions described in Note 9.

In June 2010, the County issued General Obligation Notes, Series 1 of 2010, Series 2 of 2010, and Series 3 of 2010, in the amount of \$80,840,000. The principal of these notes is payable in annual installments increasing from \$1,670,000 in 2011 to \$77,420,000 in 2013. Concurrently, the County entered into a Bond Purchase Agreement related to the issuance of the General Obligation Bond Series of 2013 in the maximum amount of \$76,090,000. The purpose of the General Obligation Bonds Series of 2013 is to provide funds for the payment of the maturing principal balance of the County's outstanding General Obligation Notes, Series 1 of 2010, Series 2 of 2010, and Series 3 of 2010 and to pay the costs of issuing the bonds. Interest payments on the outstanding principal shall be due semi-annually, on June 1 and December 1 of each year, beginning December 1, 2010. The interest rate on the Series A of 2010, Series B of 2010, and Series C of 2010 General Obligation Notes is a variable rate equal to 65% of 1-Month LIBOR plus 100 basis points, not to exceed a maximum rate of 15%. The proceeds of the note were used to currently refund the outstanding principal of the General Obligation Bond Series A of 2008, Series of B of 2008, and Series C of 2008 and to pay issuance costs of \$105,000. A payment of \$80,735,000 was made to defease the general obligation bonds and was recorded in the Capital Projects Bond Account Fund in the Statement of Revenues, Expenditures, and Changes in Fund Balances. A deferred loss of \$2,355,144 was recorded as an other asset in the Statement of Net Assets related to the current refunding. The notes decreased debt service payments for the County by \$70,300,265 and resulted in an economic gain of \$13,234,603. The principal balance outstanding on the note at December 31, 2010 was \$80,840,000.

In October 2010, the County issued General Obligation Notes, Series A of 2010, in the amount of \$3,293,000. The principal of this note is payable in monthly installments beginning on October 2012 until maturity, on October 26, 2032. Interest only will be payable monthly on the Notes during the two-year draw-down period. Interest payments on the outstanding principal shall be due monthly, beginning on November 26, 2010. The interest rate is a fixed rate equal to 4.50%. The proceeds of the note are being used to finance an affordable housing project known as the Keystone Weaving Mill Redevelopment Project and to pay issuance costs of \$10,000. The County draws on the note as needed to fund the Keystone Weaving Mill Redevelopment Project. The principal balance outstanding on the note at December 31, 2010 was \$50,000.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities (Continued)

In October 2010, the County issued General Obligation Bonds, Series of 2010, in the amount of \$52,550,000. The principal of these bonds is payable in an installments increasing from \$105,000 in 2011 to \$44,735,000 in 2036. Interest payments on the outstanding principal shall be due semiannually, on March 1, and September 1 of each year, beginning on March 1, 2011. Interest rates on the Series of 2010 General Obligation Bonds increase at varying rates from 2.00% in 2011 to 5.00% in 2036. The proceeds of the bonds were used to currently refund the General Obligation Note Series of 2008, General Obligation Note Series A of 2008, General Obligation Note Series of 2009, and to pay issuance costs of \$337,538. A payment of \$53,518,867 was made to defease the general obligation notes and was recorded in the General Fund in the Statement of Revenues, Expenditures, and Changes in Fund Balances. A deferred gain of \$967,240 was recorded as an other asset in the Statement of Net Assets related to the current refunding. The bonds were issued with a net original issue premium of \$1,831,066. The bonds increased debt service payments for the County by \$56,139,963 and resulted in an economic loss of \$13,966,108. The principal balance outstanding on the bonds at December 31, 2010 was \$52,550,000.

The annual requirements to amortize Governmental Activities general obligation bonds outstanding for the year ended December 31, 2010 are as follows, *assuming current interest rates remain the same*:

	Principal	Interest and Remarketing Costs	Total
2011	\$ 3,945,717	\$ 5,712,591	\$ 9,658,308
2012	4,123,034	5,808,171	9,931,205
2013	79,874,865	5,133,894	85,008,759
2014	2,524,755	4,691,082	7,215,837
2015	2,626,701	4,923,275	7,549,976
2016-2020	14,497,373	22,336,485	36,833,858
2021-2025	14,231,493	18,266,426	32,497,919
2026-2030	8,441,394	14,440,161	22,881,555
2031-2035	13,066,002	9,599,773	22,665,775
2036	44,735,000	372,125	45,107,125
	<u>\$ 188,066,334</u>	<u>\$ 91,283,983</u>	<u>\$ 279,350,317</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities (Continued)

Business-Type Activities general obligation debt consisted of the following individual issues at December 31, 2010:

	<u>General Obligation Debt</u>
\$74,890,000 Series of 2006 – general obligation bonds (\$21,836,334 for Governmental Activities and \$50,258,666 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.	\$ 50,258,666
Total general obligation debt	<u>\$ 50,258,666</u>

The Series of 2006 descriptions described in the table above do not reflect the swap transactions disclosed in Note 9.

The annual requirements to amortize Business-Type Activities general obligation bonds outstanding for the year ended December 31, 2010 are as follows, *assuming current interest rates remain the same*:

	<u>Principal</u>	<u>Interest and Remarketing Costs</u>	<u>Total</u>
2011	\$ 1,624,283	\$ 2,395,586	\$ 4,019,869
2012	1,700,966	2,329,081	4,030,047
2013	1,781,135	2,257,212	4,038,347
2014	1,875,245	2,172,482	4,047,727
2015	1,983,298	2,076,018	4,059,316
2016-2020	11,697,627	8,780,722	20,478,349
2021-2025	8,703,507	6,233,841	14,937,348
2026-2030	9,163,606	3,779,452	12,943,058
2031-2035	11,728,999	699,994	12,428,993
	<u>\$ 50,258,666</u>	<u>\$ 30,724,388</u>	<u>\$ 80,983,054</u>

As determined under the Commonwealth of Pennsylvania Local Government Unit Debt Act of 1972, the nonelectoral debt limit of the County at December 31, 2010 was \$1,029,504,468 compared to \$238,325,000 of related outstanding debt.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities (Continued)

The County is subject to federal arbitrage laws governing the use of proceeds of tax exempt debt. At December 31, 2010, there is an arbitrage liability of \$103,651 recorded as a restricted investment in the Capital Projects Fund and \$146,832 recorded as a restricted investment in the 911 Fund.

Total debt of the component units consisted of the following individual issues as of December 31, 2010:

	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.	\$ 34,105,000	\$ -	\$ 34,105,000
Line of Credit with Integrity Bank for working capital and various project needs of the Authority	-	109,165	109,165
	34,105,000	109,165	34,214,165
Plus: unamortized premium	283,507	-	283,507
Less: current portion	7,750,000	-	7,750,000
	<u>\$ 26,638,507</u>	<u>\$ 109,165</u>	<u>\$ 26,747,672</u>

The following is a summary of changes in component unit long-term debt discussed below for the year ended December 31, 2010:

Balance at January 1, 2010	\$ 45,388,090
Additions	109,165
Reductions	(11,283,090)
Balance at December 31, 2010	<u>\$ 34,214,165</u>

The Authority issued Revenue Bonds to provide financial assistance to public and non-profit entities, facilities, and companies located in York County, Pennsylvania for projects deemed to be in the public interest. The Bonds are secured by the projects financed and are payable solely from payments received on the underlying mortgage loans. Although the conduit debt obligations bear the name of the Authority, the Authority has no obligation for such debt beyond the resources provided by related leases or loans with the third party on whose behalf they are issued. Accordingly, the debt instruments are not reported as liabilities in the accompanying financial statements.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities (Continued)

At December 31, 2010, there were 30 series of Revenue Bonds outstanding with aggregate principal amounts payable of \$103,843,141, which includes \$3,500,000 payable from the York County Economic Development Corporation. The County has guaranteed the debt of the York County Economic Development Corporation.

The annual requirements to amortize maturities of component unit long-term debt outstanding for the year ended December 31, 2010, assuming no change in current terms, are as follows:

	Principal
2011	\$ 7,750,000
2012	8,354,165
2013	8,750,000
2014	9,360,000
	\$ 34,214,165

(8) 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, 2010:

Total Minimum Lease Payments	\$ 216,593
Less: Amount Representing Interest	(8,631)
Total Present Value of Net Minimum Lease Payments	207,962
Less: Amounts Due within One Year	207,962
Long Term Capital Lease Payable	\$ -

Future minimum capital lease payments as of December 31, 2010:

2011	\$ 207,962
Total Future Minimum Lease Payments	\$ 207,962

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Capital Lease (Continued)

At December 31, 2010, the County has leased equipment disclosed as leasehold assets in Note 6 in the amount of \$997,500 with an accumulated depreciation of \$764,750.

(9) Interest Rate Swaps

The County is a party to contracts for various derivative instruments, as discussed below.

At December 31, 2010, the County has the following derivative instruments outstanding:

	<u>Notional Amount</u>	<u>Classification</u>	<u>Fair Value</u>		<u>Changes in Fair Value</u>	
			<u>Amount</u>		<u>Classification</u>	<u>Amount</u>
Governmental Activities						
Investment Derivatives:						
2005 Pay-Fixed Interest Rate Swap	\$ 19,090,000	Investment	\$ (2,178,857)		Unrestricted Investment Loss	\$ (130,742)
2003 Pay-Fixed Interest Rate Swap	\$ 30,645,000	Investment	\$ (2,847,580)		Unrestricted Investment Loss	\$ (225,081)
2005 Pay-Fixed Interest Rate Swap	\$ 32,605,000	Investment	<u>\$ (4,427,341)</u>		Unrestricted Investment Loss	<u>\$ (108,677)</u>
Total Pay-Fixed Interest Rate Swaps			<u>\$ (9,453,778)</u>			<u>\$ (464,500)</u>
2006 Basis Swap	\$ 74,890,000	Investment	<u>\$ (1,687,784)</u>		Unrestricted Investment Loss	<u>\$ (1,583,177)</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(9) Interest Rate Swaps (Continued)

As of December 31, 2010, the County determined that the 2003 and 2005 derivative instruments under governmental activities no longer met the criteria for effectiveness and, thus, are considered to be investment derivative instruments. Accordingly, the County accounted for this as a termination in hedge accounting in 2010. The accumulated changes in their fair value that were reported as deferred outflows of (\$8,989,278) at December 31, 2009, added to the decrease in fair value of these swaps in the calendar year 2010 of (\$464,500), are reported in the amount of (\$9,453,778) within the unrestricted investment loss classification in the government-wide Statement of Activities for the year ended December 31, 2010.

The governmental activities 2006 basis swap was deemed ineffective as of December 31, 2009. Accordingly, the County restated net assets (See note 27) and recorded an investment derivative instrument in the amount of \$(104,607). In 2010, the change in the fair value of the derivative instrument in the amount of (\$1,583,177) is recorded within the unrestricted investment loss classification in the government-wide Statement of Activities.

The fair values of the swaps 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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(9) Interest Rate Swaps (Continued)

Objective and terms of hedging derivative instruments

The following table displays the objective and terms of the County's hedging derivative instruments outstanding at December 31, 2010, along with the credit rating of the counterparty.

	Type	Objective	Notional Amounts	Amended Effective Date	Maturity Date	Terms	Counterparty Credit Rating
2005	Pay-fixed interest rate swap	Hedge of changes cash flows on the 2010 GON 1	\$ 19,090,000	12/01/10	06/01/30	Pay 4.34%; receive 87.3% of 1-Month LIBOR	Aaa / AA-
2003	Pay-fixed interest rate swap	Hedge of changes cash flows on the 2010 GON 2	\$ 30,645,000	12/02/10	06/02/31	Pay 4.06%; receive 87.5% of 1-Month LIBOR	Aaa / AA-
2005	Pay-fixed interest rate swap	Hedge of changes cash flows on the 2010 GON 3	\$ 32,605,000	12/01/10	06/01/33	Pay 4.43%; receive 88.3% of 1-Month LIBOR	Aaa / AA-
2006	Basis Swap	To take a position in the market	\$ 74,890,000	02/22/06	06/01/33	Pay SIFMA; receive 67% of LIBOR plus 42.39 basis points	Aaa / AA-

Derivative Instrument Risks

Credit risk. As of December 31, 2010, the County was not exposed to credit risk because the swaps all had negative fair values. However, should interest rates change and the fair value of the swaps become positive, the County would be exposed to credit risk in the amount of the derivative's fair value. As of December 31, 2010, 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)

(9) Interest Rate Swaps (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 County is exposed to interest rate risk on the 2003 and 2005 pay-fixed interest rate swaps. As LIBOR decreases, the County's net payment on the swaps increases.

Termination Risk. The swaps were issued pursuant to the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The Swaps may also be terminated if the County's credit rating falls below BBB/Baa. The County or the counterparty may terminate the swaps 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 swaps have a negative fair value, the County would be liable to the counterparty for a payment equal to the swap's fair value.

Market-Access Risk. The County intends to issue refunding bonds for the debt related to the 2003 and 2005 pay fixed interest rate swaps in 2013. The County reduces its exposure to market-access risk by entering into an agreement with PNC Bank to issue refunding bonds in 2013.

Basis Risk. The County is exposed to basis risk under the 2006 basis swap to the extent that SIFMA trades at a greater than expected percentage of LIBOR for extended period of time and/or in a high interest rate environment. As of December 31, 2010, the SIFMA rate of .23% was less than the 67% of 1-month LIBOR rate plus 42.39 basis points of .599%.

(10) Short-Term Debt

During 2010, the County issued Tax and Revenue Anticipation Notes in the amount of \$24,945,000 for cash flow purposes until the County began receiving tax receipts from the 2010 property tax. During 2010, the County repaid \$24,945,000 related to these Tax and Revenue Anticipation Notes. There was no outstanding balance at December 31, 2010 related to the issuance of this short-term debt.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(11) 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 2010, the County's contribution to the plan for current premiums was \$4,997,660, using the implicit rate subsidy.

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

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)	\$ 6,893,626	\$ 2,897,897	\$ 433,329	\$ 10,224,852
Interest on net OPEB obligation	318,774	131,281	18,996	469,051
Adjustment to ARC	<u>(460,922)</u>	<u>(189,823)</u>	<u>(27,467)</u>	<u>(678,212)</u>
Annual OPEB costs (expense)	6,751,478	2,839,355	424,858	10,015,691
Contributions made	<u>(3,398,409)</u>	<u>(1,399,345)</u>	<u>(199,906)</u>	<u>(4,997,660)</u>
Increase in net OPEB obligation	3,353,069	1,440,010	224,952	5,018,031
Net OPEB obligation - beginning of year	<u>7,969,341</u>	<u>3,282,040</u>	<u>474,900</u>	<u>11,726,281</u>
Net OPEB obligation - end of year	<u><u>\$ 11,322,410</u></u>	<u><u>\$ 4,722,050</u></u>	<u><u>\$ 699,852</u></u>	<u><u>\$ 16,744,312</u></u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2008, 2009, and 2010 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/08	\$ 7,956,424	52.1%	\$ 7,934,102
12/31/09	\$10,100,844	52.7%	\$11,726,281
12/31/10	\$10,015,691	49.9%	\$16,744,312

Funded Status and Funding Progress. As of January 1, 2009, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$152,089,381 and there were no assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$152,089,381. The covered payroll was \$91.7 million, and the ratio of the UAAL to the covered payroll was 165.9%.

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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

In the January 1, 2009 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.0% investment rate of return, which is the expected long-term investment yield on the investments that are expected to be used to finance the payments of benefits, a health care cost trend rate of 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.

(12) Component Unit Post-Employee Retirement Plan

York County Planning Commission

Plan Descriptions

In addition to the pension plan benefits, the Commission provides certain post-employment healthcare benefits to its retirees through one single-employer, defined benefit other post-employment benefit (OPEB) plan. The OPEB plan does not issue a separate report.

Per Section 1000 of the Commission's employee handbook, effective May 6, 2008, the Commission will provide retired employees with medical coverage for a period of time after retirement.

Eligibility: Any non-uniformed employee who retires and has attained age 62 with at least 25 years of service with the Commission.

Benefits: Medical coverage is provided to the participant until age 65.

The schedule of benefits and sharing of costs is as follows:

Year After Employment	Employer Share of Costs	Employee Share of Costs
1	75%	25%
2	50%	50%
3	25%	75%
4	No benefit	No benefit

Note: Actuarial valuation assumed an average employer and employee contribution rate of 50%.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) Component Unit Post-Employee Retirement Plan (Continued)

York County Planning Commission (Continued)

Funding Policy and Annual OPEB Costs

The Commission's contribution is based on projected pay-as-you-go financing requirements. For the year ended December 31, 2010, the Commission made no contribution to the OPEB plan.

The Commission opted to not fund the OPEB contribution and will continue to fund the annual OPEB cost on a pay-as-you-go basis.

Funding Policy and Annual OPEB Costs (Continued)

The Commission's annual OPEB costs (expense) for the plan is calculated based on the annual required contribution of the employer (ARC). The Commission has elected to calculate the ARC and related information using the alternative measurement method permitted by governmental accounting standards for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability 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 ARC are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions:

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time for the valuation and on 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 consistent with the long-term perspective of the calculation.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) Component Unit Post-Employee Retirement Plan (Continued)

York County Planning Commission (Continued)

The projections of benefits for financial reporting purposes do not explicitly incorporate potential effects of legal or contractual funding limitations on the pattern of cost-sharing between the employer and plan members in the future.

Information as of the latest actuarial valuation follows:

Valuation date	11/1/2009			
Actuarial cost method	Entry age normal			
Actuarial assumptions:				
Interest rate	2.0%			
Mortality	Life expectancies based on the 2000 mortality tables for males and females projected 10 years			
Turnover	Standard turnover assumptions from GASB Statement No. 45, paragraph 35b			
Health insurance premiums	Based on 2009 health and dental insurance premiums			
Health care cost trend rates				
	Health	Pharmacy	Dental	Vision
2009	9.0%	9.0%	4.0%	3.0%
2010	8.0%	8.0%	3.5%	3.0%
2011	7.0%	7.0%	3.0%	3.0%
2012	6.0%	6.0%	3.0%	3.0%
2013	5.8%	5.8%	3.0%	3.0%
2014	5.6%	5.6%	3.0%	3.0%
2015	5.6%	5.6%	3.0%	3.0%
2016	5.5%	5.5%	3.0%	3.0%
2017	5.5%	5.5%	3.0%	3.0%
2018+	4.7%	4.7%	3.0%	3.0%
Amortization period	30 years			
Amortization method	Level percentage of payroll, open period			
Actuarial value of assets	Not applicable			
Inflation rate	None			

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) Component Unit Post-Employee Retirement Plan (Continued)

York County Planning Commission (Continued)

Three-Year Trend Information

	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB Obligation
2010	\$ 17,365	0.0%	\$ 34,730
2009	17,365	0.0%	17,365
2008	N/A	N/A	N/A

Annual OPEB Cost and Net OPEB Obligation

The Commission's estimated annual OPEB costs and net OPEB obligations to the Plan for the year ended December 31, 2010 were as follows:

Annual required contribution	\$ 17,365
Contribution made	-
Change in Net OPEB Obligation	17,365
Net OPEB Obligation, beginning	17,365
Net OPEB Obligation, ending	<u>\$ 34,730</u>

Funded Status and 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)
11/1/2009	\$ -	\$ 160,788	\$ 160,788	0%	N/A	N/A

Note: Valuation as of 11/1/09 represents the initial valuation for the plan as required under governmental accounting standards.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) Component Unit Post-Employee Retirement Plan (Continued)

York County Planning Commission (Continued)

Summary of Employer Contributions

Year Ending	Annual Required Contribution	Actual Contribution	Percentage Contributed
12/31/2010	\$ 17,365	\$ -	0.0%
12/31/2009	17,365	-	0.0%

(13) Employee Retirement Plan (Pension Trust Fund)

The County maintains a single-employer, contributory-defined benefit pension plan (the Plan) that covers all employees of the County. 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, Statement No. 27, and Statement No. 50.

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, 2010, the Plan's membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	892
Terminated employees entitled to benefits, but not yet receiving benefits	165
Active plan members	2,367
Total members	<u>3,424</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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

Description of Plan (Continued)

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 \$54,988,872 as of December 31, 2010, 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.

Funding Status and Progress

As of December 31, 2010, the most recent actuarial valuation date, the plan was 78.4 percent funded. The actuarial accrued liability for benefits was \$287.3 million, and the actuarial value of assets was \$225.3 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$62.0 million. The actuarial value of assets as a percentage of the actuarial accrued liability was 78.4%. The covered payroll was \$98.1 million, and the ratio of the UAAL to the covered payroll was 63.2%.

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, 2010 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 the greater of the market value of the assets as of the valuation date and adjusting the actuarial value of assets as of the prior valuation date in accordance with the method approved by the Commonwealth of Pennsylvania under Act 44 Section 210A(1). The actuarial value of assets will be limited to a

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

maximum of 120% and a minimum of 80% of the market value of assets as of the valuation date. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2010 was 25.

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	
							Obligation	Net Pension (Asset)/ Obligation
2008	\$ 7,383,314	\$ (37,636)	\$ (61,775)	\$ 7,407,453	\$ 7,383,314	99.67%	\$ 24,139	\$ (477,670)
2009	9,332,399	(35,825)	(58,905)	9,355,479	6,640,000	70.97%	2,715,479	2,237,809
2010	10,666,047	167,836	272,031	10,561,852	8,000,000	75.74%	2,561,852	4,799,661

During 2010, the County did not fully fund their annual required contribution in the amount of \$2,666,047. At December 31, 2010, the County has recorded an accumulated pension liability of \$3,208,598 and \$1,591,063 in the statement of net assets for governmental and business-type activities, respectively, for the unfunded net pension obligation.

Legally Required Reserves

At December 31, 2010, the County has a balance of \$54,998,872 in the Members' Annuity Reserve Account. This account is the total of the contributions deducted from the salaries of the active and terminated vested members of the retirement system and the IRC 414(h)(2) pickup contributions together with the interest additions as of December 31, 2010. Since those accumulations represent the present value as of December 31, 2010 of future benefits, the reserve balance and liability are equal and this reserve is fully funded.

The County has a balance of \$56,781,513 in the County Annuity Reserve Account as of December 31, 2010. 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 \$91,331,147 as of December 31, 2010.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(14) 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, 2010 amounted to \$132,651.

During the year ended December 31, 1999, the Authority 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, 2009.

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

Description of the plan

The Library System maintains a single-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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(14) Component Unit Employee Retirement Plans (Continued)

York County Library System (Continued)

Description of the plan (Continued)

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.

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. On May 22, 2009, the System's Board passed a resolution calling for the freezing of benefits and the cessation of benefit accruals. As of April 30, 2011, the Library System will terminate its pension plan allowing participants to roll over balances to the System's 401(k) plan or receive a lump sum distribution.

Valuation of investments

The Pension Fund investments are presented at fair market value.

Membership

As of December 31, 2010, employee membership data related to the pension plan was as follows:

Retirees and Beneficiaries Currently Receiving Benefits	31
Inactive	0
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	16
Active Plan Members	64
	<u>111</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(14) Component Unit Employee Retirement Plans (Continued)

York County Library System (Continued)

Annual pension cost and net pension asset

Three year trend information for the plan is as follows:

	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
2008	\$ 103,467	134.23%	\$ (366,164)
2009	99,433	84.06%	(350,310)
2010	71,205	109.94%	(357,386)

Actuarial methods and assumptions

The System has an actuarial valuation prepared on an annual basis. The following table presents the methods and assumptions used to prepare the valuation.

Actuarial Cost Method:	Projected Accrued Benefit Cost
Asset Valuation Method:	Market Value as Calculated by Actuary
Actuarial Assumptions:	
Interest Rate	7.0%
Annual Salary Increase	None Assumed in 2010
Mortality Table	1984 Unisex Pension (UP-84)
Amortization Method:	15 year Annual Rate of Return
Remaining Amortization Period:	15 Years

Annual pension cost and net pension asset

The System's Annual Required Contribution to the pension plan for 2010, was determined as part of an actuarial valuation performed as of December 31, 2010. The System's annual pension cost and net pension obligation to the pension plan for 2010, were as follows:

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(14) Component Unit Employee Retirement Plans (Continued)

York County Library System (Continued)

Annual pension cost and net pension asset (Continued)

Annual Required Contribution	\$ 56,155
Interest on Net Pension Obligation	(21,019)
Adjustment to Annual Required Contribution	<u>36,069</u>
Annual Pension Cost	71,205
Contribution Made	<u>78,281</u>
Change in Net Pension Asset	7,076
Net Pension Asset (Obligation) - beginning of year	<u>350,310</u>
Net Pension Asset (Obligation) - end of year	<u><u>\$ 357,386</u></u>

Funding status and progress

As of December 31, 2010, the most recent actuarial valuation date, the plan was 76.0% funded. The actuarial accrued liability for benefits was \$1.9 million, and the actuarial value of assets was \$1.4 million, resulting in an unfunded liability (UAAL) of \$.45 million. The actuarial value of assets as a percentage of the actuarial liability was 76.0%. The covered payroll was \$2.8 million, and the ratio of the UAAL to the covered payroll was 16.0%.

The schedule of funding progress 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.

The projected accrued benefit cost method is used to determine the annual required contribution for the System. Because this method does not identify or separately amortize unfunded actuarial liabilities, information about the funded status is prepared using the entry age actuarial cost method and is intended to serve as a surrogate for the funded status of the plan.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(14) 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>
2005	\$ 98,683	\$134,439	136%
2006	\$111,829	\$129,064	115%
2007	\$ 93,107	\$116,834	125%
2008	\$ 89,789	\$138,886	155%
2009	\$ 83,702	\$ 83,579	99%
2010	\$ 56,155	\$ 78,281	139%

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>
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%
2009	\$1,155,712	\$1,701,560	\$545,848	67.92%	\$3,080,484	17.72%
2010	\$1,438,944	\$1,893,451	\$454,507	76.00%	\$2,843,004	15.99%

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 of 1974. 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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(14) Component Unit Employee Retirement Plans (Continued)

York County Planning Commission (Continued)

Description (Continued)

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.

Plan Membership

As of January 1, 2009, the date of the latest actuarial valuation, the pension plan's membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	16
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	8
Active Plan Members	<u>43</u>
Total Members	<u><u>67</u></u>

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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(14) Component Unit Employee Retirement Plans (Continued)

York County Planning Commission (Continued)

Annual Pension Cost

The Commission's annual pension costs were comprised of the following for the year ended December 31, 2010:

Annual required contribution	\$ 217,000
Adjustment to ARC	29,872
Annual pension cost	<u>246,872</u>
Contributions made	(517,060)
Change in prepaid pension expenses	<u>(270,188)</u>
Net prepaid pension expense, beginning	(213,405)
Net prepaid pension expense, ending	<u><u>\$ (483,593)</u></u>

The required contribution was determined as part of the actuarial valuation using the entry age normal actuarial method. The actuarial value plan assets are stated at fair value. 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 dollar on a closed basis. The remaining amortization period as of December 31, 2010, was nine years.

Trend Information

Year Ended December 31,	Annual Pension Cost	Contributions Made	Actuarial Valuation Date Basis for Contributions	Percentage Contributed	Net Pension Asset
2008	\$ 226,176	\$ 185,386	2005	88.8%	\$ (238,621)
2009	244,852	\$ 219,636	2007	89.7%	(213,405)
2010	246,872	\$ 517,060	2009	209.4%	(483,593)

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(14) Component Unit Employee Retirement Plans (Continued)

York County Planning Commission (Continued)

Summary of Employer Contributions

Year Ended December 31	Annual Required Contribution	Actual Contribution	Percentage Contributed
2005	\$ 167,723	\$ 167,723	100%
2006	\$ 167,133	\$ 167,133	100%
2007	\$ 185,386	\$ 185,386	100%
2008	\$ 200,890	\$ 200,910	100%
2009	\$ 219,596	\$ 219,636	100%
2010	\$ 217,000	\$ 517,060	238%

Funded Status and Funding Progress

The schedule of funding progress below 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 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]
1/1/1999	\$ 2,085,513	\$ 3,282,633	\$ 1,197,120	63.53%	\$ 1,139,649	105.04%
1/1/2001	\$ 3,024,893	\$ 3,740,524	\$ 715,631	80.87%	\$ 1,297,772	55.14%
1/1/2003	\$ 3,718,243	\$ 4,307,095	\$ 588,852	86.33%	\$ 1,466,815	40.14%
1/1/2005	\$ 4,502,255	\$ 5,140,779	\$ 638,524	87.58%	\$ 1,619,427	39.43%
1/1/2007	\$ 5,297,643	\$ 5,998,245	\$ 700,602	88.32%	\$ 1,742,123	40.22%
1/1/2009	\$ 6,287,879	\$ 6,914,902	\$ 627,023	90.93%	\$ 2,036,293	30.79%

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, 2010, the Commission did not make any contributions to the plan.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(15) 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, 2010.

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.

Debt Guaranty Agreement

The primary government has guaranteed the Series of 1997 Refunding Revenue Bonds of YCSWRA. The outstanding balance of this debt at December 31, 2010, was \$34,105,000.

The above debt issue has dedicated revenue sources that are intended to be sufficient to meet debt service requirements.

Line of Credit – Component Units

In 2010, the Authority established a \$1,000,000 unsecured line of credit with Integrity Bank for working capital and various project needs of the Authority. Borrowings against the line bore interest at the New York Prime Rate, which was 3.25% at December 31, 2010. As of December 31, 2010, \$109,615 had been drawn on the line related to the Harley-Davidson West Campus project.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(16) Due from Other Governments

Amounts due from other governments are primarily grants receivable from the Commonwealth of Pennsylvania at December 31, 2010, for the following funds:

Governmental funds	
General Fund	\$ 762,895
Mental Health/Mental Retardation Fund	133,035
Children & Youth Fund	3,640,453
Community Development Block Grant Fund	1,166,403
Other Nonmajor Funds	873,468
	<u>\$ 6,576,254</u>
Enterprise Fund	
911 Fund	\$ 44,354
	<u>\$ 44,354</u>

(17) Interfund Accounts

Individual fund “due from other funds” and “due to other funds” balances at December 31, 2010, are as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Governmental funds		
General Fund	\$ 4,916,272	\$ 545,279
York HealthChoices Management Fund	291	1,745,581
Mental Health/Mental Retardation Fund	32,094	744,293
Children and Youth Fund	168,733	1,550,441
Community Development Block Grant Fund	-	3,996
Capital Projects Bond Account Fund	199	1,558
Other Nonmajor Funds	2,142,046	435,013
	<u>7,259,635</u>	<u>5,026,161</u>
Enterprise funds		
County Nursing Home Fund	-	2,229,941
911 Fund	-	3,533
	<u>-</u>	<u>2,233,474</u>
Total	<u>\$ 7,259,635</u>	<u>\$ 7,259,635</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(17) Interfund Accounts (Continued)

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.

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

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental funds		
General Fund	\$ 44,497	\$ 23,398,815
Mental Health/Mental Retardation Fund	834,032	-
Children & Youth Fund	8,062,415	-
Community Development Block Grant Fund	5,843	5,843
Capital Projects Bond Account Fund	-	921,200
Other Nonmajor Funds	1,945,191	50,340
	<u>10,891,978</u>	<u>24,376,198</u>
Enterprise funds		
County Nursing Home Fund	4,712,163	-
911 Fund	8,772,057	-
	<u>13,484,220</u>	<u>-</u>
Total	<u>\$ 24,376,198</u>	<u>\$ 24,376,198</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 2010 there was a transfer of bond proceeds in the amount of \$267,065 from the capital projects bond account fund to the 911 fund. The purpose of the bond proceeds transfer was to fund additional 911 capital purchases from the series of 2006 General Obligation Bond Proceeds. Also, there was a transfer of bond proceeds in the amount of \$241,264 from the nursing home to the capital project bond account fund. The purpose of this transfer was to return unspent bond proceeds to fund additional capital purchases for governmental activities from the series of 2006 General Obligation Bond Proceeds.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(18) Excess of Expenditures over Appropriations in Major Funds

The following major fund had an excess of actual expenditures over budget for the year ended December 31, 2010.

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Percent of Excess over Appropriations</u>
York HealthChoices Management Fund	\$ 62,279,350	\$ 65,981,887	5.95%
Community Development Block Grant Fund	\$ 7,353,000	\$ 8,252,020	12.23%

The excess expenditures over appropriations in the Community Development Block Grant Fund and York HealthChoices Management Fund were funded by greater than anticipated revenues.

(19) Deficit Fund Equity

At December 31, 2010, the County Nursing Home Fund and the 911 Fund had deficit balances in unrestricted net assets of \$7,965,481 and \$629,726, respectively. The County has recorded a reserve for these amounts in the fund balance of the General Fund.

(20) 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 stopped 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 \$792,316 reported as landfill closure and post closure care liability at December 31, 2010 (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, 2010. 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)

(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 \$1,000,000 for injuries to employees. For risks greater than \$1,000,000, the County has purchased excess of loss insurance with an insurance carrier. As of December 31, 2010, the County has recorded a liability for claims incurred of \$1,373,945 in the county nursing home fund and \$1,679,266 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, 2010.

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 \$29,114,665 or \$250,000 plus \$40,000 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 \$250,000 per covered member. The County purchased stop loss insurance to cover all claims in excess of these deductible points. As of December 31, 2010, the County has recorded a liability for claims incurred of \$1,070,344 in the general fund and \$203,876 in the county nursing home fund.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(21) Risk Management (Continued)

Self-Insurance (Continued)

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

	<u>Medical</u>		<u>Workers' Compensation</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Balance as of January 1	\$ 1,286,346	\$ 1,301,127	\$ 2,841,491	\$ 2,607,274
Add: Incurred claims relating to:				
Prior years	(61,543)	(106,694)	(791,391)	(546,509)
Current year	21,446,683	21,374,121	1,785,076	1,404,940
	<u>21,385,140</u>	<u>21,267,427</u>	<u>993,685</u>	<u>858,431</u>
Less: Payment of claims relating to:				
Prior years	1,224,803	1,194,433	182,657	181,774
Current year	20,172,463	20,087,775	599,308	442,440
	<u>21,397,266</u>	<u>21,282,208</u>	<u>781,965</u>	<u>624,214</u>
Balance as of December 31	<u>\$ 1,274,220</u>	<u>\$ 1,286,346</u>	<u>\$ 3,053,211</u>	<u>\$ 2,841,491</u>

The foregoing reconciliation reflects a redundancy in the December 31, 2009 liability for medical self-insurance of \$61,543. The foregoing reconciliation also reflects a redundancy in the December 31, 2009 liability for workers' compensation self-insurance of \$791,391. 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 quarterly premium to the Pool based on past loss experience. Based on the Pool's favorable surplus, no liability has been recorded for claims incurred, but not paid as of December 31, 2010.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(22) Restricted Assets and Related Liabilities

At December 31, 2010, the County's governmental funds had a restricted cash balance of \$7,329,218 maintained in escrow accounts in the name of the County. At December 31, 2010, the County also had a restricted investment balance \$8,317,410. Each fund's restricted cash and investments are provided below with a brief explanation of the reasons for restriction:

- \$3,461,180 and \$389,427 are restricted cash and investments in the General Fund. These balances are for various purposes, including: agricultural land preservation, records management, and workers' compensation.
- \$961,758/\$7,140,072 and \$204,944/\$684,260 are restricted cash/investments in the York HealthChoices Fund and the Adams HealthChoices Fund, respectively. Of this balance \$1,824,289 and \$427,912, 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. \$3,899,669 and \$752,457, 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. \$2,025,484 and \$61,253, 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.
- \$60,634 is restricted cash in the York County MH/MR Fund. These funds are received from individuals designated to be used as memorials.
- \$2,452,495 and \$103,651 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, for the following projects related to the 2006 General Obligation Bond Issue: prison expansion, administrative office building renovations, voting machines, and archive security, and to pay for arbitrage expense related to the Series of 2006 General Obligation Bonds. Cash and investment balances are also restricted to fund certain capital projects related to the \$25,000,000 2008 General Obligation Note.
- \$46,414 is restricted cash in the Domestic Relations Fund. These funds are held to be remitted to the intended third party.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(22) Restricted Assets and Related Liabilities (Continued)

- \$54,330 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.
- \$87,463 is restricted cash in the Donations Fund as being held for specific purposes by individuals or businesses.

At December 31, 2010, the County's enterprise funds had a restricted cash balance of \$2,257,397 and a restricted investment balance of \$146,832. Each fund's restricted cash and investments are provided below with a brief explanation of the reasons for restriction:

- \$534,912 of cash in the county nursing home fund. Of this balance \$485,494 is restricted for the payment of patient funds held in safekeeping and \$49,418 for other deposits held in escrow.
- \$1,722,485 of cash in the 911 fund is restricted for payment of eligible 911 wireless expenses. \$146,832 of investments in the 911 fund is 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 \$148,889,383 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 \$ 296,613

This line item represents amounts reserved/restricted for various externally imposed restrictions for crime victims.

Reserved for loans receivable \$ 12,963,981

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

Reserved for county nursing home \$ 7,965,481

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

Reserved for 911 \$ 629,726

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

Unreserved, designated for specific purposes \$ 97,076

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 \$ 1,550,052

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

Nonmajor Funds

Reserved/Restricted for program purposes \$ 7,657,671

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

Business Type Activities

911 Fund

Restricted for program purposes \$ 1,692,364

This line item represents amounts that are restricted by grantors to be used in accordance with the requirements of the 911 wireless program.

Fiduciary Funds

Pension Trust Fund

Net assets held in trust for pension benefits \$ 216,636,265

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

(24) Litigation Liability

The liability consists of an eminent domain settlement for \$5.5 million that occurred during 2008. The 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 liability for the year ended December 31, 2010, are as follows:

	Principal	Interest	Total
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	500,000	15,000	515,000
	<u>\$ 3,500,000</u>	<u>\$ 465,000</u>	<u>\$ 3,965,000</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(25) Loan and Note Receivables

Concurrent to the issuance of the Series A of 2009 General Obligation Notes, the County entered into a loan and security agreement, a mortgage agreement, and a promissory note with the York County Agricultural Society (“Society”) to secure the loan collectively “the Agreement” in the amount of \$11,700,000. Under the Agreement, the Society will pay the principal and interest costs of the outstanding debt in monthly installments of \$76,215 to the County of York until October 10, 2014; and, thereafter the monthly installment will be adjusted to correspond to the new interest rate on the General Obligation Notes. The interest rate on the loan is a fixed rate equal to 4.63% for the period from November 1, 2009 to November 1, 2014. After November 1, 2014, the interest rate shall be adjusted to equal the Wall Street Prime Rate on such date plus 500 basis points, not to exceed a maximum interest rate of 15%. The balance of the loan at December 31, 2010, was \$11,330,000.

The County also has a mortgage note receivable with HW York Properties Inc. related to the sale/leaseback of the building located at 1 West Market Way. The County receives a monthly payment of \$19,704 beginning in May of 2002 and ending in April of 2020. The note has an interest rate of 6.75%. The balance of the note at December 31, 2010, was \$1,633,981.

The annual principal and interest amounts on the loan and note for the year ended December 31, 2010, are as follows:

	Principal	Interest	Total
2011	\$ 520,128	\$ 630,897	\$ 1,151,025
2012	544,188	603,778	1,147,966
2013	573,878	575,335	1,149,213
2014	604,246	545,293	1,149,539
2015	635,334	513,601	1,148,935
2016-2020	3,546,207	2,032,752	5,578,959
2021-2025	3,340,000	1,218,848	4,558,848
2026-2030	3,200,000	375,724	3,575,724
Total	\$ 12,963,981	\$ 6,496,228	\$ 19,460,209

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, 2010 are as follows:

2011	\$ 201,120
2012	173,011
2013	177,450
2014	182,022
2015	186,736
2016-2020	364,478
2021-2025	270,801
2026-2030	275,108
2031	<u>42,399</u>
Total	<u>\$ 1,873,125</u>

Rental expense totaled \$273,154 for the year ended December 31, 2010.

(27) Restatement of Net Assets/Change in Accounting Principle

The following restatement was necessary to properly reflect the adoption of the provisions of GASB Statement No. 51, “*Accounting and Financial Reporting for Intangible Assets*” and GASB Statement No. 53, “*Accounting and Financial Reporting for Derivative Instrument*”. The County has changed its manner of accounting for certain intangible assets that have indefinite useful lives and that were depreciated in prior years. This change is reported as a cumulative effect of a change in accounting principle in the amount of \$2,477,603 and is reflected as a restatement of beginning net assets invested in capital assets and an increase in capital assets in the governmental activities of the government-wide financial statements. The adoption of GASB Statement No. 53 resulted in the County recording a derivative instrument liability and offsetting deferred outflow – derivative instrument liability of \$8,989,278 for the derivative instruments deemed to be effective hedges at the beginning of the year, and a derivative instrument liability decrease in unrestricted net assets in the governmental activities of the Statement of Net Assets and the Statement of Activities in the amount of \$104,607 for the 2006 basis swap, which was deemed ineffective.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(27) Restatement of Net Assets/Change in Accounting Principle (Continued)

	<u>Governmental Activities</u>
Net Assets,	
beginning of year, as previously stated	\$ 64,242,725
Understatement of the other asset - deferred outflow due to the adoption of GASB 53.	8,989,278
Understatement of derivative instrument liability due to the adoption of GASB 53.	(9,093,885)
Understatement of capital assets due to adoption of GASB 51	<u>2,477,603</u>
Net Assets,	
beginning of year, as restated	<u><u>\$ 66,615,721</u></u>

(28) Subsequent Events

In January of 2011, the County issued Tax and Revenue Anticipation Notes, Series of 2011, in the amount of \$24,950,000. The Notes bear interest at 1.00% and are due on April 29, 2011.

In April of 2011, the County issued a General Obligation Note, Series of 2011, in the amount of \$20,000,000. The note matures on April 15, 2013. The County agreed to pay interest at a variable rate of 65% of 1 month LIBOR plus 85 basis points, not to exceed 12%. The proceeds of the note will be used for the acquisition and construction of: (1) District Magistrate Offices, (2) improvements to the County's Government Center, (3) expansion of the County archives, (4) renovations to the County Prison, (5) a new prison work release facility, (6) other capital improvements and facilities of the County, and to pay related expenses of issuing the note. The County will draw on the note as needed to fund the various capital projects.

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
2005	\$ 8,206,357	100%
2006	\$ 7,665,899	100%
2007	\$ 7,199,423	100%
2008	\$ 7,383,314	100%
2009	\$ 9,332,399	71%
2010	\$ 10,666,047	75%

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, 2010
Actuarial cost method	Entry Age
Amortization method	Level percentage of projected payroll
Remaining amortization period	25 years, closed
Asset valuation method	Greater of market value or smoothed value method as described in section 210A(1) of Act 44 of 2009 of the Commonwealth of Pennsylvania
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)
12/31/2008	\$ 196,954,958	\$ 245,378,742	\$ 48,423,784	80.3%	\$ 91,673,555	52.8%
12/31/2009	\$ 210,319,427	\$ 269,381,916	\$ 59,062,489	78.1%	\$ 94,978,984	62.2%
12/31/2010	\$ 225,346,700	\$ 287,309,457	\$ 61,962,757	78.4%	\$ 98,095,169	63.2%

As the County used the aggregate actuarial cost method prior to December 31, 2007, only three 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%
1/1/2009	\$ -	\$ 152,089,381	\$ 152,089,381	0%	\$ 91,673,555	165.9%

The County adopted GASB 45 on a prospective basis in 2007 and completes its actuarial valuation every two years; therefore only two years are present 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, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Real estate taxes	\$ 109,200,000	\$ 109,200,000	\$ 109,762,800	\$ 562,800
Intergovernmental	5,623,412	9,748,123	9,075,285	(672,838)
Departmental	35,248,553	35,248,553	38,186,538	2,937,985
Fines and costs	5,336,367	5,336,367	5,844,663	508,296
Hotel tax	1,380,000	1,380,000	1,340,664	(39,336)
Investment	2,962,899	2,962,899	81,014	(2,881,885)
Total revenues	159,751,231	163,875,942	164,290,964	415,022
Expenditures				
Current:				
General government	12,617,745	12,715,183	12,603,984	111,199
Public safety	56,867,159	57,262,246	57,925,847	(663,601)
Health, education, and welfare:				
Human Services	10,400,998	10,400,998	10,111,283	289,715
Judicial	32,517,235	32,732,621	31,359,892	1,372,729
Cultural and recreation	6,694,468	6,734,468	7,591,649	(857,181)
Conservation and community development	4,493,924	4,493,924	4,589,162	(95,238)
Capital outlay	-	3,376,800	4,112,159	(735,359)
Debt service:				
Principal retirement	4,880,000	4,880,000	3,692,743	1,187,257
Interest and fiscal charges	12,323,827	12,323,827	5,526,084	6,797,743
Total expenditures	140,795,356	144,920,067	137,512,803	7,407,264
Excess of revenues over expenditures	18,955,875	18,955,875	26,778,161	7,822,286
Other financing sources (uses)				
Transfers in	45,000	45,000	44,497	(503)
Transfers out	(19,000,875)	(19,000,875)	(23,398,815)	(4,397,940)
Payments to redeem bonds and notes	-	-	(53,518,867)	(53,518,867)
Proceeds of refunding bonds and notes	-	-	1,831,066	1,831,066
Proceeds of refunding bonds and notes	-	-	52,550,000	52,550,000
Issuance of debt	-	-	93,727	93,727
Total other financing sources (uses)	(18,955,875)	(18,955,875)	(22,398,392)	(3,442,517)
Net change in fund balances	\$ -	\$ -	\$ 4,379,769	\$ 4,379,769

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, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 60,225,805	\$ 60,225,805	\$ 65,829,373	\$ 5,603,568
Investment	93,009	93,009	45,598	(47,411)
Other	65,000	65,000	106,916	41,916
Total revenues	60,383,814	60,383,814	65,981,887	5,598,073
Expenditures				
Current:				
Health, education, and welfare:				
Human Services	62,279,350	62,279,350	65,981,887	(3,702,537)
Total expenditures	62,279,350	62,279,350	65,981,887	(3,702,537)
Deficiency of revenues under expenditures	(1,895,536)	(1,895,536)	-	1,895,536
Net change in fund balances	\$ (1,895,536)	\$ (1,895,536)	\$ -	\$ 1,895,536

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, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 29,774,780	\$ 29,774,780	\$ 29,476,236	\$ (298,544)
Investment	88,500	88,500	18,750	(69,750)
Other	2,000	2,000	5,582	3,582
Total revenues	29,865,280	29,865,280	29,500,568	(364,712)
Expenditures				
Current:				
Health, education, and welfare:				
Mental health/mental retardation	30,839,600	30,839,600	30,334,600	505,000
Total expenditures	30,839,600	30,839,600	30,334,600	505,000
Deficiency of revenues under expenditures	(974,320)	(974,320)	(834,032)	140,288
Other financing sources (uses)				
Transfers in	974,320	974,320	834,032	(140,288)
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, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 40,869,000	\$ 40,869,000	\$ 30,321,577	\$ (10,547,423)
Departmental	1,115,000	1,115,000	674,347	(440,653)
Total revenues	41,984,000	41,984,000	30,995,924	(10,988,076)
Expenditures				
Current:				
Health, education, and welfare:				
Children and youth	50,048,000	50,048,000	39,058,339	10,989,661
Total expenditures	50,048,000	50,048,000	39,058,339	10,989,661
Deficiency of revenues under expenditures	(8,064,000)	(8,064,000)	(8,062,415)	1,585
Other financing sources (uses)				
Transfers in	8,064,000	8,064,000	8,062,415	(1,585)
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 – Community Development Block Grant Fund

Year ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 6,150,000	\$ 6,150,000	\$ 6,853,180	\$ 703,180
Departmental	200,000	200,000	2,282	(197,718)
Investment	3,000	3,000	1,059	(1,941)
Other	1,000,000	1,000,000	1,395,499	395,499
Total revenues	7,353,000	7,353,000	8,252,020	899,020
Expenditures				
Current:				
Conservation and community development	7,353,000	7,353,000	8,252,020	(899,020)
Total expenditures	7,353,000	7,353,000	8,252,020	(899,020)
Excess of revenues over expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	-	-	5,843	5,843
Transfers out	-	-	(5,843)	(5,843)
Total other financing sources (uses)	-	-	-	-
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, Prison Telephone Funds, and the ARRA Weatherization Fund. 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 department heads 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.

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 Justice Assistance Grant Fund is funded through the American Recovery and Reinvestment Act (ARRA) for criminal justice activities within the County and eligible municipalities.

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.

County of York, Pennsylvania

Combining and Individual Fund Financial Statements and Schedules (Continued)

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 and Health and Human Services. 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.

The ARRA Weatherization Fund is funded through the American Recovery and Reinvestment Act (ARRA) and receives monies from the U.S. Departments of Energy and Health and Human Services. The ARRA Weatherization Fund provides and installs energy-conserving materials for low-income County Residents.

County of York, Pennsylvania

Combining Balance Sheet – Nonmajor Governmental Funds

December 31, 2010

	Liquid Fuels Tax	Domestic Relations	Comprehensive Services to the Aged	Human Services	Drug and Alcohol	Brownfields for Housing	Adams HealthChoices Management	Drug Task Force	Justice Assistance Grant
Assets									
Cash and cash equivalents	\$ 948,170	\$ 866,446	\$ 962,128	\$ -	\$ 709,430	\$ 426	\$ 901,595	\$ 337,294	\$ 32,259
Restricted cash	-	46,414	54,330	-	-	-	204,944	-	-
Investments	-	2,876,881	2,250,783	-	-	-	155,997	790,680	-
Restricted investments	-	-	-	-	-	-	684,260	-	-
Receivables:									
Accounts	-	4,838	3,764	592	9,436	230,007	-	-	-
Due from other funds	-	-	60,254	284,243	61,736	-	1,726,564	-	-
Due from other governments	-	551,241	84,735	74,128	158,467	-	-	-	-
Total assets	\$ 948,170	\$ 4,345,820	\$ 3,415,994	\$ 358,963	\$ 939,069	\$ 230,433	\$ 3,673,360	\$ 1,127,974	\$ 32,259
Liabilities and fund balance									
Liabilities:									
Accounts payable and accrued liabilities	\$ -	\$ 79,492	\$ 402,644	\$ 336,445	\$ 359,903	\$ -	\$ 2,043,036	\$ 47,755	\$ -
Due to other funds	-	167,299	151,118	22,518	58,665	-	305	25,319	-
Deposits held in escrow	-	46,414	54,330	-	-	-	427,500	-	-
Due to other governments	-	-	-	-	-	-	5,349	-	-
Deferred revenue	-	-	2,807,902	-	520,501	230,433	1,197,170	55,719	32,259
Total liabilities	-	293,205	3,415,994	358,963	939,069	230,433	3,673,360	128,793	32,259
Fund balance:									
Fund balance:									
Reserved for program purposes	948,170	4,052,615	-	-	-	-	-	999,181	-
Total fund balance	948,170	4,052,615	-	-	-	-	-	999,181	-
Total liabilities and fund balance	\$ 948,170	\$ 4,345,820	\$ 3,415,994	\$ 358,963	\$ 939,069	\$ 230,433	\$ 3,673,360	\$ 1,127,974	\$ 32,259

County of York, Pennsylvania

Combining Balance Sheet – Nonmajor Governmental Funds (Continued)

December 31, 2010

	Access Grant Program	Donations	Earn-It	Affordable Housing	Weatherization	Downtown Hanover Improvement	Core Communities	Prison Telephone	ARRA Weatherization	Total
Assets										
Cash and cash equivalents	\$ 6,551	\$ -	\$ 21,397	\$ 327,483	\$ 342,175	\$ 219,085	\$ 4,574	\$ 471,824	\$ 445,305	\$ 6,596,142
Restricted cash	-	87,463	-	-	-	-	-	-	-	393,151
Investments	-	-	-	1,020,226	-	-	-	-	-	7,094,567
Restricted investments	-	-	-	-	-	-	-	-	-	684,260
Receivables:										
Accounts	200,000	-	300	857,660	-	-	-	71,263	-	1,377,860
Due from other funds	-	-	-	4,897	-	-	-	-	4,352	2,142,046
Due from other governments	-	-	-	-	4,897	-	-	-	-	873,468
Total assets	\$ 206,551	\$ 87,463	\$ 21,697	\$ 2,210,266	\$ 347,072	\$ 219,085	\$ 4,574	\$ 543,087	\$ 449,657	\$ 19,161,494
Liabilities and fund balance										
Liabilities:										
Accounts payable and accrued liabilities	\$ -	\$ 168	\$ 157	\$ 222,634	\$ 335,725	\$ -	\$ -	\$ 105,752	\$ 132,809	\$ 4,066,520
Due to other funds	-	-	-	-	9,789	-	-	-	-	435,013
Deposits held in escrow	-	-	-	-	-	-	-	-	-	528,244
Due to other governments	-	-	-	-	-	-	-	-	-	5,349
Deferred revenue	206,551	-	-	876,097	1,558	219,085	4,574	-	316,848	6,468,697
Total liabilities	206,551	168	157	1,098,731	347,072	219,085	4,574	105,752	449,657	11,503,823
Fund balance:										
Fund balance:										
Reserved for program purposes	-	87,295	21,540	1,111,535	-	-	-	437,335	-	7,657,671
Total fund balance	-	87,295	21,540	1,111,535	-	-	-	437,335	-	7,657,671
Total liabilities and fund balance	\$ 206,551	\$ 87,463	\$ 21,697	\$ 2,210,266	\$ 347,072	\$ 219,085	\$ 4,574	\$ 543,087	\$ 449,657	\$ 19,161,494

County of York, Pennsylvania

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

Year ended December 31, 2010

	Liquid Fuels Tax	Domestic Relations	Comprehensive Services to the Aged	Human Services	Drug and Alcohol	Brownfields for Housing	Adams HealthChoices Management	Drug Task Force	Justice Assistance Grant
Revenues									
Intergovernmental	\$ 2,507,310	\$ 3,150,953	\$ 7,727,666	\$ 4,640,530	\$ 3,110,695	\$ -	\$ 13,535,673	\$ -	\$ 476,632
Departmental	-	175,720	168,491	-	-	-	-	-	-
Investment	3,899	10,385	-	-	4,985	-	8,841	1,889	116
Other	10,129	34,625	-	219,228	9,969	-	17,452	943,471	-
Total revenues	2,521,338	3,371,683	7,896,157	4,859,758	3,125,649	-	13,561,966	945,360	476,748
Expenditures									
Current:									
Public safety	-	-	-	-	-	-	-	-	-
Roads and bridges	706,836	-	-	-	-	-	-	-	-
Health, education, and welfare:									
Drug and alcohol	-	-	-	-	3,225,649	-	-	-	-
Office of aging	-	-	8,532,226	-	-	-	-	-	-
Human services	-	-	-	4,992,049	-	-	13,561,966	-	-
Judicial	-	4,291,678	-	-	-	-	-	936,232	476,748
Culture and recreation	-	-	-	-	-	-	-	-	-
Conservation and community development	-	-	-	-	-	-	-	-	-
Capital outlay	1,276,979	-	-	-	-	-	-	-	-
Total expenditures	1,983,815	4,291,678	8,532,226	4,992,049	3,225,649	-	13,561,966	936,232	476,748
Excess (deficiency) of revenues over (under) expenditures	537,523	(919,995)	(636,069)	(132,291)	(100,000)	-	-	9,128	-
Other financing sources (uses)									
Operating transfers in	-	741,675	636,069	132,291	100,000	-	-	-	-
Operating transfers out	(44,476)	-	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(44,476)	741,675	636,069	132,291	100,000	-	-	-	-
Net change in fund balances	493,047	(178,320)	-	-	-	-	-	9,128	-
Fund balances, January 1	455,123	4,230,935	-	-	-	-	-	990,053	-
Fund balances, December 31	\$ 948,170	\$ 4,052,615	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 999,181	\$ -

County of York, Pennsylvania

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

Year ended December 31, 2010

	Access Grant Program	Donations	Earn-It	Affordable Housing	Weatherization	Downtown Hanover Improvement	Core Communities	Prison Telephone	ARRA Weatherization	Total
Revenues										
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 204,482	\$ -	\$ -	\$ -	\$ 1,423,092	\$ 36,777,033
Departmental	-	-	-	456,873	-	-	-	831,728	-	1,632,812
Investment	-	22	-	2,790	-	-	-	6,136	-	39,063
Other	-	91,624	6,962	-	-	-	-	-	-	1,333,460
Total revenues	-	91,646	6,962	459,663	204,482	-	-	837,864	1,423,092	39,782,368
Expenditures										
Current:										
Public safety	-	-	-	-	-	-	-	1,714,193	-	1,714,193
Roads and bridges	-	-	-	-	-	-	-	-	-	706,836
Health, education, and welfare:										
Drug and alcohol	-	-	-	-	-	-	-	-	-	3,225,649
Office of aging	-	-	-	-	-	-	-	-	-	8,532,226
Human services	-	-	-	-	-	-	-	-	-	18,554,015
Judicial	-	-	3,537	-	-	-	-	-	-	5,708,195
Cultural and recreation	-	35,164	-	-	-	-	-	-	-	35,164
Conservation and community development	-	-	-	347,222	204,482	-	-	-	1,423,092	1,974,796
Capital outlay	-	-	-	-	-	-	-	-	-	1,276,979
Total expenditures	-	35,164	3,537	347,222	204,482	-	-	1,714,193	1,423,092	41,728,053
Excess (deficiency) of revenues over (under) expenditures	-	56,482	3,425	112,441	-	-	-	(876,329)	-	(1,945,685)
Other financing sources (uses)										
Operating transfers in	-	-	-	5,843	-	-	-	329,313	-	1,945,191
Operating transfers out	-	(21)	-	(5,843)	-	-	-	-	-	(50,340)
Issuance of debt	-	-	-	50,000	-	-	-	-	-	50,000
Total other financing sources (uses)	-	(21)	-	50,000	-	-	-	329,313	-	1,944,851
Net change in fund balances	-	56,461	3,425	162,441	-	-	-	(547,016)	-	(834)
Fund balances, January 1	-	30,834	18,115	949,094	-	-	-	984,351	-	7,658,505
Fund balances, December 31	\$ -	\$ 87,295	\$ 21,540	\$ 1,111,535	\$ -	\$ -	\$ -	\$ 437,335	\$ -	\$ 7,657,671

County of York, Pennsylvania

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

Year ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 700,000	\$ 700,000	\$ 2,507,310	\$ 1,807,310
Investment	1,000	1,000	3,899	2,899
Other	-	-	10,129	10,129
Total revenues	701,000	701,000	2,521,338	1,820,338
Expenditures				
Current:				
Road and bridges	745,000	745,000	706,836	38,164
Capital outlay	-	-	1,276,979	(1,276,979)
Total expenditures	745,000	745,000	1,983,815	(1,238,815)
Excess of revenues over(under) expenditures	(44,000)	(44,000)	537,523	581,523
Other financing uses				
Transfers out	(55,000)	(55,000)	(44,476)	10,524
Net change in fund balances	\$ (99,000)	\$ (99,000)	\$ 493,047	\$ 592,047

County of York, Pennsylvania

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

Year ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 3,416,490	\$ 3,416,490	\$ 3,150,953	\$ (265,537)
Departmental	190,000	190,000	175,720	(14,280)
Investment	15,500	15,500	10,385	(5,115)
Other	32,000	32,000	34,625	2,625
Total revenues	3,653,990	3,653,990	3,371,683	(282,307)
Expenditures				
Current:				
Judicial	4,967,772	4,967,772	4,291,678	676,094
Total expenditures	4,967,772	4,967,772	4,291,678	676,094
Deficiency of revenues under expenditures	(1,313,782)	(1,313,782)	(919,995)	393,787
Other financing sources				
Transfers in	741,675	741,675	741,675	-
Net change in fund balances	\$ (572,107)	\$ (572,107)	\$ (178,320)	\$ 393,787

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, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 8,045,451	\$ 8,045,451	\$ 7,727,666	\$ (317,785)
Departmental	94,679	94,679	168,491	73,812
Total revenues	8,140,130	8,140,130	7,896,157	(243,973)
Expenditures				
Current:				
Health, education, and welfare:				
Office of aging	8,834,023	8,834,023	8,532,226	301,797
Total expenditures	8,834,023	8,834,023	8,532,226	301,797
Deficiency of revenues under expenditures	(693,893)	(693,893)	(636,069)	57,824
Other financing sources				
Transfers in	693,893	693,893	636,069	(57,824)
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, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 4,518,276	\$ 4,801,811	\$ 4,640,530	\$ (161,281)
Other	308,404	308,404	219,228	(89,176)
Total revenues	4,826,680	5,110,215	4,859,758	(250,457)
Expenditures				
Current:				
Human services	4,996,611	5,280,146	4,992,049	288,097
Total expenditures	4,996,611	5,280,146	4,992,049	288,097
Deficiency of revenues under expenditures	(169,931)	(169,931)	(132,291)	37,640
Other financing sources				
Transfers in	169,931	169,931	132,291	(37,640)
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, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 2,846,226	\$ 2,846,226	\$ 3,110,695	\$ 264,469
Investment	1,000	1,000	4,985	3,985
Other	102,813	102,813	9,969	(92,844)
Total revenues	2,950,039	2,950,039	3,125,649	175,610
Expenditures				
Current:				
Health, education, and welfare:				
Drug and alcohol	3,050,039	3,050,039	3,225,649	(175,610)
Total expenditures	3,050,039	3,050,039	3,225,649	(175,610)
Deficiency of revenues under expenditures	(100,000)	(100,000)	(100,000)	-
Other financing sources				
Transfers in	100,000	100,000	100,000	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

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

Year ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 12,078,468	\$ 12,078,468	\$ 13,535,673	\$ 1,457,205
Investment	12,978	12,978	8,841	(4,137)
Other	-	-	17,452	17,452
Total revenues	12,091,446	12,091,446	13,561,966	1,470,520
Expenditures				
Current:				
Human services	12,280,284	12,280,284	13,561,966	(1,281,682)
Total expenditures	12,280,284	12,280,284	13,561,966	(1,281,682)
Deficiency of revenues under expenditures	(188,838)	(188,838)	-	188,838
Net change in fund balances	\$ (188,838)	\$ (188,838)	\$ -	\$ 188,838

County of York, Pennsylvania

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

Year ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Other	\$ 5,600	\$ 5,600	\$ 6,962	\$ 1,362
Total revenues	5,600	5,600	6,962	1,362
Expenditures				
Current:				
Judicial	4,500	4,500	3,537	963
Total expenditures	4,500	4,500	3,537	963
Excess of revenues over expenditures	1,100	1,100	3,425	2,325
Net change in fund balances	\$ 1,100	\$ 1,100	\$ 3,425	\$ 2,325

County of York, Pennsylvania

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

Year ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Departmental	\$ 410,000	\$ 410,000	\$ 456,873	\$ 46,873
Investment	23,000	23,000	2,790	(20,210)
Total revenues	433,000	433,000	459,663	26,663
Expenditures				
Current:				
Conservation and community development	433,000	433,000	347,222	85,778
Total expenditures	433,000	433,000	347,222	85,778
Excess of revenues over expenditures	-	-	112,441	112,441
Other financing sources (uses)				
Transfers in	-	-	5,843	5,843
Transfers out	-	-	(5,843)	(5,843)
Issuance of debt	-	-	50,000	50,000
Total other financing sources	-	-	50,000	50,000
Net change in fund balances	\$ -	\$ -	\$ 162,441	\$ 162,441

County of York, Pennsylvania

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

Year ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 860,073	\$ 860,073	\$ 204,482	\$ (655,591)
Total revenues	860,073	860,073	204,482	(655,591)
Expenditures				
Current:				
Conservation and community development	860,073	860,073	204,482	655,591
Total expenditures	860,073	860,073	204,482	655,591
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 – Downtown Hanover Improvement Fund

Year ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 250,000	\$ 250,000	\$ -	\$ (250,000)
Investment	100	100	-	(100)
Other	2,000	2,000	-	(2,000)
Total revenues	252,100	252,100	-	(252,100)
Expenditures				
Current:				
Conservation and community development	252,100	252,100	-	252,100
Total expenditures	252,100	252,100	-	252,100
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, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 500,000	\$ 500,000	\$ -	\$ (500,000)
Investment	2,000	2,000	-	(2,000)
Total revenues	502,000	502,000	-	(502,000)
Expenditures				
Current:				
Conservation and community development	502,000	502,000	-	502,000
Total expenditures	502,000	502,000	-	502,000
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 – Justice Assistance Grant Fund

Year ended December 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 579,552	\$ 579,552	\$ 476,632	\$ (102,920)
Investment	-	-	116	116
Total revenues	579,552	579,552	476,748	(102,804)
Expenditures				
Current:				
Judicial	579,552	579,552	476,748	102,804
Total expenditures	579,552	579,552	476,748	102,804
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, 2010

	Balance January 1, 2010	Additions	Deletions	Balance December 31, 2010
Tax Claim Bureau				
Assets:				
Cash and cash equivalents	\$ 2,057,992	\$ 27,787,261	\$ 29,069,356	\$ 775,897
Investments	451,635	764,250	-	1,215,885
Accounts receivable	139,397	151,896	139,397	151,896
Delinquent taxes receivable on behalf of other governments	11,126,445	24,237,138	23,189,124	12,174,459
Total assets	\$ 13,775,469	\$ 52,940,545	\$ 52,397,877	\$ 14,318,137
Liabilities:				
Due to other governments	\$ 2,123,075	\$ 1,082,691	\$ 1,531,358	\$ 1,674,408
Other liabilities	11,652,394	56,840,351	55,849,016	12,643,729
Total liabilities	\$ 13,775,469	\$ 57,923,042	\$ 57,380,374	\$ 14,318,137
Unclaimed Money				
Assets:				
Cash and cash equivalents	\$ 487,784	\$ 193,218	\$ 348,631	\$ 332,371
Total assets	\$ 487,784	\$ 193,218	\$ 348,631	\$ 332,371
Liabilities:				
Other liabilities	\$ 487,784	\$ 193,218	\$ 348,631	\$ 332,371
Total liabilities	\$ 487,784	\$ 193,218	\$ 348,631	\$ 332,371
Row Offices				
Assets:				
Cash and cash equivalents	\$ 8,137,643	\$ 56,308,734	\$ 56,648,293	\$ 7,798,084
Total assets	\$ 8,137,643	\$ 56,308,734	\$ 56,648,293	\$ 7,798,084
Liabilities:				
Due to other governments	\$ 3,307,716	\$ 44,344,957	\$ 43,865,002	\$ 3,787,671
Other liabilities	4,829,927	11,963,777	12,783,291	4,010,413
Total liabilities	\$ 8,137,643	\$ 56,308,734	\$ 56,648,293	\$ 7,798,084

County of York, Pennsylvania

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

Year ended December 31, 2010

	Balance January 1, 2010	Additions	Deletions	Balance December 31, 2010
Landfill Escrow				
Assets:				
Cash and cash equivalents	\$ 409,998	\$ 4,139,971	\$ 4,412,457	\$ 137,512
Investments	5,669,501	4,460,174	4,007,307	6,122,368
Total assets	\$ 6,079,499	\$ 8,600,145	\$ 8,419,764	\$ 6,259,880
Liabilities:				
Other liabilities	\$ 6,079,499	\$ 8,600,145	\$ 8,419,764	\$ 6,259,880
Total liabilities	\$ 6,079,499	\$ 8,600,145	\$ 8,419,764	\$ 6,259,880
Total All Agency Funds				
Assets:				
Cash and cash equivalents	\$ 11,093,417	\$ 88,429,184	\$ 90,478,737	\$ 9,043,864
Investments	6,121,136	5,224,424	4,007,307	7,338,253
Accounts receivable	139,397	151,896	139,397	151,896
Delinquent taxes receivable on behalf of other governments	11,126,445	24,237,138	23,189,124	12,174,459
Total assets	\$ 28,480,395	\$ 118,042,642	\$ 117,814,565	\$ 28,708,472
Liabilities:				
Due to other governments	\$ 5,430,791	\$ 45,427,648	\$ 45,396,360	\$ 5,462,079
Other liabilities	23,049,604	77,597,491	77,400,702	23,246,393
Total liabilities	\$ 28,480,395	\$ 123,025,139	\$ 122,797,062	\$ 28,708,472

County of York, Pennsylvania

Combining Statement of Changes in Assets and Liabilities – Row Offices

Year ended December 31, 2010

	Balance January 1, 2010	Additions	Deletions	Balance December 31, 2010
Assets:				
Cash and cash equivalents	\$ 8,137,643	\$ 56,308,734	\$ 56,648,293	\$ 7,798,084
Total assets	\$ 8,137,643	\$ 56,308,734	\$ 56,648,293	\$ 7,798,084
Liabilities:				
Due to other governments				
Clerk of courts	\$ 414,495	\$ 9,397,518	\$ 8,451,891	\$ 1,360,122
Prothonotary	205,541	2,531,909	2,552,850	184,600
Register of wills	75,131	918,231	926,172	67,190
Recorder of deeds	2,394,402	29,351,269	29,660,451	2,085,220
Sheriff	183,139	1,831,594	1,954,769	59,964
Treasurer	35,008	314,436	318,869	30,575
	3,307,716	44,344,957	43,865,002	3,787,671
Other liabilities				
Clerk of courts	946,801	254,865	1,039,923	161,743
Prothonotary	504,827	803,595	633,133	675,289
Sheriff	3,378,299	10,755,456	10,960,374	3,173,381
Treasurer	-	149,861	149,861	-
	4,829,927	11,963,777	12,783,291	4,010,413
Total liabilities	\$ 8,137,643	\$ 56,308,734	\$ 56,648,293	\$ 7,798,084

County of York, Pennsylvania

Combining Balance Sheet – Agency Funds

December 31, 2010

	Tax Claim Bureau	Unclaimed Money	Row Offices	Landfill Escrow	Total Agency Funds
Assets					
Cash and cash equivalents	\$ 775,897	\$ 332,371	\$ 7,798,084	\$ 137,512	\$ 9,043,864
Investments:					
Certificates of Deposit	99,762	-	-	-	99,762
U.S government obligations	149,787	-	-	2,950,996	3,100,783
Municipal bonds	965,113	-	-	-	965,113
Fixed income mutual funds	-	-	-	3,171,372	3,171,372
Other	1,223	-	-	-	1,223
Accounts receivable	151,896	-	-	-	151,896
Delinquent taxes on behalf of other governments	12,174,459	-	-	-	12,174,459
Total assets	<u>\$ 14,318,137</u>	<u>\$ 332,371</u>	<u>\$ 7,798,084</u>	<u>\$ 6,259,880</u>	<u>\$ 28,708,472</u>
Liabilities					
Liabilities:					
Due to other governments	\$ 1,674,408	\$ -	\$ 3,787,671	\$ -	\$ 5,462,079
Other liabilities	12,643,729	332,371	4,010,413	6,259,880	23,246,393
Total liabilities	<u>\$ 14,318,137</u>	<u>\$ 332,371</u>	<u>\$ 7,798,084</u>	<u>\$ 6,259,880</u>	<u>\$ 28,708,472</u>

(This page is intentionally left blank)

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.

CONTENTS

Financial Trends	154
<i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	
Revenue Capacity	161
<i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	
Debt Capacity	170
<i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	177
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	
Operating Information	180
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</i>	

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 Nine Years
(accrual basis of accounting)

	Fiscal Year								
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Governmental activities									
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	\$64,406,876	\$71,979,387
Restricted	5,465,204	14,694,012	34,142,149	15,847,972	16,517,142	8,663,320	8,615,489	9,478,645	7,954,284
Unrestricted	43,973,731	69,308,136	31,277,325	8,659,107	8,542,116	23,750,107	4,690,702	(9,642,796)	(19,233,413)
Total Net Assets	\$71,810,099	\$92,134,342	\$102,601,468	\$85,957,418	\$92,025,349	\$93,149,038	\$69,992,605	\$64,242,725	\$60,700,258
Business-type activities									
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	\$16,424,814	\$16,620,389
Restricted	0	0	0	2,620,297	6,807,576	457,070	1,931,678	1,904,105	1,692,364
Unrestricted	(6,896,721)	(4,103,069)	(3,158,616)	(3,299,070)	(3,049,857)	(3,170,496)	(6,102,728)	(7,941,894)	(8,595,207)
Total Net Assets	\$2,710,249	\$4,881,080	\$5,140,172	\$10,497,837	\$15,942,580	\$17,614,504	\$15,442,437	\$10,387,025	\$9,717,546
Primary government									
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	\$80,831,690	\$88,599,776
Restricted	5,465,204	14,694,012	34,142,149	18,468,269	23,324,718	9,120,390	10,547,167	11,382,750	9,646,648
Unrestricted	37,077,010	65,205,067	28,118,709	5,360,037	5,492,259	20,579,611	(1,412,026)	(17,584,690)	(27,828,620)
Total Net Assets	\$74,520,348	\$97,015,422	\$107,741,640	\$96,455,255	\$107,967,929	\$110,763,542	\$85,435,042	\$74,629,750	\$70,417,804

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

NOTE: The County implemented GASB Statement 51 and 53 beginning in 2010; and, therefore, prior years have not been adjusted to reflect implementation of these standards.

COUNTY OF YORK, PENNSYLVANIA

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

	Fiscal Year								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
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	\$14,137,543	\$14,640,710
Public safety	45,010,561	46,761,755	51,504,975	52,757,075	59,583,122	68,050,405	73,715,098	79,233,907	60,711,011
Roads and bridges	1,028,481	1,070,320	1,460,581	1,724,826	1,519,225	1,555,772	1,599,298	1,414,983	1,222,838
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	187,215,186	177,988,772
Judicial	21,620,905	22,395,939	25,356,501	27,461,906	33,005,665	37,723,009	38,718,385	40,673,541	40,303,397
Cultural and recreation	4,777,294	4,135,753	3,975,262	5,052,808	5,500,997	5,544,178	11,559,587	8,015,683	6,911,070
Conservation and community development	4,422,325	4,476,961	8,120,947	9,971,653	8,753,756	10,790,340	9,606,441	9,812,529	14,873,633
Other departments and programs	18,623,218	23,384,458	27,124,485	29,719,493	0	0	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	8,752,020	3,837,074
Total governmental activities expenses	<u>230,793,052</u>	<u>233,286,524</u>	<u>262,592,675</u>	<u>293,610,661</u>	<u>309,112,946</u>	<u>331,418,057</u>	<u>350,276,794</u>	<u>349,255,392</u>	<u>320,488,505</u>
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	40,283,554	39,864,197
911 Operations	5,109,318	4,717,399	5,697,089	6,126,718	9,047,249	10,517,763	11,015,753	13,574,231	14,739,999
Total business-type activities expenses	<u>35,932,521</u>	<u>34,622,073</u>	<u>37,106,050</u>	<u>40,438,346</u>	<u>43,448,864</u>	<u>46,796,381</u>	<u>49,951,517</u>	<u>53,857,785</u>	<u>54,604,196</u>
Total primary government expenses	<u>\$266,725,573</u>	<u>\$267,908,597</u>	<u>\$299,698,725</u>	<u>\$334,049,007</u>	<u>\$352,561,810</u>	<u>\$378,214,438</u>	<u>\$400,228,311</u>	<u>\$403,113,177</u>	<u>\$375,092,701</u>
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	\$4,290,494	\$4,937,098
Public safety	0	0	16,564,090	17,323,468	17,709,817	25,326,805	23,832,635	25,057,041	28,407,477
Health, education, and welfare	0	1,172,064	1,807,946	1,234,217	1,383,788	1,172,681	1,217,476	798,376	842,838
Judicial	2,912,549	3,318,048	4,121,128	3,764,266	8,648,684	8,948,401	9,605,638	10,105,999	11,092,481
Cultural and recreation	0	0	0	0	472,389	356,738	1,068,990	796,590	601,593
Conservation and community development	0	0	614,041	672,613	1,342,886	735,994	431,326	446,313	459,155
Operating grants and contributions									
General government	10,386,110	16,010,539	319,066	451,701	2,111,569	681,218	489,157	559,971	579,609
Public safety	0	0	14,552,398	12,304,777	3,874,309	4,306,031	2,512,450	3,840,805	2,777,420
Roads and bridges	689,455	677,436	991,347	873,349	627,984	741,487	825,491	792,344	679,314
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	173,959,176	154,766,870
Judicial	2,552,807	7,028,663	4,628,140	4,799,100	4,458,067	4,782,595	4,697,532	5,156,901	5,153,466
Cultural and recreation	65,029	9,853	77,833	407,797	1,478,666	401,071	1,811,168	615,200	1,366,854
Conservation and community development	3,203,928	4,045,842	6,716,449	9,017,875	4,116,276	4,735,902	4,107,192	7,871,503	8,480,754
Other departments and programs	36,579,693	0	93,330	7,500	0	0	0	0	0
Capital Grants and contributions									
General government	0	0	0	0	0	0	0	0	2,714,932
Roads and bridges	0	0	0	0	0	0	0	0	1,827,996
Total governmental activities program revenues	<u>164,566,846</u>	<u>167,534,344</u>	<u>177,053,055</u>	<u>197,145,269</u>	<u>218,655,080</u>	<u>229,055,609</u>	<u>235,685,707</u>	<u>234,290,713</u>	<u>224,687,857</u>
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	30,368,739	34,225,173
911 Operations	3,584,593	3,420,389	3,481,393	7,216,897	7,775,303	4,847,911	4,544,574	5,811,237	6,208,753
Total business-type activities program revenues	<u>27,017,258</u>	<u>28,383,532</u>	<u>33,337,423</u>	<u>37,093,595</u>	<u>38,098,195</u>	<u>37,602,533</u>	<u>36,204,640</u>	<u>36,179,976</u>	<u>40,433,926</u>
Total primary government program revenues	<u>\$191,584,104</u>	<u>\$195,917,876</u>	<u>\$210,390,478</u>	<u>\$234,238,864</u>	<u>\$256,753,275</u>	<u>\$266,658,142</u>	<u>\$271,890,347</u>	<u>\$270,470,689</u>	<u>\$265,121,783</u>

COUNTY OF YORK, PENNSYLVANIA

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

	Fiscal Year								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
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)	(\$114,964,679)	(\$95,800,648)
Business-type activities	(8,915,263)	(6,238,541)	(3,768,627)	(3,344,751)	(5,350,669)	(9,193,848)	(13,746,877)	(17,677,809)	(14,170,270)
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>	<u>(\$132,642,488)</u>	<u>(\$109,970,918)</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	\$108,377,613	\$109,249,003
Unrestricted investment earnings	2,683,173	2,907,227	3,682,117	5,009,546	8,907,615	8,639,127	5,460,750	3,243,451	(10,844,101)
Hotel tax	1,129,349	1,215,365	1,246,033	1,318,066	1,372,501	1,494,914	1,461,458	1,301,778	1,340,664
Other	14,145,862	12,838,944	10,570,933	10,581,200	1,401,501	2,970,608	1,948,805	3,046,577	3,623,839
Gain (Loss) sale of assets	0	150,000	150,000	150,000	150,000	37,500	(1,917)	0	0
Special item - litigation expense	0	0	0	(16,000,000)	0	0	(5,500,000)	0	0
Proceeds from swap transactions	0	0	4,660,667	0	0	0	0	5,850,000	0
Transfers	(2,593,441)	(8,409,372)	(4,027,719)	(7,984,154)	(9,519,978)	(9,830,857)	(11,518,292)	(12,604,620)	(13,484,220)
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>	<u>109,214,799</u>	<u>89,885,185</u>
Business-type activities:									
Unrestricted investment earnings	0	0	0	0	1,275,434	1,034,915	56,518	17,777	16,571
Transfers	2,593,441	8,409,372	4,027,719	7,984,154	9,519,978	9,830,857	11,518,292	12,604,620	13,484,220
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>	<u>12,622,397</u>	<u>13,500,791</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>	<u>\$121,837,196</u>	<u>\$103,385,976</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)	(\$5,749,880)	(\$5,915,463)
Business-type activities	(6,321,822)	2,170,831	259,092	4,639,403	5,444,743	1,671,924	(2,172,067)	(5,055,412)	(669,479)
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>	<u>(\$10,805,292)</u>	<u>(\$6,584,942)</u>

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

NOTE: The County implemented GASB Statement 51 and 53 beginning in 2010; and, therefore, prior years have not been adjusted to reflect implementation of these standards.

COUNTY OF YORK, PENNSYLVANIA
 Governmental Activities Tax Revenues by Source
 Last Nine 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
2009	108,377,613	1,301,778	109,679,391
2010	109,249,003	1,340,664	110,589,667

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)

	<u>(1)</u> <u>2001</u>	<u>(1)</u> <u>2002</u>	<u>(1)</u> <u>2003</u>	<u>(1)</u> <u>2004</u>	<u>(1)</u> <u>2005</u>	<u>(1)</u> <u>2006</u>	<u>(1)</u> <u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund										
Reserved	\$40,870	\$0	\$0	\$5,413,570	\$8,503,496	\$8,281,067	\$7,928,694	\$9,616,046	\$23,217,673	\$21,855,801
Unreserved	12,095,681	11,403,499	21,879,194	23,056,636	23,088,451	16,599,451	15,784,554	4,514,853	9,409,965	15,151,606
Total General Fund	<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>	<u>\$32,627,638</u>	<u>\$37,007,407</u>
All other-governmental funds										
Reserved										
Capital Projects Fund	\$46,912,032	\$31,493,588	\$39,835,532	\$26,027,730	\$6,320,087	\$25,099,699	\$26,984,494	\$9,749,272	\$2,196,319	\$1,550,052
Other Nonmajor Funds	5,017,368	5,465,204	6,471,220	6,348,032	6,491,523	7,197,050	6,503,313	6,493,878	7,658,505	7,657,671
Total all other governmental funds	<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>	<u>\$9,854,824</u>	<u>\$9,207,723</u>
Total fund balances of all governmental funds	<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>	<u>\$42,482,462</u>	<u>\$46,215,130</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 Nine 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>	<u>2009</u>	<u>2010</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	\$108,695,090	\$109,762,800
Intergovernmental	130,241,234	133,414,027	149,520,655	169,789,071	184,299,469	188,194,704	195,482,476	192,795,900	178,347,215
Departmental	29,602,142	26,872,249	25,867,845	25,780,527	30,055,002	35,969,407	34,990,258	36,158,035	40,495,979
Fines and costs	2,912,549	3,087,197	3,378,092	3,684,911	4,300,609	4,891,498	5,212,973	5,336,778	5,844,663
Hotel tax	1,129,349	1,215,365	1,246,033	1,318,066	1,372,501	1,494,914	1,461,458	1,301,778	1,340,664
Investment	2,683,173	2,907,227	3,682,117	5,009,546	8,907,615	8,639,127	5,460,750	3,243,451	192,854
Other	9,926,464	11,161,285	10,570,933	10,581,200	1,401,501	2,970,608	1,948,805	3,046,577	3,623,839
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>	<u>350,577,609</u>	<u>339,608,014</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	11,497,949	12,603,984
Public safety	45,010,561	46,802,474	50,167,283	51,080,869	64,980,272	68,057,879	73,909,519	78,884,544	59,640,040
Roads & bridges	551,949	909,980	934,533	1,213,279	1,000,228	1,045,462	1,086,155	907,161	706,836
Health, education, and welfare	116,492,170	118,719,105	130,483,066	150,692,137	182,271,868	183,875,350	191,241,668	185,051,300	175,797,999
Judicial	20,485,919	21,324,134	24,258,505	25,477,550	30,984,793	35,078,905	36,019,082	37,459,480	37,068,087
Cultural and recreation	5,195,785	3,739,480	3,918,275	4,920,655	5,311,734	5,089,034	11,011,254	8,330,435	7,626,813
Conservation and community development	4,422,325	4,476,961	8,120,947	9,971,653	8,753,756	10,755,287	9,573,955	9,755,949	14,815,978
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	8,115,158	8,673,486
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	1,279,243	3,692,743
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	8,961,225	5,526,084
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>	<u>350,242,444</u>	<u>326,152,050</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	8,469,230	10,891,978
Transfers out	(6,183,250)	(26,398,188)	(10,670,074)	(14,416,322)	(17,456,448)	(17,032,490)	(17,502,870)	(21,073,850)	(24,376,198)
Transfer of bond proceeds, net	-	-	-	-	-	6,595,642	(13,368,104)	(1,399,175)	(25,801)
Payment to refunded bond/notes	(20,510,000)	(7,334,341)	-	-	-	-	(130,237,555)	(10,130,000)	(134,253,867)
Premium of bonds issued	1,711,759	539,845	-	-	-	-	-	-	1,831,066
Issuance of refunding bonds/notes	20,402,450	54,588,602	-	-	-	-	131,002,555	10,130,000	133,390,000
Bond discount	-	-	-	-	-	-	(150,188)	-	-
Proceeds from swap transactions/bonds	-	-	4,660,667	845,512	-	-	-	5,850,000	-
Issuance of debt, net	-	-	-	-	32,104,809	6,508,983	32,008,403	19,927,043	2,819,526
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>	<u>11,773,248</u>	<u>(9,723,296)</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>	<u>\$12,108,413</u>	<u>\$3,732,668</u>
Debt service as a percentage of noncapital expenditures	2.5%	6.7%	4.5%	3.0%	3.4%	3.4%	3.5%	3.0%	2.9%

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	Public Safety	Road and Bridges	Health, Education and Welfare	Judicial	Culture and Recreation	(4) Conservation and Community Development	Capital Outlay	(2) (3) Debt Service	(5) Other	Totals
2001	\$ 9,172,319	\$ 43,266,908	\$ 798,161	\$ 79,015,463	\$ 20,024,845	\$ 3,258,393	\$ 7,101,865	\$ 16,777,153	\$ 6,253,680	\$ 15,828,645	\$ 201,497,432
2002	15,343,145	45,010,561	551,949	116,492,170	20,485,919	5,195,785	4,422,325	16,136,136	5,801,158	18,649,327	248,088,475
2003	9,341,635	46,802,474	909,980	118,719,105	21,324,134	3,739,480	4,476,961	39,694,855	6,114,381	19,638,868	270,761,873
2004	10,900,101	50,167,283	934,533	130,483,066	24,258,505	3,918,275	8,120,947	19,903,581	6,880,648	27,124,485	282,691,424
2005	11,553,295	51,080,869	1,213,279	150,692,137	25,477,550	4,920,655	9,971,653	19,843,717	7,825,636	29,719,493	312,298,284
2006	12,598,142	64,980,272	1,000,228	182,271,868	30,984,793	5,311,734	8,753,756	17,503,489	10,125,864	-	333,530,146
2007	13,443,367	68,057,879	1,045,462	183,875,350	35,078,905	5,089,034	10,755,287	15,682,655	11,133,415	-	344,161,354
2008	13,330,319	73,909,519	1,086,155	191,241,668	36,019,082	11,011,254	9,573,955	33,820,265	12,032,108	-	382,024,325
2009	11,497,949	78,884,544	907,161	185,051,300	37,459,480	8,330,435	9,755,949	8,115,158	10,240,468	-	350,242,444
2010	12,603,984	59,640,040	706,836	175,797,999	37,068,087	7,626,813	14,815,978	8,673,486	9,218,827	-	326,152,050

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 Taxes	Intergovernmental	Departmental	Fines and costs	Investment	(2) Bond Proceeds and Other	(1) Totals
2001	\$ 55,508,907	\$ 94,686,886	\$ 28,682,530	\$ 2,679,215	\$ 4,094,728	\$ 52,753,093	\$ 238,405,359
2002	56,879,136	130,241,234	29,602,142	2,912,549	2,683,173	33,170,022	255,488,256
2003	76,389,344	133,414,027	26,872,249	3,087,197	2,907,227	67,505,097	310,175,141
2004	78,089,574	149,520,655	25,867,845	3,378,092	3,682,117	16,477,633	277,015,916
2005	86,831,194	169,789,071	25,780,527	3,684,911	5,009,546	12,744,778	303,840,027
2006	93,382,328	184,299,469	30,055,002	4,300,609	8,907,615	34,878,811	355,823,834
2007	98,751,116	188,194,704	35,969,407	4,891,498	8,639,127	17,570,147	354,015,999
2008	102,903,780	195,482,476	34,990,258	5,212,973	5,460,750	22,665,374	366,715,611
2009	108,695,090	192,795,900	36,158,035	5,336,778	3,243,451	28,726,223	374,955,477
2010	109,762,800	178,347,215	40,495,979	5,844,663	192,854	8,725,427	343,368,938

NOTES:

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

(2) Includes Proceeds From Bond Issues which are included in the financial section as Other Financing Sources, Hotel Tax Revenue, and Other Revenue.

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>
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
2009	108,695,090	1,301,778	109,996,868
2010	109,762,800	1,340,664	111,103,464

County of York, Pennsylvania

Property Values (1)

Last Ten Years
(Unaudited)

<u>Fiscal Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Agricultural</u>	<u>Industrial</u>	<u>Miscellaneous/ Apartments</u>	<u>Utility/ Exempt</u>	<u>Total</u>
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)
2009	19,872,206,413	2,774,301,329	1,342,949,640	1,551,709,559	575,328,905	2,700,447,914	28,816,943,760 (2)
2010	20,094,341,592	2,798,005,281	1,367,172,208	1,648,549,199	572,315,263	2,712,941,302	29,193,324,845 (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>
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
2009	26,116,495,846 (2)	100	4.15
2010	26,480,383,543 (2)	100	4.15

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 Direct Rates			Overlapping Rates		Total
	Basic Rate	Library Tax	Total Rate	(2) Municipalities	(2) School District	
2001	3.15		3.15	1.160	13.910	18.220
2002	3.15		3.15	1.253	15.473	19.876
2003	4.20		4.20	1.380	16.583	22.163
2004	4.20		4.20	1.544	17.725	23.469
2005	4.41	0.10	4.51	1.655	19.507	25.672
2006	3.70	0.10	3.80 (3)	1.435	16.660	21.895
2007	3.81	0.10	3.91 (3)	1.555	17.653	23.118
2008	3.90	0.10	4.00 (3)	1.646	18.400	24.046
2009	4.05	0.10	4.15 (3)	1.711	18.400	24.261
2010	4.05	0.10	4.15 (3)	1.761	19.445	25.356

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>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
County Direct Rate	3.150	3.150	4.200	4.200	4.510	3.800	3.910	4.000	4.150	4.150
School District Rates										
Central York	12.000	13.290	14.330	15.830	17.470	15.320	16.310	16.810	16.810	17.760
Dallastown Area	15.990	16.510	17.760	20.240	21.740	18.810	19.810	20.850	20.840	22.260
Dover Area	15.550	16.050	17.420	18.770	18.770	16.800	17.820	18.870	18.870	20.330
Eastern York	14.600	15.700	16.600	17.500	19.200	16.100	17.380	18.340	18.340	18.850
Hanover Public	15.150	16.550	16.950	17.550	19.050	16.920	17.720	18.490	18.490	19.070
Northeastern	17.560	18.830	19.780	20.730	22.810	20.790	21.740	21.740	21.740	23.280
Northern	12.550	13.380	14.150	15.400	16.400	13.300	13.870	13.870	13.870	14.369
Red Lion Area	13.950	14.800	16.050	17.550	19.500	16.840	18.690	20.440	20.440	22.060
South Eastern	14.000	14.330	16.230	16.720	21.350	16.906	17.832	18.831	18.831	20.482
South Western	13.700	14.100	15.050	15.550	16.500	13.660	14.240	15.750	15.750	16.620
Southern	14.820	15.190	15.980	16.800	17.770	14.390	15.080	15.020	15.020	16.280
Spring Grove Area	12.620	14.000	15.230	16.700	18.200	15.890	17.200	18.340	18.340	19.130
West York Area	15.200	16.690	18.040	18.420	19.090	16.647	17.330	18.265	18.265	19.812
York City	20.880	21.780	22.250	24.000	27.960	27.190	29.540	29.540	29.540	29.540
York Suburban	13.950	14.900	16.220	17.500	18.570	16.834	17.688	18.740	18.740	20.171
West Shore	11.200	11.500	11.500	11.300	11.900	10.100	10.200	10.500	10.500	11.100
City										
York	9.730	11.390	11.390	12.520	13.520	13.170	13.670	14.670	15.640	15.640
Borough Rates										
Cross Roads	0.350	0.350	0.350	0.350	0.350	0.280	0.280	0.280	0.280	0.280
Dallastown	1.040	1.100	1.580	2.000	2.000	1.650	1.650	1.650	1.650	1.650
Delta	1.100	1.100	1.700	1.700	1.900	1.440	1.900	1.900	3.000	3.000
Dillsburg	2.900	2.900	2.900	2.900	2.900	2.370	2.370	2.370	2.370	2.370
Dover	1.800	1.800	1.800	1.800	1.800	1.690	1.690	1.690	1.690	1.690
East Prospect	1.000	1.000	1.000	1.000	1.000	0.750	1.000	1.000	1.000	1.000
Fawn Grove	0.400	0.400	0.600	1.300	1.300	0.720	1.000	1.000	1.000	1.000
Felton	0.320	0.320	1.100	1.100	1.100	0.950	1.100	1.700	1.700	1.900
Franklintown	1.210	1.210	1.210	1.210	1.210	1.080	1.880	1.880	1.880	1.880
Glen Rock	2.500	2.500	2.500	3.000	3.000	2.400	2.500	2.600	2.800	2.800
Goldsboro	0.725	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750
Hellam	3.000	3.000	3.000	3.200	3.350	2.900	3.100	3.300	3.400	3.400
Hanover	2.600	2.600	2.950	4.450	4.450	3.990	3.990	3.990	3.990	3.990
Jacobus	1.100	1.300	1.300	1.300	1.300	0.923	1.300	1.300	1.300	1.500
Jefferson	1.100	2.140	2.140	2.100	2.100	1.750	1.750	2.758	3.346	3.450
Lewisberry	1.000	1.000	1.000	1.000	1.000	0.800	0.800	0.800	0.800	0.800
Loganville	1.200	1.200	1.200	1.200	1.700	1.500	1.500	2.000	2.000	2.000
Manchester	1.650	1.650	1.650	2.650	2.650	2.150	2.150	2.150	2.150	2.150
Mount Wolf	1.900	1.900	2.400	3.500	3.500	2.900	2.900	2.900	2.900	2.900
New Freedom	0.830	0.830	0.830	0.830	0.830	0.660	0.700	0.750	0.810	0.850
New Salem	0.355	0.355	0.855	1.100	1.100	0.850	0.850	0.850	0.850	0.850
North York	2.500	2.500	3.500	3.500	3.500	3.210	3.710	3.710	4.710	4.710
Railroad	0.600	0.600	0.600	0.900	0.900	0.690	0.690	0.690	0.690	0.690
Red Lion	2.660	2.660	2.660	3.560	3.560	3.173	3.350	3.700	3.700	4.200
Seven Valleys	0.425	0.425	0.425	0.425	0.425	0.349	0.600	0.600	0.600	0.600
Shrewsbury	1.070	1.070	1.070	1.600	1.600	1.200	1.200	1.420	1.500	1.500
Spring Grove	1.590	1.590	2.590	2.590	2.590	2.340	2.340	2.340	2.840	2.840
Stewartstown	2.100	2.400	2.400	2.400	3.300	2.720	2.720	2.850	2.850	2.850
Wellsville	0.500	0.500	0.500	0.500	0.500	0.420	0.420	0.420	0.420	0.420
West York	2.690	2.690	3.190	3.190	4.490	3.900	4.900	4.900	4.900	5.500
Windsor	1.117	1.117	1.117	1.117	1.517	1.261	1.261	1.261	1.500	1.423
Winterstown	0.600	0.850	0.850	0.850	0.850	0.850	0.850	0.850	0.850	0.850
Wrightsville	0.870	0.870	0.870	2.100	2.100	1.610	2.290	2.290	2.690	3.090
Yoe	1.153	1.153	1.153	1.153	1.153	0.914	1.914	2.955	2.955	2.955
York Haven	2.600	3.600	3.600	3.600	3.600	3.000	3.000	3.000	4.000	4.000
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>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Townships										
Carroll	0.430	0.430	1.430	1.430	1.430	1.120	1.120	1.120	1.620	1.620
Chanceford	0.240	0.240	0.240	0.240	0.360	0.300	0.300	0.300	0.300	0.300
Codorus	0.550	0.550	0.550	0.550	0.550	0.420	0.420	0.420	0.420	0.600
Conewago	1.150	1.150	1.150	1.260	1.300	1.300	1.300	1.450	1.450	1.450
Dover	1.000	1.000	1.000	1.000	1.000	0.828	0.828	1.000	1.000	1.000
East Hopewell	0.390	0.590	0.590	0.590	0.590	0.430	0.430	0.430	0.430	0.430
East Manchester	1.150	1.150	1.150	1.150	1.150	1.040	1.040	1.040	1.040	1.040
Fairview	1.036	1.036	1.036	1.178	1.198	1.077	1.396	1.600	1.600	1.600
Fawn	0.650	0.650	0.650	0.650	0.650	0.470	0.470	0.470	0.470	0.470
Franklin	0.200	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	1.500	1.200	1.200	1.500	1.500	1.500
Hellam	2.000	1.500	1.500	1.800	1.800	1.606	1.800	1.800	1.800	1.800
Hopewell	0.290	0.290	0.290	0.290	0.290	0.210	0.210	0.210	0.210	0.210
Jackson	0.350	0.350	0.350	0.350	1.200	0.950	0.950	0.950	0.950	0.950
Lower Chanceford	0.550	0.600	0.600	0.700	0.700	0.600	0.650	0.700	0.750	0.770
Lower Windsor	0.000	0.000	0.000	0.000	0.000	1.000	1.000	1.000	1.000	1.000
Manchester	1.240	1.240	1.240	1.240	1.240	1.000	1.000	1.000	1.000	1.000
Manheim	1.000	1.000	1.000	1.250	1.250	1.000	1.000	1.000	1.100	1.100
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	1.500	1.290	1.790	1.790	1.790	1.790
North Codorus	0.175	0.175	0.500	0.500	0.500	0.443	0.750	1.000	1.000	1.500
North Hopewell	0.335	0.335	0.335	0.335	0.335	0.272	0.272	0.272	0.272	0.272
Paradise	1.000	1.000	1.100	1.400	1.700	1.900	1.900	1.900	1.900	1.900
Peach Bottom	0.500	0.500	0.500	0.500	0.500	0.470	0.470	0.470	0.470	0.470
Penn	2.500	2.500	2.500	2.500	2.300	1.990	1.990	1.990	2.300	2.950
Shrewsbury	0.090	0.090	0.090	0.090	0.090	0.074	0.074	0.074	0.074	0.074
Spring Garden	2.050	2.050	2.450	2.850	2.850	2.440	2.440	2.440	2.440	2.440
Springettsbury	0.627	0.727	1.077	1.077	1.077	0.870	0.870	0.870	0.870	0.870
Springfield	0.330	0.330	0.330	0.330	0.330	0.260	0.260	0.260	0.300	0.300
Warrington	0.280	0.280	0.280	0.280	0.280	0.210	0.210	0.210	0.210	0.210
Washington	0.450	0.450	0.450	0.450	0.450	0.400	0.400	0.450	0.450	0.450
West Manchester	0.358	0.358	0.358	0.358	0.250	0.214	0.214	0.214	0.214	0.214
West Manheim	1.700	2.700	2.700	2.700	2.700	2.000	2.000	2.100	2.100	2.390
Windsor	0.320	0.320	0.320	0.320	0.600	0.500	0.500	0.600	0.600	0.600
York	0.420	0.700	0.800	0.800	0.700	0.600	0.600	0.600	0.700	0.700

COUNTY OF YORK, PENNSYLVANIA
Principal Property Taxpayers
December 31

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
ES 3 York LLC	\$ 87,401,640	1	0.33%			
York Galleria LLP	58,644,090	2	0.22%			
Church & Dwight Co Inc	36,870,190	3	0.14%			
Homewood at Hanover PA Inc	36,537,790	4	0.14%			
Equity Industrial A York LLC	34,530,943	5	0.13%			
ES 3 York LLC	27,532,250	6	0.10%			
Delco Plaza I L P	27,509,680	7	0.10%			
OSS Realty Company	26,174,340	8	0.10%			
Harley Davidson Motor Company	26,000,000	9	0.10%			
Yorkkat Realty LLP	25,500,000	10	0.10%			
Crown American Financing Partnership				\$ 61,465,640	1	0.35%
Fenton LLC				49,006,030	2	0.28%
York Galleria LLP				45,759,380	3	0.26%
Kinsley Equities II				32,692,930	4	0.19%
Wellspring Healthcare Services				24,911,770	5	0.14%
Ridge North Shopping Center				22,324,820	6	0.13%
ISTAR GT LP				21,512,960	7	0.12%
The York Development, LP				20,833,787	8	0.12%
Shrewsbury Commons				19,872,020	9	0.11%
Edens & Avant Financing				18,364,120	10	0.11%
Total	\$ 386,700,923		1.46%	\$ 316,743,457		1.81%

Source: County Assessment Office

County of York, Pennsylvania

Real Estate Taxes Levied and Collected

Last Ten Years
(Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2001	\$ 55,923,530	\$ 52,374,495	93.65%	\$ 3,134,412	\$ 55,508,907	99.26%
2002	57,663,623	53,845,638	93.38%	3,033,498	\$ 56,879,136	98.64%
2003	79,070,273	73,731,064	93.25%	2,658,280	\$ 76,389,344	96.61%
2004	80,986,732	74,193,793	91.61%	3,895,781	\$ 78,089,574	96.42%
2005	89,495,987	84,102,299	93.97%	2,728,895	\$ 86,831,194	97.02%
2006	93,965,893	90,551,553	96.37%	2,830,775	\$ 93,382,328	99.38%
2007	99,298,832	95,589,866	96.26%	3,161,250	\$ 98,751,116	99.45%
2008	104,176,402	95,136,200	91.32%	2,319,495	\$ 97,455,695	93.55%
2009	108,549,695	100,423,781	92.51%	2,127,125	\$ 102,550,906	94.47%
2010	110,058,789	101,302,412	92.04%	-	\$ 101,302,412	92.04%

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 Debt	General Obligation Debt	Capital Leases			
2001	\$ 85,415,000	\$ -	\$ -	\$ 85,415,000	0.78%	\$ 221.11
2002	92,495,000	-	-	92,495,000	0.94%	237.65
2003	126,335,000	-	-	126,335,000	1.10%	320.18
2004	119,960,000	-	-	119,960,000	0.99%	300.81
2005	118,175,512	-	-	118,175,512	0.91%	289.08
2006	146,806,565	43,988,347	-	190,794,912	1.37%	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	1.51%	536.70
2009	189,829,219	51,790,122	407,638	242,026,979	1.59%	564.25
2010	188,066,334	50,258,666	207,962	238,532,962	1.54%	548.39

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)

Fiscal Year	(1) Population	(2) (3) (5) Assessed Value	(4) General Obligation Debt	Ratio of General Obligation Debt to Assessed Value	General Obligation Debt Per Capita
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
2009	428,937	26,116,496	241,619	0.93%	563.30
2010	434,972	26,480,384	238,325	0.90%	547.91

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, 2010

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
School Districts			
Central York	\$76,418,000	100%	\$76,418,000
Dallastown Area	93,668,519	100%	93,668,519
Dover Area	39,870,000	100%	39,870,000
Eastern York	54,870,900	100%	54,870,900
Hanover Public	31,975,000	100%	31,975,000
Northeastern	85,267,631	100%	85,267,631
Northern	46,881,530	100%	46,881,530
Red Lion Area	88,315,000	100%	88,315,000
South Eastern	36,584,000	100%	36,584,000
South Western	32,755,000	100%	32,755,000
Southern	52,425,000	100%	52,425,000
Spring Grove Area	94,245,000	100%	94,245,000
West York Area	21,145,000	100%	21,145,000
York City	125,075,000	100%	125,075,000
York Suburban	38,505,000	100%	38,505,000
West Shore	63,358,790	100%	63,358,790
Other Schools			
York Co School of Tech	38,545,000	100%	38,545,000
City			
York	113,851,975	100%	113,851,975

Source: Each individual governmental unit

COUNTY OF YORK, PENNSYLVANIA

Direct and Overlapping Governmental Activities Debt (Continued)
As of December 31, 2009

<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	0	100%	0
Delta	0	100%	0
Dillsburg	106,578	100%	106,578
Dover	4,399,000	100%	4,399,000
East Prospect	0	100%	0
Fawn Grove	0	100%	0
Felton	891,032	100%	891,032
Franklintown	0	100%	0
Glen Rock	0	100%	0
Goldsboro	0	100%	0
Hellam	0	100%	0
Hanover	41,914,970	100%	41,914,970
Jacobus	0	100%	0
Jefferson	172,245	100%	172,245
Lewisberry	0	100%	0
Loganville	0	100%	0
Manchester	6,406,061	100%	6,406,061
Mount Wolf	3,014,617	100%	3,014,617
New Freedom	1,821,990	100%	1,821,990
New Salem	3,377,100	100%	3,377,100
North York	135,021	100%	135,021
Railroad	71,835	100%	71,835
Red Lion	0	100%	0
Seven Valleys	128,447	100%	128,447
Shrewsbury	723,889	100%	723,889
Spring Grove	703,394	100%	703,394
Stewartstown	356,691	100%	356,691
Wellsville	0	100%	0
West York	0	100%	0
Windsor	367,335	100%	367,335
Winterstown	0	100%	0
Wrightsville	27,513	100%	27,513
Yoe	0	100%	0
York Haven	0	100%	0
Yorkana	0	100%	0

Source: Each individual governmental unit

COUNTY OF YORK, PENNSYLVANIA

Direct and Overlapping Governmental Activities Debt (Continued)
As of December 31, 2009

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Townships			
Carroll	1,055,000	100%	1,055,000
Chanceford	0	100%	0
Codorus	0	100%	0
Conewago	0	100%	0
Dover	26,492,558	100%	26,492,558
East Hopewell	64,539	100%	64,539
East Manchester	66,626	100%	66,626
Fairview	11,670,923	100%	11,670,923
Fawn	60,452	100%	60,452
Franklin	0	100%	0
Heidelberg	0	100%	0
Hellam	130,279	100%	130,279
Hopewell	0	100%	0
Jackson	17,908	100%	17,908
Lower Chanceford	0	100%	0
Lower Windsor	0	100%	0
Manchester	10,830,848	100%	10,830,848
Manheim	48,923	100%	48,923
Monaghan	0	100%	0
Newberry	11,070,000	100%	11,070,000
North Codorus	695,861	100%	695,861
North Hopewell	800,000	100%	800,000
Paradise	444,613	100%	444,613
Peach Bottom	0	100%	0
Penn	31,777,180	100%	31,777,180
Shrewsbury	175,905	100%	175,905
Spring Garden	1,417,884	100%	1,417,884
Springettsbury	27,140,000	100%	27,140,000
Springfield	13,217,627	100%	13,217,627
Warrington	0	100%	0
Washington	0	100%	0
West Manchester	1,695,000	100%	1,695,000
West Manheim	11,885,000	100%	11,885,000
Windsor	655,000	100%	655,000
York	10,675,000	100%	10,675,000
Subtotal, overlapping debt			1,360,461,189
County of York direct debt			<u>188,066,334</u>
Total direct and overlapping debt			<u><u>\$1,548,527,523</u></u>

Source: Each individual governmental unit

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

	<u>Fiscal Year</u>				
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Borrowing Base Revenues					
Two years prior	\$84,815,237	\$106,426,544	\$125,324,948	\$233,374,047	\$255,046,694
Prior year	106,426,544	125,324,948	134,955,914	255,046,694	272,355,249
Current year	<u>125,324,948</u>	<u>134,955,914</u>	<u>144,764,478</u>	<u>272,355,249</u>	<u>302,994,515</u>
Total Revenues	<u><u>\$316,566,729</u></u>	<u><u>\$366,707,406</u></u>	<u><u>\$405,045,340</u></u>	<u><u>\$760,775,990</u></u>	<u><u>\$830,396,458</u></u>
Debt Limit For General Obligation Bonds					
Average borrowing base revenues	\$105,522,243	\$122,235,802	\$135,015,113	\$253,591,997	\$276,798,819
Debt limit percentage	x 300%				
Debt limit	<u>316,566,729</u>	<u>366,707,406</u>	<u>405,045,339</u>	<u>760,775,991</u>	<u>830,396,457</u>
Total outstanding bonded debt	<u>85,415,000</u>	<u>92,495,000</u>	<u>126,335,000</u>	<u>119,960,000</u>	<u>118,175,512</u>
Legal Debt Margin	<u><u>\$231,151,729</u></u>	<u><u>\$274,212,406</u></u>	<u><u>\$278,710,339</u></u>	<u><u>\$640,815,991</u></u>	<u><u>\$712,220,945</u></u>
Total outstanding bonded debt as a percentage of debt limit	26.98%	25.22%	31.19%	15.77%	14.23%
Debt Limit For General Obligation Bonds and Lease Rental Debt					
Average borrowing base revenues	\$105,522,243	\$122,235,802	\$135,015,113	\$253,591,997	\$276,798,819
Debt limit percentage	x 400%				
Debt limit	<u>422,088,972</u>	<u>488,943,208</u>	<u>540,060,452</u>	<u>1,014,367,988</u>	<u>1,107,195,276</u>
Total amount of debt applicable to debt limit	<u>85,415,000</u>	<u>92,495,000</u>	<u>126,335,000</u>	<u>119,960,000</u>	<u>118,175,512</u>
Legal Debt Margin	<u><u>\$336,673,972</u></u>	<u><u>\$396,448,208</u></u>	<u><u>\$413,725,452</u></u>	<u><u>\$894,407,988</u></u>	<u><u>\$989,019,764</u></u>
Total amount of debt applicable to debt limit as a percentage of debt limit	20.24%	18.92%	23.39%	11.83%	10.67%

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

	Fiscal Year				
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Borrowing Base Revenues					
Two years prior	\$272,355,249	\$302,994,515	\$323,719,025	\$340,911,374	\$347,460,500
Prior year	302,994,515	323,719,025	340,911,374	347,460,500	347,077,609
Current year	<u>323,719,025</u>	<u>340,911,374</u>	<u>347,460,500</u>	<u>347,077,609</u>	<u>334,966,358</u>
Total Revenues	<u><u>\$899,068,789</u></u>	<u><u>\$967,624,914</u></u>	<u><u>\$1,012,090,899</u></u>	<u><u>\$1,035,449,483</u></u>	<u><u>\$1,029,504,467</u></u>
Debt Limit For General Obligation Bonds					
Average borrowing base revenues	\$299,689,596	\$322,541,638	\$337,363,633	\$345,149,828	\$343,168,156
Debt limit percentage	x 300%				
Debt limit	<u>899,068,788</u>	<u>967,624,914</u>	<u>1,012,090,899</u>	<u>1,035,449,484</u>	<u>1,029,504,468</u>
Total outstanding bonded debt	<u>190,794,912</u>	<u>194,333,895</u>	<u>223,117,298</u>	<u>241,619,341</u>	<u>238,325,000</u>
Legal Debt Margin	<u><u>\$708,273,876</u></u>	<u><u>\$773,291,019</u></u>	<u><u>\$788,973,601</u></u>	<u><u>\$793,830,143</u></u>	<u><u>\$791,179,468</u></u>
Total outstanding bonded debt as a percentage of debt limit	21.22%	20.08%	22.05%	23.33%	23.15%
Debt Limit For General Obligation Bonds and Lease Rental Debt					
Average borrowing base revenues	\$299,689,596	\$322,541,638	\$337,363,633	\$345,149,828	\$343,168,156
Debt limit percentage	x 400%				
Debt limit	<u>1,198,758,384</u>	<u>1,290,166,552</u>	<u>1,349,454,532</u>	<u>1,380,599,312</u>	<u>1,372,672,624</u>
Total amount of debt applicable to debt limit	<u>190,794,912</u>	<u>195,117,332</u>	<u>223,716,655</u>	<u>242,026,979</u>	<u>238,532,962</u>
Legal Debt Margin	<u><u>\$1,007,963,472</u></u>	<u><u>\$1,095,049,220</u></u>	<u><u>\$1,125,737,877</u></u>	<u><u>\$1,138,572,333</u></u>	<u><u>\$1,134,139,662</u></u>
Total amount of debt applicable to debt limit as a percentage of debt limit	15.92%	15.12%	16.58%	17.53%	17.38%

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>
2001	386,299	\$ 10,894,791	\$ 28,203	65,526	4.6%
2002	389,209	9,869,562	25,358	65,177	5.6%
2003	394,581	11,441,271	28,996	65,821	4.8%
2004	398,788	12,068,122	30,262	66,520	4.6%
2005	408,801	12,922,608	31,611	67,325	4.7%
2006	416,322	13,904,322	33,398	66,642	3.2%
2007	421,049	14,681,137	34,868	67,853	3.6%
2008	416,839	14,860,727	35,651	67,318	4.8%
2009	428,937	15,158,634	35,340	67,075	9.2%
2010	434,972	15,441,506	35,500	66,646	7.9%

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

COUNTY OF YORK, PENNSYLVANIA
Principal Employers
December 31, 2010

Employer (1)	Employees	Percentage of Total County Employment
York Hospital	8,500	4.15%
Federal Government	3,444	1.68%
York County	2,475	1.21%
Giant Food Stores LLC	2,318	1.13%
Wal-Mart Associates, Inc.	1,902	0.93%
BAE Systems	1,720	0.84%
UTZ Quality Foods, Inc.	1,368	0.67%
Kinsley Construction, Inc.	1,320	0.64%
Harley-Davidson Motor Company	1,200	0.59%
Hanover General Hospital	771	0.38%
Total	<u><u>25,018</u></u>	<u><u>12.22%</u></u>
 Total Employees in County (2)	 204,700	

Note: Information on principal employers for 2001 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 Nine Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Fund Departments									
Commissioners	9	9	10	9	11	8	9	7	6
Solicitor	2	2	2	2	2	3	3	3	3
Maintenance	43	41	41	41	54	44	42	41	41
Voter Registration	9	9	8	10	10	10	9	8	7
Assessment	34	34	36	37	37	37	33	30	28
Weights & Measures	2	2	2	2	2	2	2	1	1
Treasurer	8	8	9	10	8	10	10	10	10
Payroll	4	3	3	3	3	3	3	3	3
Controller	13	15	14	14	14	15	15	13	13
Training	-	-	-	-	2	2	-	-	-
Recorder of Deeds	14	16	16	15	15	14	15	14	12
Telephone & Mail Room	2	3	3	3	3	3	3	3	3
Information Services	21	20	20	19	20	21	20	21	19
Print Shop	1	1	1	1	1	-	-	-	-
Public Relations	-	-	-	-	-	-	-	-	1
Purchasing	2	2	2	3	3	3	3	3	3
Risk Management	2	3	3	3	3	2	2	2	2
Archives	5	5	6	6	7	7	7	7	7
Conservation District	14	14	14	14	15	16	16	16	16
Human Resources	9	9	8	7	8	9	10	10	8
Center for Highway Safety	3	4	4	4	4	4	4	4	4
Ag Land Preservation	2	2	2	2	3	4	4	3	3
Juvenile Probation	134	59	60	66	64	64	63	63	62
Adult Probation	-	78	81	90	83	93	92	92	98
Youth Development Center	46	52	51	51	44	54	64	50	41
Facilities Management	-	-	-	4	4	4	3	2	2
Prison	390	386	391	390	394	411	439	472	469
Register of Wills	10	9	10	10	10	9	10	9	9
Sheriff	78	83	91	95	106	104	106	105	104
Coroner	5	5	5	5	5	5	5	5	5
Prothonotary	23	25	23	24	26	26	28	27	28
Clerk of Courts	27	25	30	35	42	44	43	39	41
Public Defender	22	22	25	27	32	31	31	32	32
District Attorney	66	67	70	73	79	79	76	72	75
Criminal Response Unit	-	-	-	-	-	-	6	13	14
Court Administration	85	90	100	105	114	115	115	98	101
District Magistrates	83	82	85	88	89	89	88	94	88
Emergency Services	1	1	1	1	1	1	1	1	1
Divorce Masters	5	5	5	5	4	4	4	4	4
Emergency Management	4	6	7	7	7	7	7	7	6
Veterans	4	4	4	5	5	5	6	6	6
Parks	59	42	35	46	54	51	48	46	48
Fleet Management	-	-	-	-	4	4	4	4	4
Penn State Cooperative	9	11	11	10	11	12	12	10	10
Total General Fund Departments	<u>1,250</u>	<u>1,254</u>	<u>1,289</u>	<u>1,342</u>	<u>1,403</u>	<u>1,429</u>	<u>1,461</u>	<u>1,450</u>	<u>1,438</u>
Non General Fund Departments									
Human Services	7	7	7	6	10	11	11	10	10
Drug & Alcohol	13	12	11	12	13	12	12	9	11
MH/MR	106	115	118	116	123	130	134	131	134
Community Service	5	3	4	3	-	-	-	-	-
HealthChoices	4	4	5	5	4	6	7	6	7
Children & Youth	134	139	142	135	137	138	132	130	136
Nursing Home	505	525	502	515	506	516	530	520	527
911	75	77	81	104	94	103	115	115	125
Domestic Relations	82	79	78	77	75	79	74	69	68
Aging	58	62	63	60	60	60	63	63	68
Total Non General Fund Departments	<u>989</u>	<u>1,023</u>	<u>1,011</u>	<u>1,033</u>	<u>1,022</u>	<u>1,055</u>	<u>1,078</u>	<u>1,053</u>	<u>1,086</u>
Total	<u>2,239</u>	<u>2,277</u>	<u>2,300</u>	<u>2,375</u>	<u>2,425</u>	<u>2,484</u>	<u>2,539</u>	<u>2,503</u>	<u>2,524</u>

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	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Government										
Fiscal Affairs										
Deeds recorded	10,201	10,694	11,577	14,182	16,018	17,021	16,577	15,976	14,777	13,290
Mortgages recorded	19,344	24,034	24,657	32,217	38,079	39,064	39,140	48,187	37,314	30,890
Land Development Plans	236	278	380	453	559	567	536	563	545	591
Dwelling Units Planned	715	1,195	858	1,788	3,273	4,898	3,948	5,112	2,940	2,168
New Construction Permits	864	1,083	1,375	1,899	2,679	3,064	2,688	2,931	2,761	2,232
Administration										
General election information										
Registered voters	268,107	264,161	299,412	278,994	275,251	266,880	264,134	240,218	231,954	231,954
Votes cast	132,341	50,337	197,132	58,910	128,119	56,042	181,678	59,976	101,349	58,056
Percent of votes cast	49.4%	19.1%	65.8%	21.1%	46.5%	21.0%	68.8%	25.0%	43.7%	25.0%
Coroner										
Cases	471	477	449	443	437	432	490	447	484	466
Autopsies	52	90	81	90	76	74	66	63	64	78
Court System and Corrections										
Court Administration										
Estates & wills probated	1,903	1,945	1,892	1,773	1,403	1,383	1,418	1,292	1,413	1,384
Petition for Adoption	128	144	165	145	140	172	165	156	183	173
Petition for termination or relinquishment	120	142	213	203	206	200	172	186	237	200
Marriage applications	2,186	2,170	2,352	2,240	2,406	2,371	2,350	2,189	2,352	2,408
Civil cases filed	6,876	6,635	6,373	4,776	4,419	2,890	3,894	5,790	6,246	6,418
Family cases filed	2,363	2,281	2,283	2,526	2,333	2,385	3,306	386	n/a	n/a
Municipal tax cases filed	8,827	1,545	1,300	1,039	1,118	1,240	1,024	1,048	1,193	769
Judgments filed	7,712	7,725	7,039	4,810	5,203	4,394	4,075	3,754	3,911	3,605
Administrative cases	41	35	28	23	35	40	2	n/a	n/a	n/a
Criminal cases	7,630	7,762	8,153	8,058	7,874	6,997	5,709	5,614	5,887	5,552
Juvenile cases	1,044	967	1,241	1,169	1,138	1,207	1,123	1,006	1,045	1,023
Miscellaneous cases	2,970	2,883	2,624	2,605	2,319	1,909	1,586	1,578	1,799	1,653
Summary appeals	651	596	550	548	473	472	428	411	464	492
Domestic relations active cases	14,345	14,495	15,363	16,077	16,699	17,084	17,035	17,125	17,015	16,867
Firearm permits issued	5,388	6,181	5,605	7,908	3,879	3,556	3,743	4,350	8,338	3,851
Probation										
Adult caseload	10,135	9,306	9,104	8,805	7,401	7,235	6,616	6,264	5,732	5,328
Juvenile referrals	1,934	2,003	2,264	2,389	2,148	2,198	2,378	2,426	2,287	2,342
Corrections										
Average daily population	2,316	2,256	2,253	2,134	2,036	1,833	1,831	1,778	1,916	1,902
Annual admissions	23,748	23,415	24,831	19,129	13,535	11,777	11,802	12,078	11,834	10,531
Pleasant Acres										
Nursing home beds	365	355	375	375	375	375	375	375	375	435
Independent living beds	32	32	32	32	32	32	32	32	32	n/a
Available bed days	133,225	129,575	137,250	136,875	136,875	136,875	137,250	136,875	136,875	142,275
Actual resident days	129,519	126,395	130,203	130,782	136,875	132,825	132,393	130,752	123,788	116,571
Percent occupancy	97.2%	97.5%	94.9%	95.5%	100.0%	97.0%	96.5%	95.5%	90.4%	81.9%

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function (Continued)

Last Ten Years

Function	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Human Services										
Adult Services										
Housing	-	-	529	542	617	900	413	533	175	438
Emergency shelter	567	655	610	801	420	511	250	865	696	645
Information/referral	33,969	32,842	40,199	38,194	35,945	35,018	31,936	32,191	27,291	27,382
Adult/Children Services										
Bridge housing	114	105	135	137	150	158	129	115	111	81
Rental assistance	3,747	4,096	4,050	5,098	5,875	4,863	4,107	3,277	3,150	1,274
Emergency shelter	590	800	576	696	617	480	521	777	726	338
Individual shelter nights	11,470	12,568	10,754	10,630	10,706	10,223	8,606	2,462	11,650	10,618
Medical transportation	1,627	1,624	1,940	1,482	1,141	805	517	596	477	385
Area Agency on Aging										
Home delivered meals										
Meals served	102,508	123,816	145,811	136,420	143,568	136,980	134,407	129,154	125,168	132,145
Persons served	681	755	1,052	991	1,011	1,113	1,029	1,033	1,008	1,067
Congregate meals										
Meals served	106,314	81,188	78,565	83,966	89,479	84,543	78,968	79,166	88,440	87,549
Persons served	2,748	1,829	1,751	1,846	1,846	1,667	1,757	1,712	1,744	1,792
Transportation										
Trips	81,256	94,248	110,764	104,884	108,600	104,718	101,136	105,867	117,152	120,351
Persons served	n/a	n/a	n/a	n/a	4,310	4,498	3,645	3,235	3,007	2,981
Children & Youth Services										
Children served	7,871	7,810	8,483	8,622	8,619	8,277	8,219	8,605	9,798	8,969
Placement days	178,998	238,011	272,312	282,924	249,118	249,736	253,595	239,379	235,628	249,989
Child abuse reports	1,052	1,093	1,098	996	982	904	775	808	858	831
Mental Health										
Emergency/Crisis										
intervention hours	23,679	25,144	24,710	20,754	20,210	19,223	19,252	22,364	21,793	21,337
Community treatment team hrs	2,259	4,393	4,393	n/a						
Community residential days	29,235	25,672	27,364	27,859	19,824	20,432	19,073	17,720	20,796	20,320
Community employment hours	10,674	8,126	9,152	10,575	8,165	6,119	6,327	6,229	8,812	9,306
Community vocational rehab hours	60,111	58,797	56,100	56,804	54,938	58,077	59,025	60,665	57,897	57,479
Service case management hours	59,719	58,071	54,696	51,406	51,959	47,494	47,056	43,511	35,679	34,070
Day treatment hours	2,779	4,462	4,906	4,559	2,289	4,450	4,981	2,800	5,684	5,212
Psychiatric outpatient hours	33,698	36,786	37,322	36,041	34,733	29,483	23,494	30,969	33,013	32,676
Social rehab hours	60,466	56,870	58,861	54,830	55,991	52,902	46,144	35,772	40,510	35,558
Family based support hours	7,448	11,388	9,744	7,480	5,525	4,977	5,575	5,306	5,483	3,918
Housing support days	17,029	18,044	18,135	21,047	17,145	14,168	16,878	11,921	10,860	10,318
Psychiatric inpatient days	223	161	109	234	293	98	363	65	200	255
Mental Retardation										
Community hab (ADT) hours	249,633	117,596	87,742	76,749	113,169	83,871	142,957	140,154	134,292	127,545
Vocational rehabilitation hours	477,567	250,802	197,655	195,359	294,772	213,771	202,109	190,446	198,746	234,422
Supported employment hours	10,861	7,795	7,957	7,923	14,774	14,514	17,528	20,541	19,862	19,225
Home & community hab hours	561,968	327,312	278,730	252,436	184,155	178,064	n/a	n/a	n/a	n/a
Respite service hours	51,145	60,588	52,201	61,187	n/a	n/a	n/a	n/a	n/a	n/a
Specialized treatment hours	15	23,744	23,602	18,919	n/a	n/a	n/a	n/a	n/a	n/a
Transportation	7,936	7,773	7,437	7,414	7,198	6,999	6,952	6,829	6,504	6,411
Early intervention clients	1,405	1,348	1,322	1,324	1,360	1,246	1,135	1,044	951	993
Family support clients	314	228	238	292	611	582	571	543	542	561
Residential clients	409	632	618	627	609	591	579	569	553	549
Drug & Alcohol										
Intake evaluations	6,681	2,180	2,258	1,507	1,494	1,297	1,459	806	779	686
Inpatient treatment clients	160	242	535	902	393	459	328	1,537	406	249
Detoxification days	2,151	2,346	1,864	1,904	835	1,343	515	1,537	1,207	1,056
Methadone visits	447	734	553	651	574	512	837	737	605	319
Outpatient hours	33,460	24,860	21,908	19,689	3,723	9,862	16,224	7,005	7,534	7,005

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function (Continued)

Last Ten Years

Function	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Human Services (continued)										
York HealthChoices										
Ancillary										
Members	366	181	68	88	83	72	1,530	53	18	n/a
Units	2,665	1,113	386	477	512	586	3,282	274	206	n/a
BHRS										
Members	1,687	1,637	1,401	1,320	1,223	1,088	948	851	795	n/a
Units	1,347,928	1,264,062	1,112,149	1,083,439	990,092	1,029,126	913,124	591,111	500,838	n/a
Community supports										
Members	2,037	1,864	1,465	1,440	1,577	1,340	1,040	883	646	n/a
Units	263,497	260,020	247,277	263,603	245,345	227,703	198,918	132,422	50,632	n/a
Inpatient drug & alcohol										
Members	10	14	14	18	17	14	12	13	23	n/a
Units	100	145	166	213	143	122	77	56	159	n/a
Inpatient mental health										
Members	831	845	699	717	724	565	531	526	392	n/a
Units	11,762	11,494	9,778	10,070	10,321	8,294	7,792	6,353	4,475	n/a
Non-hospital drug & alcohol										
Members	741	668	460	385	343	274	213	199	130	n/a
Units	31,358	24,575	17,066	15,056	10,740	7,721	6,129	5,901	2,946	n/a
Other services										
Members	626	497	329	194	227	106	164	20	15	n/a
Units	132,275	130,269	90,553	56,322	44,401	6,446	4,723	1,198	1,408	n/a
Outpatient drug & alcohol										
Members	1,252	1,250	1,093	711	732	593	522	401	246	n/a
Units	32,929	30,287	17,427	11,110	16,996	11,708	7,497	5,197	3,192	n/a
Outpatient mental health										
Members	9,511	9,056	7,997	7,000	6,415	5,536	4,540	4,391	3,406	n/a
Units	232,274	244,809	212,434	202,660	169,647	148,066	128,667	152,028	96,771	n/a
RTF accredited										
Members	102	134	180	215	188	169	122	86	83	n/a
Units	17,640	24,097	33,036	38,418	169,647	148,066	128,667	152,028	96,771	n/a
RTF non-accredited										
Members	18	21	20	18	19	23	27	9	8	n/a
Units	3,155	3,737	3,734	2,726	2,191	2,535	3,433	1,358	805	n/a

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function (Continued)

Last Ten Years

Function	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Human Services (continued)										
Adams HealthChoices										
Ancillary										
Members	83	34	5	8	7	1	220	4	n/a	n/a
Units	1,162	154	28	50	34	4	475	20	n/a	n/a
BHRS										
Members	400	371	311	270	250	223	204	208	173	n/a
Units	358,062	374,450	278,591	243,382	211,977	221,953	264,246	164,081	133,406	n/a
Community supports										
Members	359	343	238	249	248	208	146	175	95	n/a
Units	49,967	49,714	45,500	53,551	51,063	32,626	19,863	15,230	8,881	n/a
Inpatient drug & alcohol										
Members	1	2	1	4	1	2	1	1	3	n/a
Units	20	18	8	80	13	12	7	3	37	n/a
Inpatient mental health										
Members	125	125	89	77	90	80	91	85	50	n/a
Units	1,810	1,910	1,872	1,197	1,654	1,310	1,366	1,197	636	n/a
Non-hospital drug & alcohol										
Members	111	99	61	57	56	29	30	22	16	n/a
Units	5,233	4,468	2,541	2,217	1,505	882	796	558	277	n/a
Other services										
Members	147	108	46	50	54	44	44	5	5	n/a
Units	10,503	5,017	3,384	3,633	4,420	2,572	3,084	606	395	n/a
Outpatient drug & alcohol										
Members	210	201	162	160	167	104	95	91	55	n/a
Units	4,667	2,899	2,111	2,527	3,884	2,497	1,665	1,495	1,112	n/a
Outpatient mental health										
Members	1,438	1,396	1,141	993	937	896	756	717	539	n/a
Units	37,809	30,483	26,645	16,998	22,200	20,933	16,517	19,548	11,815	n/a
RTF accredited										
Members	39	41	46	49	50	38	31	31	22	n/a
Units	6,048	7,884	8,917	7,968	8,826	5,643	4,829	4,790	2,352	n/a
RTF non-accredited										
Members	3	1	5	5	1	0	4	2	2	n/a
Units	289	128	683	772	52	0	381	62	148	n/a

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

COUNTY OF YORK, PENNSYLVANIA

Capital Asset Statistics by Function
Last Nine Fiscal Years

Function	Fiscal Year								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
Governmental Fund									
<u>Corrections</u>									
Motor Vehicles									
Juvenile Probation	6	6	6	6	6	6	6	5	5
Adult Probation	4	4	4	4	5	5	5	4	4
Youth Development Center	1	1	1	1	1	1	1	1	2
Prison	12	13	13	13	13	13	13	13	13
Buildings	2	2	2	2	2	2	2	2	2
<u>Cultural and Recreation</u>									
Motor Vehicles									
Parks	20	21	19	20	20	21	24	24	23
Number of Parks	8	8	9	9	9	10	10	10	10
Parks Acreage	3,991	3,991	4,070	4,070	4,070	4,261	4,261	4,261	4,261
Buildings	6	6	6	6	6	6	6	7	7
<u>General Government</u>									
Motor Vehicles									
Conservation District	8	8	9	9	9	9	9	9	9
Coroner	1	1	2	2	2	2	2	2	2
Fleet Management	0	0	0	5	6	5	6	6	6
Highway Safety	1	1	1	1	1	1	1	1	1
Human Resources	1	1	1	1	1	0	0	0	0
Maintenance	3	3	3	4	4	5	5	5	5
Penn State Coop Extension	1	1	1	2	2	4	5	5	5
Weights and Measures	0	0	0	1	1	1	1	1	1
Buildings	4	4	5	5	4	4	4	4	4
<u>Health Education and Welfare</u>									
Motor Vehicles									
Aging	1	1	2	2	2	5	4	4	4
Children & Youth	8	11	13	15	13	13	13	13	13
MH/MR	2	2	2	2	2	2	2	2	2
Veterans Affairs	1	1	1	1	1	1	1	0	0
Buildings	2	2	2	2	2	2	2	2	1
<u>Judicial</u>									
Motor Vehicles									
District Attorney	7	8	8	9	10	12	12	12	12
Sheriff	11	18	22	25	28	29	32	31	31
Buildings	1	1	1	1	2	4	7	7	10
<u>Public Safety</u>									
Motor Vehicles									
Emergency Management	3	3	4	4	6	5	4	4	4
Emergency Services	0	0	1	1	1	1	1	1	1
<u>Road and Bridges</u>									
Motor Vehicles									
Liquid Fuels	4	5	5	5	5	4	5	5	5
Business Funds									
<u>County Nursing Home</u>									
Motor Vehicles	8	10	10	10	11	10	9	9	9
Buildings	1	1	1	1	1	1	1	1	1
<u>911 Fund</u>									
Motor Vehicles	3	3	3	3	4	7	7	7	7
Buildings	2	2	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.