

COUNTY OF YORK
YORK, PENNSYLVANIA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2011

PREPARED BY THE OFFICE OF THE CONTROLLER

ROBERT P. GREEN, CONTROLLER

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 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2011

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Office of County Controller

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Controller

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Deputy Controller



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County of York, Pennsylvania

June 14, 2012

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, 2011, 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 Governmental 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 to 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 is seventh in the Commonwealth of Pennsylvania in new home construction, with the York/Hanover region growing at a fast pace.

As the National economy has fallen into decline, jobs have become scarce and company layoffs have increased. Although in the last year, York County has done better than most economies. The County's unemployment rate as of December 2011 was 7.1%, a decrease of 0.8% from December 2010's unemployment rate of 7.9%. The Commonwealth of Pennsylvania and National unemployment rates for December 2011 were 7.6% and 8.5%, respectively, which both decreased from 2010. York County was 0.5% lower than the State, and 1.4% 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

Unassigned fund balance in the general fund was 9.0% of total general fund revenues at December 31, 2011. The County adopted a formal Fund Balance Policy in 2011 to be compliant with GASB Statement No. 54. York County is dedicated to maintaining a reasonable fund balance sufficient to mitigate current and future financial risks and to ensure stable tax rates. The policy allows the County to effectively react with existing resources to emergency situations and unanticipated events. It also limits the size of tax anticipation notes, maintains or improves a strong bond rating thereby reducing future interest expense, and exercises good fiscal management by permitting the development of a more responsible and responsive long-term financial plan. The County informally budgets to approximate breakeven revenues and expenses on an annual basis and to retain a consistent amount of unassigned 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 three consecutive years in a row, 2009, 2010 and 2011, budgetary guidelines were issued for all departments so that the County could keep the same level of service without increasing 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 little or no increases in departmental expenditures.

In 2011, the County of York adopted a Debt Management Policy. The Debt Management Policy consists of guidelines and directives applicable to the ongoing financing of capital expenditures and tax anticipation borrowings. The objectives of the policy is to assure that the County incurs debt only when appropriate and with a long term perspective, to minimize interest rates and issuance costs associated with the debt, to minimize the length and total debt service cost over

the life of debt issue, and to preserve financing flexibility and debt capacity for future Boards of Commissioners.

Major Initiatives

Family Group Decision Making

Family Group Decision Making is an evidence-based approach that gives authority to and empowers families by allowing them to draw on family experiences, knowledge and resources to create and implement plans that provide for the safety, permanency and well-being of their family. York County has been very successful in utilizing this proven practice to achieve permanency, ensure safety, and reduce truancy at higher levels for children while ultimately reducing costs for the county by eliminating unnecessary placements. In 2010 York County began providing this service directly with even greater success. Bringing the service internally has led to a superior quality of service and increased accessibility to the Human Service agencies, resulting in better outcomes.

Conflict Attorney Panel

In 2010, the York County Court of Common Pleas, under the leadership of then President Judge Renn and Judge Thompson, implemented a Conflict Attorney Panel in order to reduce the escalating cost of third-party contracted special counsel fees. The County of York was incurring over \$1.2 million of special counsel fees annually for attorneys who represented indigent clients who could not be defended by the Public Defender's Office due to a conflict of interest. The panel is comprised of eleven attorneys assigned to handle criminal and juvenile delinquency cases and two attorneys to handle mental health related cases. Panel attorneys are compensated at an annual salary of \$38,000 and \$17,000 respectively, and are assigned a fixed number of cases on an annual basis. The implementation of the Conflict Attorney Panel has been instrumental in reducing Court appointed third-party attorney fees by approximately \$200,000 a year.

Work Release Facility

The County of York has long been recognized for its progressive alternative sentencing programs designed to avoid incarceration for non-violent offenders, rehabilitate inmates and reduce recidivism. Among the more effective programs has been the Prison Work Release program. Inmates who exhibit good behavior and demonstrate a willingness to integrate back into the community are given the opportunity to work outside the prison environment with partnering businesses and community organizations. With a current capacity of 150 inmates housed in a minimum security facility, the Work Release program cannot accommodate all those who wish to participate. To expand the program, the County has acquired a 36,000 sq. foot property adjacent to the Prison facility. A \$6.9 million renovation project is currently underway to reconfigure the property to house up to 300 work release inmates in a minimum housing arrangement that will also facilitate the necessary support and administrative functions.

York County Treatment Courts

The York County Treatment Courts started with the implementation of the Drug Treatment Court in 1997, followed by the Mental Health Treatment in 2005, DUO Treatment Court in 2010 and the Veterans' Treatment Court in 2012.

As of December 2011, 398 clients have graduated from a York County Treatment Court Program. In 2011 alone, over 10,587 jail days were saved, resulting in an overall cost savings of \$147,455 to the County. Seventy-five percent of the 2011 graduates were employed at the time of graduation. Sixty-one percent of the graduates paid in full their costs and restitution, with the remaining graduates locked into payment plans with the County of York. The recidivism rate is 26%, which is dramatically less than the national average. Clients are required to have their high school diploma, a GED, or basic reading skills in order to graduate. Intangible benefits for the graduates include reunification with their families, including their children, and becoming a productive, positive member of society.

The Drug Treatment Court was selected by the National Drug Court Institute as one of ten National Mentor Courts in the Nation and provides training to courts which are starting such a court.

Veterans Court

Resulting from our military operations in Iraq and Afghanistan, an estimated 550,000 Veterans under the age of 25 suffer from a substance abuse or mental health disorder; and these diagnoses have increased nearly 40 percent since 2004. Left untreated, they can directly lead to homelessness and involvement in the criminal justice system. Courts around the country are reporting an increase in the number of Veterans they are seeing and, in response, are creating Veterans Treatment Courts. Veterans Treatment Courts are hybrid Drug and Mental Health Courts that recognize the unique military culture while addressing distinct Veteran issues, such as Post-traumatic Stress Disorder, Traumatic Brain Injury, and Military Sexual Trauma.

The Veterans Treatment Court seeks to divert eligible veteran-defendants with substance dependency and/or mental illness that are charged with a criminal offense to a specialized criminal court docket. Veterans are identified through screening and assessments. The veterans voluntarily participate in a judicially supervised treatment plan that a team of court staff, veteran health care professionals, veteran peer mentors, Alcohol & Drug health care professionals and mental health professionals develop with the veteran. Upon successful completion of the program, pending charges may be reduced or dropped, depending on their severity.

DUI Court Expansion

In early 2011, the Criminal Justice Advisory Board (CJAB) at the request of President Judge Stephen Linebaugh decided to make the management of DUI cases a priority because they represent one third of our criminal case load.

The CJAB formed a coalition of stakeholders including, the County Commissioners, Court of Common Pleas Judges, District Court Judges, Court Administration, the Clerk of Courts, the District Attorney's Office, the Public Defender's Office, the Probation Department, the York

County Prison, York/Adams Drug and Alcohol, the Sheriff's Office, the York County Police Chiefs Association and various other law enforcement agencies. CJAB's review of the problem revealed that approximately 25% of offenders were repeat offenders. A closer look at these cases also revealed an opportunity to focus on improving public safety and providing these offenders with an opportunity for treatment. All individuals stopped for DUI are screened and if they are repeat offenders, they will be fitted with an alcohol monitoring bracelet within days of their stop. The wearing of this bracelet and staying alcohol free will be a condition of their bail.

The previous procedure allowed defendants to remain free without restriction until they were sentenced. Our experience has been that most of these folks will candidly admit that without the bracelet they would have continued to drink and drive. With the new program, each individual is also required as a condition of bail to obtain a drug and alcohol evaluation and comply with treatment.

Bankruptcy Trustee Hearings

The Bankruptcy Trustee Program was established by the United States Department of Justice in the 1970's for the purpose of having people who filed Bankruptcy appear before an appointed Trustee to answer questions regarding their financial circumstances and ability to pay debt. Those hearings have been conducted in the past in the York County Judicial Center, and since January 1, 2012, are now being conducted in the York County Administration Center.

By conducting these hearings locally, those York County residents who have filed for Bankruptcy, as well as their attorneys, are allowed to attend the hearing within York County instead of having to travel to Harrisburg to appear at a hearing in the Federal Building. Not only is this a significant convenience for the residents of York County, but it is a more cost effective and efficient way of handling these hearings. The savings on gas is considerable.

All of this results in better service to the York County residents who are already facing significant financial hardships, as most Bankruptcies are caused by job loss, illness and divorce, with the resulting foreclosures and loss of other assets.

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, 2010. This is the twentieth 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.

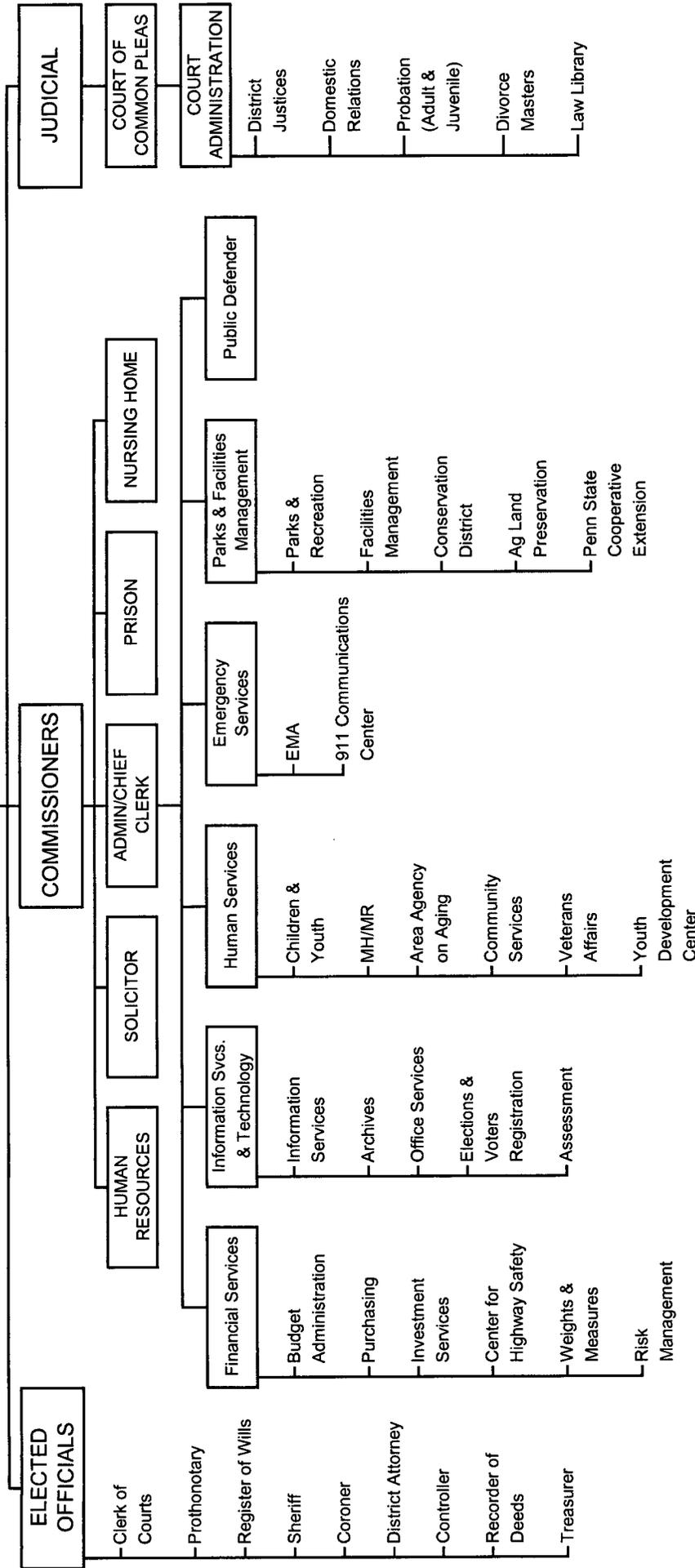
The completion of this CAFR represents the twenty-first time York County has prepared such a report and demonstrates a commitment to continue the excellence in financial reporting previously recognized. It could not have been completed in such a comprehensive manner, nor on a timely basis, without the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

Sincerely,

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

**Robert P. Green
Controller**

YORK COUNTY GOVERNMENT VOTERS



YORK COUNTY OFFICIALS

December 31, 2011

JUDICIARY COURT OF COMMON PLEAS

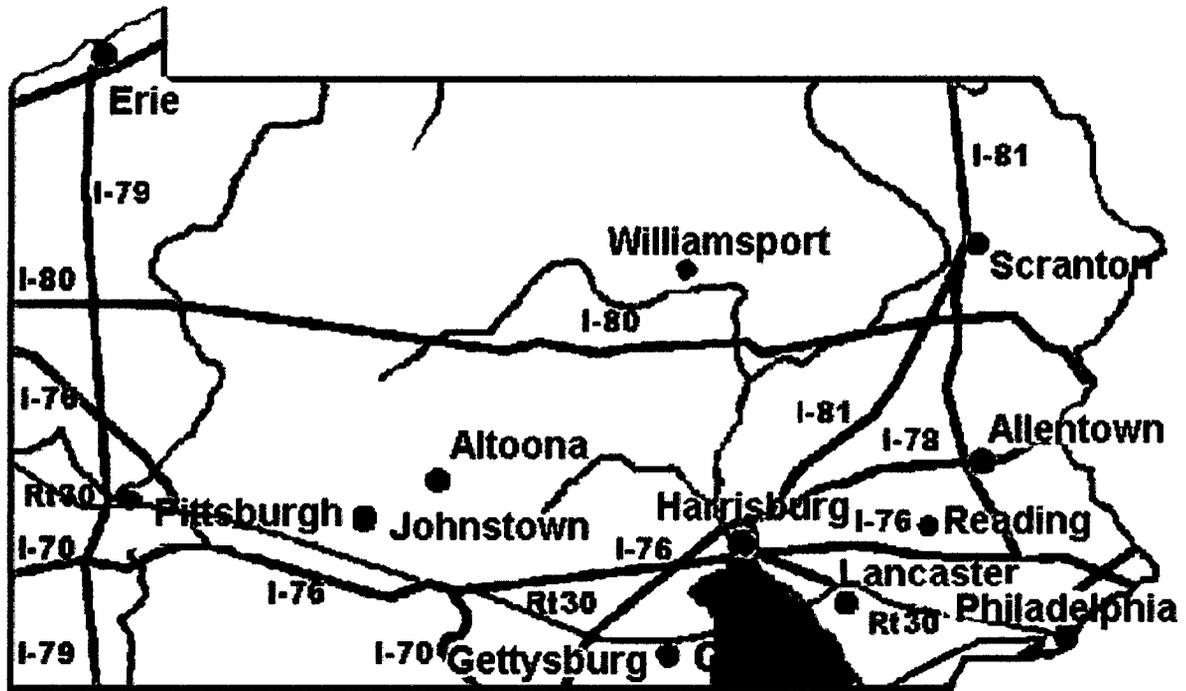
PRESIDENT JUDGE
JUDGE
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JUDGE
JUDEG
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JUDGE
JUDGE
JUDGE

HONORABLE STEPHEN P. LINEBAUGH
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 MARIA MUSTI COOK
HONORABLE HARRY M. NESS
HONORABLE RICHARD K. RENN
HONORABLE GREGORY M. SNYDER
HONORABLE JOHN W. THOMPSON, JR.

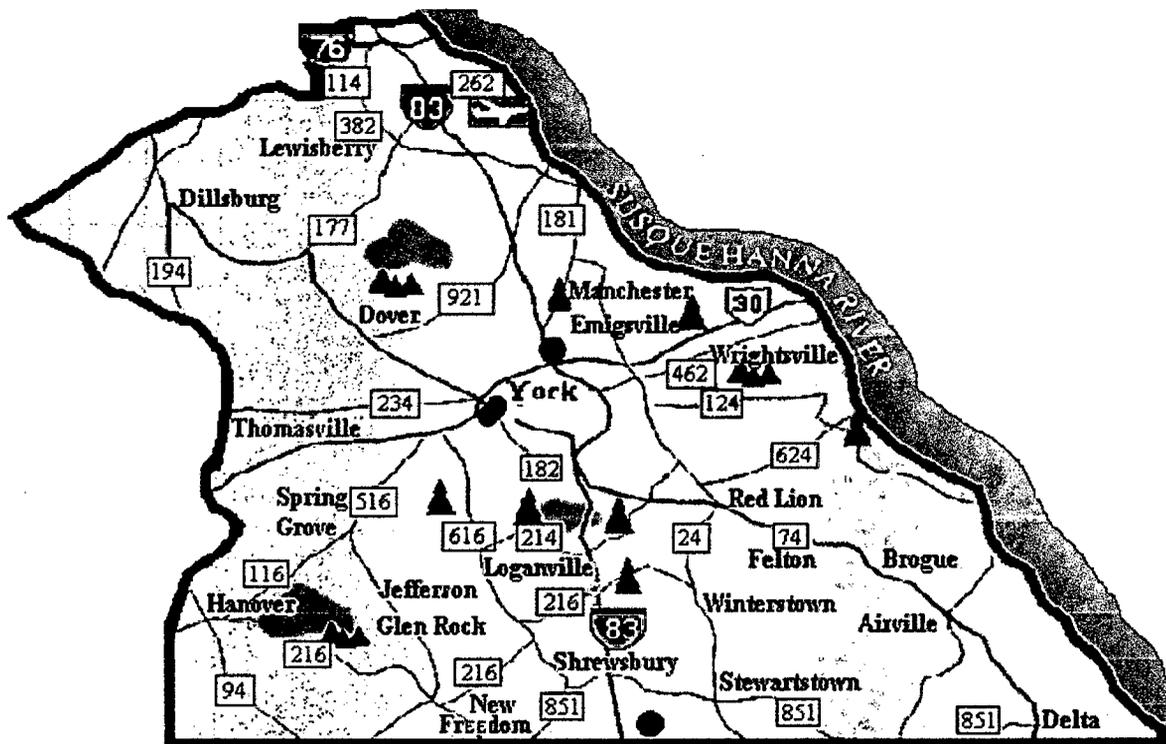
ELECTED COUNTY OFFICIALS

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, 2010

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.



Linda C. Sanison

President

Jeffrey R. Emer

Executive Director

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Zelenkofske Axelrod LLC

INDEPENDENT AUDITORS' REPORT

County Commissioners
County of York
York, Pennsylvania

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the COUNTY OF YORK, as of and for the year ended December 31, 2011, which collectively comprise the COUNTY OF YORK's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the COUNTY OF YORK's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the discretely presented component units' financial statements for the York County Solid Waste and Refuse Authority, the York County Industrial Development Authority, and the York County Planning Commission, which represent 99.2%, 99.2%, and 89.4% 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 upon the reports of the other auditors.

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

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the COUNTY OF YORK, as of December 31, 2011, 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 2011 the COUNTY OF YORK adopted the provisions of Governmental Accounting Standards Board's Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*" and Statement No. 59, "*Financial Instruments Omnibus*".

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2012 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 17 through 29, page 118, page 119, and pages 120 through 124 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 budget and actual 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 budget and actual schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including

Zelenkofske Axelrod LLC

County Commissioners
County of York
York, Pennsylvania

comparing and reconciling 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 14, 2012

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County of York, Pennsylvania

Management's Discussion and Analysis

Introduction

The following discussion and analysis of the County of York's financial statements provides an overview of the financial performance for the fiscal year ended December 31, 2011. 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, 2011. Certain reclassifications were made to prior year amounts to conform to the current year presentation.

Financial Highlights

- The County had \$191,141,023 of governmental activities general obligation debt outstanding as of December 31, 2011. This represents an increase of \$3,074,689 or 1.6% from the previous year. The increase pertains to debt issued of \$7.0 million that was offset by principal payments of \$4.0 million. Business-type activities general obligation debt decreased as a result of principal payments in the amount of \$1.6 million. As of December 31, 2011, the business-type activities general obligation debt outstanding was \$48,634,383.
- The assets of the County's governmental activities exceeded its liabilities as of December 31, 2011 by \$39,593,040 (net assets). Of this amount, there was a deficit of unrestricted net assets of \$40,114,063.
- York County's total primary government net assets decreased by \$20.5 million. Net assets of the governmental activities decreased by \$21.1 million or 34.8%. \$10.8 million related to the decrease in the fair market value of investment derivatives, \$3.1 million for the increase in the general obligations debt, \$3.0 million for the annual required contribution that was not funded for OPEB benefits in the current year and \$0.6 million for the unfunded annual required contribution (ARC) to the pension plan. The remaining decrease is further detailed on page 21 of this MD&A. The net assets of the business-type activities increased by \$0.6 million or 6.2%. The increase was due primarily to the reduction of general obligation debt and liability for workers' compensation of \$1.6 million and \$0.6 million, respectively, offset by \$1.4 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 \$41,337,497 a decrease of \$4,877,633 in comparison with the prior year. Approximately 34.1% of this total amount, \$14,116,626 is available for spending at the government's discretion (unassigned fund balances) within the boundaries set forth in the governmental fund's purpose, which is consistent with prior years. The majority of this decrease is reflected in the General Fund (\$4,741,115 or 12.8% decrease from the prior year) resulting from higher expenditures and transfers out.

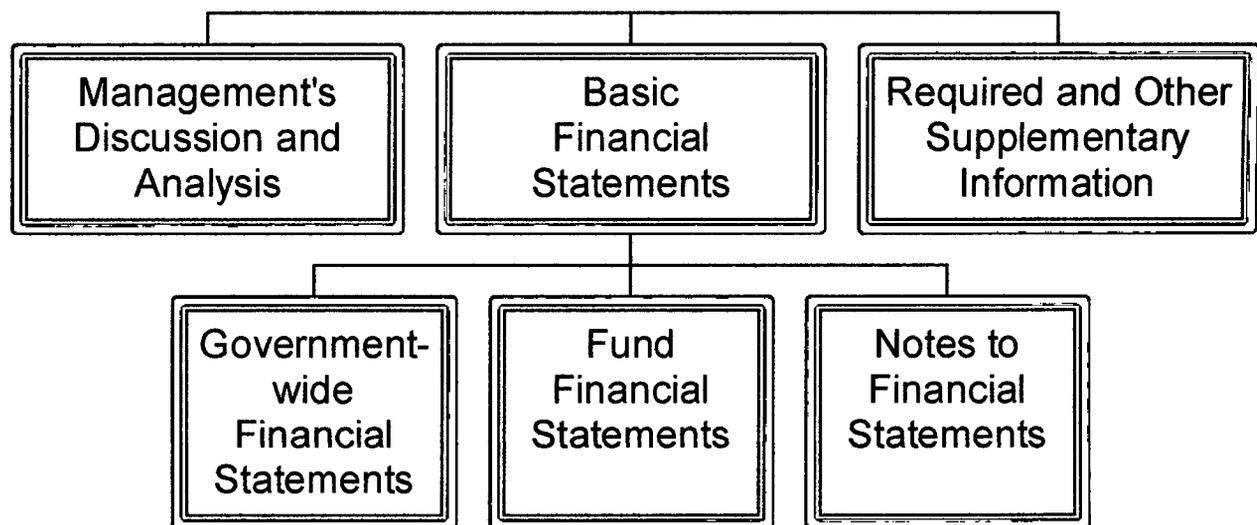
Financial Highlights (Continued)

- At the end of the fiscal year, unassigned fund balance for the General Fund was \$14,823,744 or 8.8% 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 restricted or committed 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 tenth 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 ninth 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 | |
|---|-------------------------|----------------|--------------------------|---------------|
| | 2011 | 2010 | 2011 | 2010 |
| | (\$ in millions) | | | |
| Assets | | | | |
| Capital assets, net | \$ 235.6 | \$ 233.9 | \$ 66.2 | \$ 68.4 |
| Other assets | 90.8 | 94.2 | 8.5 | 5.5 |
| Total assets | <u>326.4</u> | <u>328.1</u> | <u>74.7</u> | <u>73.9</u> |
| Liabilities | | | | |
| Current liabilities | 67.1 | 54.6 | 4.4 | 3.3 |
| Long-term liabilities | 219.7 | 212.8 | 60.0 | 60.9 |
| Total liabilities | <u>286.8</u> | <u>267.4</u> | <u>64.4</u> | <u>64.2</u> |
| Net assets | | | | |
| Invested in capital assets, net of related debt | 70.1 | 72.0 | 16.4 | 16.6 |
| Restricted | 9.6 | 7.9 | 3.2 | 1.7 |
| Unrestricted | (40.1) | (19.2) | (9.3) | (8.6) |
| Total net assets | <u>\$ 39.6</u> | <u>\$ 60.7</u> | <u>\$ 10.3</u> | <u>\$ 9.7</u> |

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 0.9% for 2011. In 2011, property tax revenue increased by \$1,170,713 or 1.1%.

Net assets of the County of York's governmental activities decreased by \$21.1 million or 34.8% (\$39.6 million compared to \$60.7 million). The majority was a result of the decrease in the fair market value of investment derivatives by \$10.8 million. \$3.1 million came from an increase in general obligation debt and another \$3.0 million of the decrease related to the amount of the annual required contribution that was not funded for OPEB benefits in the current year. \$0.6 million of the decrease was due to unfunded annual required contribution (ARC) to the pension plan. The remaining \$3.7 million of the decrease was primarily due to increased transfers to business-type activities and 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 \$(19.2) million at December 31, 2010 to \$(40.1) million at the end of this year.

The net assets of our business-type activities increased by \$0.6 million or 6.2% (\$10.3 million compared to \$9.7 million). The majority of the increase was related to higher revenues and transfers over operating expenses for the 911 operations in the amount of \$0.8 million. The Nursing Home had a decrease of \$0.2 million. Unrestricted net assets of business-type activities further deteriorated from a negative \$8.6 million in 2010 to a negative \$9.3 million in 2011.

York County's total assets as of December 31, 2011 are \$401.1 million, a decrease of \$0.9 million. Capital assets decreased \$0.5 million totaling \$301.8 million, which includes infrastructure. The minimal decrease is primarily due to higher depreciation costs than new assets being purchased. Long-term liabilities increased \$6.0 million totaling \$279.7 million. \$4.4 million was due to current year OPEB cost in excess of payments made, unfunded (ARC) pension liability of \$0.7 million, increase of general obligation debt of \$1.5 million, and offset by a reduction of \$1.0 million for payments made against the litigation liability.

Financial Analysis of the County as a Whole (Continued)

Changes in Net Assets

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

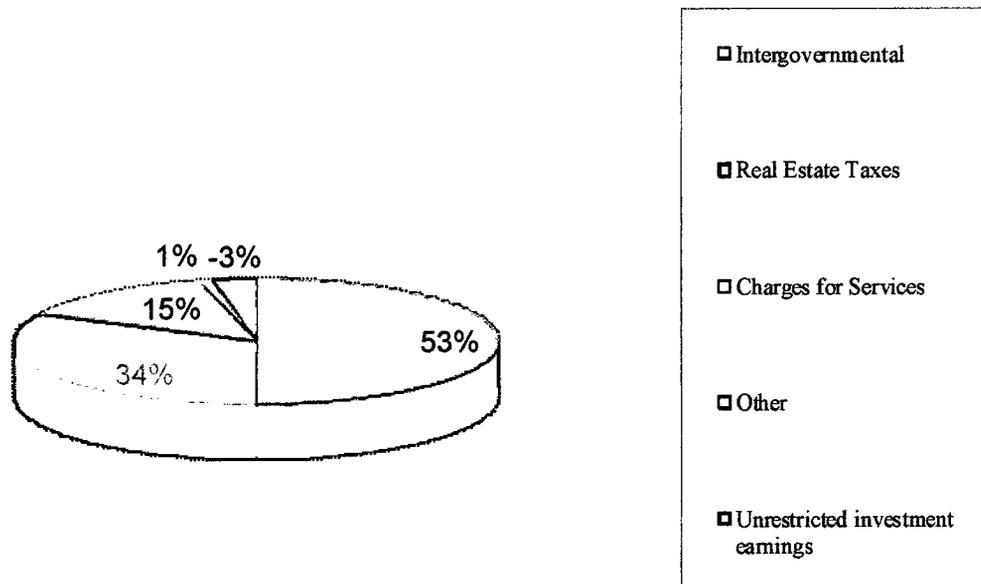
| | Governmental Activities | | Business-Type Activities | |
|--|-------------------------|----------------|--------------------------|---------------|
| | 2011 | 2010 | 2011 | 2010 |
| | (\$ in millions) | | | |
| Revenue | | | | |
| Program revenues: | | | | |
| Charges for services | \$ 47.3 | \$ 46.3 | \$ 38.7 | \$ 40.4 |
| Operating grants and contributions | 170.1 | 173.8 | - | - |
| Capital grants and contributions | 1.8 | 4.6 | 0.2 | - |
| General revenues: | | | | |
| Real estate taxes | 110.4 | 109.2 | - | - |
| Other | 1.6 | 3.6 | - | - |
| Unrestricted investment loss | (10.6) | (10.8) | - | - |
| Hotel taxes | 1.6 | 1.3 | - | - |
| Total revenues | <u>322.2</u> | <u>328.0</u> | <u>38.9</u> | <u>40.4</u> |
| Expenses | | | | |
| General government | 13.6 | 14.6 | - | - |
| Public safety | 64.0 | 60.7 | - | - |
| Roads and bridges | 1.7 | 1.2 | - | - |
| Health, education and welfare | 178.2 | 178.0 | - | - |
| Judicial | 41.6 | 40.3 | - | - |
| Cultural and recreation | 7.4 | 6.9 | - | - |
| Community development | 12.9 | 14.9 | - | - |
| Interest expense | 5.8 | 3.8 | - | - |
| Nursing home | - | - | 41.0 | 39.9 |
| 911 operations | - | - | 15.4 | 14.7 |
| Total expenses | <u>325.2</u> | <u>320.4</u> | <u>56.4</u> | <u>54.6</u> |
| Increase (decrease) in net assets before transfers | (3.0) | 7.6 | (17.5) | (14.2) |
| Transfers | (18.1) | (13.5) | 18.1 | 13.5 |
| Change in net assets | <u>(21.1)</u> | <u>(5.9)</u> | <u>0.6</u> | <u>(0.7)</u> |
| Net assets – beginning | 60.7 | 66.6 | 9.7 | 10.4 |
| Net assets – ending | <u>\$ 39.6</u> | <u>\$ 60.7</u> | <u>\$ 10.3</u> | <u>\$ 9.7</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, 2011:

Sources of Revenues Total Revenues of \$322.2 Million



Total government-wide revenues of \$322.2 million were derived primarily from intergovernmental grants, representing 53% of the total. Intergovernmental grants accounted for \$171.9 million. The second largest source of revenue came from real estate taxes of \$110.4 million, which comprised 34% of the total. Revenue to house INS detainees and state boarding of prisoners accounted for 48% of the \$47.3 million in charges for services, which represented 15% of total revenues, followed by unrestricted investment loss of \$10.6 million. Hotel tax accounted for \$1.6 million of the \$3.2 million of other revenues.

Total revenues decreased by \$5.8 million during 2011. The majority of the decrease came from operating grants and contributions of \$3.7 million, due to the reimbursement rates dropping for individuals on medical assistance program for York Health Choice and Adams Health Choices of \$2.4 million and \$1.3 million respectively. Capital Grants and Contributions also decreased by \$2.8 million of which \$2.0 million related to the ARRA Energy Efficiency grant being completed.

Financial Analysis of the County as a Whole (Continued)

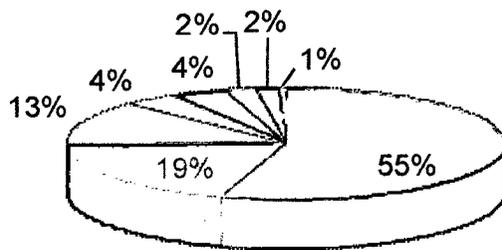
Business-Type Activities

Total business-type revenues of \$38.9 million, decreased \$1.5 million from 2010, were derived from charges for sales and services from the County Nursing Home of \$32.0 million, capital grants and contributions from the County Nursing Home of \$0.2 million, and telephone surcharge revenues from 911 operations of \$6.7 million. The County Nursing Home revenues decreased by \$2.0 million from lower occupancy rates. 911 revenues increased by \$0.5 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, 2011:

Functional Expenses
Total Expenses of \$325.2 Million



- Health, Education & Welfare
- Public Safety
- Judicial
- Community Development
- General Government
- Cultural and Recreation
- Debt Service
- Roads and Bridges

Financial Analysis of the County as a Whole (Continued)

Governmental Activities (Continued)

Total expenses in 2011 were \$325.2 million. The expenses cover a wide range of services, with health, education, and welfare being the largest at \$178.2 million comprising 55% of total expenses. Within health, education, and welfare; Human services, Children and Youth, and MH/MR had the largest expenses at \$93.8 million, \$42.1 million, and \$29.8 million, respectively. The second largest category is public safety at \$64.0 million comprising 19% of total expenses. The other categories are as follows: judicial at \$41.6 million, community development at \$12.9 million, general government at \$13.6 million, cultural and recreation at \$7.4 million, interest expense at \$5.8 million, and roads and bridges at \$1.7 million.

Expenditures increased in 2011 by \$4.8 million which represented only a 1.5% increase. The majority of the increase came from Public Safety which accounted for \$3.3 million. The second largest increase was interest expense at \$2.0 million.

Business Type Activities

Total expenses in 2011 were \$56.4 million, an increase of \$1.8 million from 2010. The County nursing home comprised 72.7% of the total, having total operating and administrative expenses of \$41.0 million, which included depreciation expense of \$0.9 million. The 911 operations incurred \$15.4 million in total expenses, which included bond interest expense of \$2.0 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, and Community Development Block Grant Fund. For the fiscal year ended December 31, 2011, the County of York governmental funds had a combined ending fund balance of \$41.3 million, a decrease of \$4.9 million from fiscal year 2010.

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 \$32.3 million, a decrease of \$4.7 million. The General Fund had an excess of revenues over expenditures of \$25.5 million for 2011 before other financing sources/(uses). General Fund net transfers out of (\$30.2) million accounted for all of the other financing sources/(uses).

The decrease in General Fund revenues from the prior year was insignificant. The General Fund had transfers out of \$30.3 million which represented an increase of \$6.9 million. The majority of the increase related to the Enterprise Funds of \$4.5 million. The Nursing Home accounted for 84.4% or \$3.8 million of the increase. The General Fund transferred a total of \$8.5 million to the Nursing Home in 2011. The 911 Fund was \$0.7 million higher than the 2010 amount of \$8.8 million. Transfers to the Children & Youth Fund increased by \$1.8 million due to increased level of placement for children.

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 the Children and Youth Fund in 2011 was \$9.8 million. Mental Health/Mental Retardation Fund had transfers in from the General Fund of \$0.9 million.

The Children and Youth Fund had expenditures of \$42.5 million in 2011 compared to \$39.1 million in 2010. Higher expenditures of \$3.4 million was due primarily to an increased level of placements for children in 2011 compared to 2010 fiscal year.

The Community Development Block Grant Program revenues and expenditures decreased by \$3.9 million primarily due to fewer projects incurred expenditures for the neighborhood stabilization and community development block grant programs.

The fund balance for Other Nonmajor Funds decreased from \$9.2 million in 2010 to \$9.1 million in 2011. The Capital Projects Fund is now considered a nonmajor fund.

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, 2011, the net assets (deficit) of the County's nursing home amounted to \$(4.5) million and those for 911 operations amounted to \$14.8 million. The nursing home's net assets decreased by \$0.2 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 \$301.8 million as of December 31, 2011. This represented a decrease of \$0.5 million, or 0.2% over the previous year's total of \$302.3 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 | |
|------------------------------------|-------------------------|----------------|--------------------------|---------------|---------------------------|----------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Land | \$ 53,210,552 | \$ 53,144,964 | \$ 260,065 | \$ 260,065 | \$ 53,470,617 | \$ 53,405,029 |
| Construction in progress | 4,021,954 | 7,104,570 | 607,653 | 30,518,636 | 4,629,607 | 37,623,206 |
| Buildings and improvements | 202,683,565 | 194,628,288 | 37,608,303 | 37,282,408 | 240,291,868 | 231,910,696 |
| Leasehold assets | - | - | 997,500 | 997,500 | 997,500 | 997,500 |
| Furniture, Fixtures, and Equipment | 14,702,670 | 12,943,031 | 50,506,690 | 20,166,388 | 65,209,360 | 33,109,419 |
| Easements | 17,977,571 | 17,717,054 | - | - | 17,977,571 | 17,717,054 |
| Bridges, roads and rail trail | 23,229,887 | 22,091,163 | - | - | 23,229,887 | 22,091,163 |
| Less accumulated depreciation | (80,228,721) | (73,688,578) | (23,787,151) | (20,850,069) | (104,015,872) | (94,538,647) |
| Total capital assets, net | \$ 235,597,478 | \$ 233,940,492 | \$ 66,193,060 | \$ 68,374,928 | \$ 301,790,538 | \$ 302,315,420 |

Governmental activities decreased construction in progress by \$3.1 million. The majority of the decrease related to the completion of the Human Service Center renovations and the ARRA energy project of \$5.0 million and \$2.8 million, respectively, which in turn increased buildings and improvements for governmental activities. The County continues its plan to purchase Magisterial District offices. During 2011, two more offices were purchased and renovated which accounted for \$0.8 million increase in construction in progress. The County also started renovations to the prison which increased construction in progress by \$1.7 million. Furniture, Fixtures and Equipment increased by \$1.8 million which included the purchase of 19 vehicles at \$0.8 million and furniture for the Human Services Center at \$0.5 million.

The County business-type activities decreased construction in progress by \$29.9 million. The completion of the radio communications project accounted for a \$30.2 million reduction to construction in progress and an increase in furniture, fixture, and equipment by that same amount.

Financial Analysis of the County's Funds (Continued)

Long-Term Debt

As of December 31, 2011, the County had \$239,775,406 of general obligation debt outstanding. This was an increase of \$1.5 million, or 0.6% from the previous year. The following details activity related to general obligation bonds during 2011:

| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> |
|--------------------------------------|------------------------------------|-------------------------------------|
| Beginning balance at January 1, 2011 | \$ 188,066,334 | \$ 50,258,666 |
| Debt issued | 7,037,755 | - |
| Less principal payments | (3,963,066) | (1,624,283) |
| Ending balance at December 31, 2011 | <u>\$ 191,141,023</u> | <u>\$ 48,634,383</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 2011 revenue budget. Actual revenue received totaled \$163.9 million or 101.3% 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 \$1.3 million and \$0.6 million respectively.

The County had a few minor amendments to the original 2011 expenditure budget. Actual expenditures totaled \$138.4 million or 95.4% of the final budget. A positive variance for debt service expenditures of \$2.8 million accounted for a majority of the variance along with General Government's favorable variance of \$2.2 million.

Actual transfers out totaled \$30.3 million or 158.67% of the final budget. The negative variance is due to increased transfers to the business-type activities and to the Children & Youth Fund.

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 \$5.9 million.
- The rising wage and medical health care costs.
- The County budgeted \$10.0 million for the annual required contribution to the retirement fund.
- \$3.4 million of unrestricted fund balance will be used to balance the budget.

The County's General Fund has been growing at a pace approximating 4.8% per year or almost \$6.2 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 \$34.2 million with 44 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 8.0% for 2012. Government administration budgeted expenses decreased by \$2.0 million. The court system and public safety budgeted expenses increased \$4.2 million, which includes court and court related functions, corrections, and public safety. The County's budget for 2012 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 2012 budget. Amounts available for appropriation in the general fund budget are \$178.5 million.

Contacting the County's Financial Management

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

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

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BASIC FINANCIAL STATEMENTS

County of York, Pennsylvania

Statement of Net Assets

December 31, 2011

| | Primary Government | | | Component Units |
|---|----------------------------|-----------------------------|-----------------------|-----------------------|
| | Governmental Activities | Business-Type Activities | Total | |
| Assets | | | | |
| Cash and cash equivalents | \$ 23,222,197 | \$ 103,415 | \$ 23,325,612 | \$ 4,032,821 |
| Receivables: | | | | |
| Taxes, net | 3,966,634 | - | 3,966,634 | - |
| Accounts | 13,435,876 | 5,740,973 | 19,176,849 | 13,966,322 |
| Due from other governments | 7,550,570 | 50,823 | 7,601,393 | 1,200,000 |
| Loan and note | 12,443,854 | - | 12,443,854 | 498,107 |
| Internal balances | 1,494,134 | (1,494,134) | - | - |
| Investments | 10,754,792 | - | 10,754,792 | 5,775,447 |
| Bond issuance costs, net | 559,192 | 440,840 | 1,000,032 | - |
| Restricted cash | 5,808,129 | 3,632,532 | 9,440,661 | 3,340,604 |
| Restricted investments | 8,848,811 | - | 8,848,811 | 143,168,501 |
| Other assets | 2,709,503 | 59,986 | 2,769,489 | 1,721,288 |
| Capital assets not being depreciated | 75,210,077 | 867,718 | 76,077,795 | 16,806,681 |
| Capital assets being depreciated, net of depreciation | 160,387,401 | 65,325,342 | 225,712,743 | 44,802,889 |
| Total assets | \$ 326,391,170 | \$ 74,727,495 | \$ 401,118,665 | \$ 235,312,660 |
| Liabilities | | | | |
| Accounts payable and accrued liabilities | \$ 24,994,337 | \$ 3,402,371 | \$ 28,396,708 | \$ 2,269,248 |
| Due to other governments | 668,896 | - | 668,896 | - |
| Deposits held in escrow | 6,242,576 | 435,868 | 6,678,444 | - |
| Accrued interest payable | 1,149,772 | 196,960 | 1,346,732 | - |
| Unearned revenue | 34,054,113 | 422,514 | 34,476,627 | 7,605,322 |
| Other liabilities | - | - | - | 673,911 |
| Long-term liabilities: | | | | |
| Due within one year | 8,479,419 | 2,441,271 | 10,920,690 | 9,211,253 |
| Due in more than one year | 211,209,017 | 57,532,200 | 268,741,217 | 19,195,433 |
| Total liabilities | 286,798,130 | 64,431,184 | 351,229,314 | 38,955,167 |
| Net assets (deficit) | | | | |
| Invested in capital assets, net of related debt | 70,136,376 | 16,358,248 | 86,494,624 | 34,280,124 |
| Restricted for primary government | 9,570,727 | 3,196,664 | 12,767,391 | - |
| Restricted for component units: | | | | |
| Capital activity and debt service | - | - | - | 134,521,367 |
| Legal purposes | - | - | - | 11,987,738 |
| Unrestricted (Deficit) | (40,114,063) | (9,258,601) | (49,372,664) | 15,568,264 |
| Total net assets | \$ 39,593,040 | \$ 10,296,311 | \$ 49,889,351 | \$ 196,357,493 |

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

County of York, Pennsylvania
 Statement of Activities
 Year ended December 31, 2011

| Functions/Programs | Program Revenues | | | | | Net (Expense) Revenue and Changes in Net Assets | | | Component Units |
|--|-----------------------|----------------------|-----------------------|--------------------------|----------------------------------|---|--------------------------|----------------|-----------------|
| | Expenses | Charges for Services | Operating | | Capital Grants and Contributions | Primary Government | | | |
| | | | Contributions | Grants and Contributions | | Governmental Activities | Business-Type Activities | Total | |
| Primary government: | | | | | | | | | |
| Governmental activities: | | | | | | | | | |
| General government | \$ 13,553,130 | \$ 4,942,983 | \$ 686,093 | \$ 673,205 | \$ (7,250,849) | \$ - | \$ (7,250,849) | \$ - | |
| Public safety | 63,954,882 | 29,548,437 | 2,963,707 | - | (31,442,738) | - | (31,442,738) | - | |
| Roads and bridges | 1,745,365 | - | 1,759,372 | 751,526 | 765,533 | - | 765,533 | - | |
| Health, education, and welfare: | | | | | | | | | |
| Drug and alcohol | 3,588,113 | - | 3,463,505 | - | (124,608) | - | (124,608) | - | |
| Mental health/mental retardation | 29,822,474 | - | 28,909,884 | - | (912,590) | - | (912,590) | - | |
| Office of aging | 8,787,468 | 266,221 | 8,003,402 | - | (517,845) | - | (517,845) | - | |
| Children and youth | 42,137,443 | 691,402 | 31,626,654 | 365,734 | (9,453,653) | - | (9,453,653) | - | |
| Human services | 93,830,640 | - | 80,182,017 | - | (13,648,623) | - | (13,648,623) | - | |
| Judicial | 41,611,232 | 10,842,412 | 5,438,185 | - | (25,330,635) | - | (25,330,635) | - | |
| Cultural and recreation | 7,388,731 | 678,867 | 585,940 | - | (6,123,924) | - | (6,123,924) | - | |
| Conservation and community development | 12,949,541 | 319,216 | 6,517,311 | - | (6,113,014) | - | (6,113,014) | - | |
| Interest expense | 5,838,841 | - | - | - | (5,838,841) | - | (5,838,841) | - | |
| Total governmental activities | 325,207,860 | 47,289,538 | 170,136,070 | 1,790,465 | (105,991,787) | - | (105,991,787) | - | |
| Business-type activities: | | | | | | | | | |
| Nursing home | 40,954,101 | 32,017,214 | - | 187,500 | - | (8,749,387) | (8,749,387) | - | |
| 911 operations | 15,448,100 | 6,706,462 | - | - | - | (8,741,638) | (8,741,638) | - | |
| Total business-type activities | 56,402,201 | 38,723,676 | - | 187,500 | - | (17,491,025) | (17,491,025) | - | |
| Total primary government | \$ 381,610,061 | \$ 86,013,214 | \$ 170,136,070 | \$ 1,977,965 | (105,991,787) | - | (123,482,812) | - | |
| Component units: | | | | | | | | | |
| York County Solid Waste and Refuse Authority | \$ 42,735,054 | \$ 43,734,056 | \$ - | \$ - | | | | 999,002 | |
| York County Industrial Development Authority | 8,555,487 | 19,429 | 7,534,041 | 1,222,000 | | | | 219,983 | |
| York County Library System | 7,813,168 | 2,398,035 | 4,340,383 | - | | | | (1,074,750) | |
| York County Planning Commission | 3,995,683 | 2,634,115 | 1,445,000 | - | | | | 83,432 | |
| Total component units | \$ 63,099,392 | \$ 48,785,635 | \$ 13,319,424 | \$ 1,222,000 | | | | 227,667 | |
| General revenues: | | | | | | | | | |
| Property taxes | | | | | 110,419,716 | - | 110,419,716 | - | |
| Unrestricted investment earnings/(loss) | | | | | (10,568,496) | 19,486 | (10,549,010) | 55,863 | |
| Hotel tax | | | | | 1,495,347 | - | 1,495,347 | - | |
| Other | | | | | 1,588,306 | - | 1,588,306 | - | |
| Transfers | | | | | (18,050,304) | 18,050,304 | - | - | |
| Total general revenues and transfers | | | | | 84,884,569 | 18,069,790 | 102,954,359 | 55,863 | |
| Change in net assets | | | | | (21,107,218) | 578,765 | (20,528,453) | 283,530 | |
| Net assets - beginning | | | | | 60,700,258 | 9,717,546 | 70,417,804 | 196,073,963 | |
| Net assets - ending | | | | | \$ 39,593,040 | \$ 10,296,311 | \$ 49,889,351 | \$ 196,357,493 | |

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

County of York, Pennsylvania

Balance Sheet – Governmental Funds

December 31, 2011

| | General Fund | York HealthChoices Management Fund | Mental Health/Retardation Fund | Children and Youth Fund | Community Development Block Grant Fund | Other Nonmajor Funds | Total Governmental Funds |
|----------------------------|---------------|------------------------------------|--------------------------------|-------------------------|--|----------------------|--------------------------|
| Assets | | | | | | | |
| Cash and cash equivalents | \$ 5,427,329 | \$ 4,888,306 | \$ 6,073,317 | \$ 400 | \$ 397,607 | \$ 6,435,238 | \$ 23,222,197 |
| Restricted cash | 3,873,476 | 1,365,554 | 60,755 | - | - | 508,344 | 5,808,129 |
| Investments | 10,947,701 | 11,173,743 | 2,801,471 | - | - | 7,775,065 | 32,697,980 |
| Restricted investments | 389,508 | 7,764,173 | - | - | - | 695,130 | 8,848,811 |
| Receivables: | | | | | | | |
| Taxes, net | 3,966,634 | - | - | - | - | - | 3,966,634 |
| Accounts | 6,281,520 | 2 | 114,999 | 1,676 | 5,695,776 | 1,341,903 | 13,435,876 |
| Due from other funds | 2,992,701 | - | 13,294 | 1,086,432 | - | 2,104,330 | 6,196,757 |
| Due from other governments | 1,018,994 | - | 217,279 | 4,524,560 | 421,576 | 1,368,161 | 7,550,570 |
| Loan and note | 12,443,854 | - | - | - | - | - | 12,443,854 |
| Other assets | 347,202 | - | 52,246 | - | - | - | 399,448 |
| Total assets | \$ 47,688,919 | \$ 25,191,778 | \$ 9,333,361 | \$ 5,613,068 | \$ 6,514,959 | \$ 20,228,171 | \$ 114,570,256 |

Liabilities and fund balances

| | | | | | | | |
|--|---------------|---------------|--------------|--------------|--------------|---------------|----------------|
| Liabilities: | | | | | | | |
| Accounts payable and accrued liabilities | \$ 7,355,580 | \$ 8,161,009 | \$ 1,854,299 | \$ 2,561,334 | \$ 498,009 | \$ 4,564,106 | \$ 24,994,337 |
| Due to other funds | 1,354,295 | 1,829,434 | 846,568 | - | 44 | 672,282 | 4,702,623 |
| Deposits held in escrow | 4,139,197 | 1,552,500 | - | - | - | 550,879 | 6,242,576 |
| Due to other governments | - | 561,813 | - | - | - | 107,083 | 668,896 |
| Deferred revenue | 2,573,555 | 13,087,022 | 6,632,494 | 3,051,734 | 6,016,906 | 5,262,616 | 36,624,327 |
| Total liabilities | 15,422,627 | 25,191,778 | 9,333,361 | 5,613,068 | 6,514,959 | 11,156,966 | 73,232,759 |
| Fund balances (Deficit): | | | | | | | |
| Nonspendable | 12,443,854 | - | - | - | - | - | 12,443,854 |
| Restricted | 76,314 | - | - | - | - | 9,494,413 | 9,570,727 |
| Committed | 35,896 | - | - | - | - | 283,910 | 319,806 |
| Assigned | 4,886,484 | - | - | - | - | - | 4,886,484 |
| Unassigned (Deficit) | 14,823,744 | - | - | - | - | (707,118) | 14,116,626 |
| Total fund balances | 32,266,292 | - | - | - | - | 9,071,205 | 41,337,497 |
| Total liabilities and fund balances | \$ 47,688,919 | \$ 25,191,778 | \$ 9,333,361 | \$ 5,613,068 | \$ 6,514,959 | \$ 20,228,171 | \$ 114,570,256 |

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, 2011

| | |
|---|----------------------|
| Total Fund Balances of Governmental Funds: | \$ 41,337,497 |
| 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. | 235,597,478 |
| 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. | 2,570,214 |
| 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. | 559,192 |
| Assets/Liabilities not available to pay for current period's expenditures and therefore not reported in the funds. | |
| Investments in derivative instruments | (21,943,188) |
| Other assets | 2,310,055 |
| 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 | (191,141,023) |
| Litigation liability | (2,500,000) |
| Unamortized premium | (1,231,922) |
| Accrued interest payable | (1,149,772) |
| Workers compensation claims liability | (2,542,819) |
| Accrued compensated absences | (4,141,261) |
| Liability for other postemployment benefits | (14,342,322) |
| Liability for pension benefits | (3,789,089) |
| Total Net Assets of Governmental Activities | <u>\$ 39,593,040</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, 2011

| | General Fund | York HealthChoices Management Fund | Mental Health/Mental Retardation Fund | | Children and Youth Fund | Community Development Block Grant Fund | Other Nonmajor Funds | Total Governmental Funds |
|---|---------------------|------------------------------------|---------------------------------------|------------------------------|-------------------------|--|----------------------|--------------------------|
| | | | Health/Mental Retardation Fund | Development Block Grant Fund | | | | |
| Revenues | | | | | | | | |
| Real estate taxes | \$ 110,537,455 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 110,537,455 |
| Intergovernmental | 6,732,892 | 63,431,118 | 28,909,884 | 4,319,271 | 31,992,388 | 4,319,271 | 36,540,982 | 171,926,535 |
| Departmental | - | - | - | 2,776 | 691,402 | - | 1,604,124 | 41,834,161 |
| Fines and costs | 5,455,377 | - | - | - | - | - | - | 5,455,377 |
| Hotel tax | 1,495,347 | - | - | - | - | - | - | 1,495,347 |
| Investment | 122,196 | 51,748 | 12,906 | 1,449 | - | - | 44,831 | 233,130 |
| Other | - | - | 35,095 | - | - | - | 1,553,211 | 1,588,306 |
| Total revenues | 163,879,126 | 63,482,866 | 28,957,885 | 4,323,496 | 32,683,790 | 4,323,496 | 39,743,148 | 333,070,311 |
| Expenditures | | | | | | | | |
| Current: | | | | | | | | |
| General government | 12,235,067 | - | - | - | - | - | - | 12,235,067 |
| Public safety | 59,281,034 | - | - | - | - | - | 1,043,884 | 60,324,918 |
| Roads and bridges | - | - | - | - | - | - | 1,173,337 | 1,173,337 |
| Health, education, and welfare: | | | | | | | | |
| Drug and alcohol | - | - | - | - | - | - | 3,588,113 | 3,588,113 |
| Mental health/mental retardation | - | - | 29,822,474 | - | - | - | 29,822,474 | 29,822,474 |
| Office of aging | - | - | - | - | - | - | 8,787,468 | 8,787,468 |
| Children and youth | - | - | - | - | 42,137,443 | - | - | 42,137,443 |
| Human services | 10,845,335 | 63,482,866 | - | - | - | - | 17,300,625 | 91,628,826 |
| Judicial | 33,027,842 | - | - | - | - | - | 5,280,676 | 38,308,518 |
| Cultural and recreation | 8,015,623 | - | - | - | - | - | 85,407 | 8,101,030 |
| Conservation and community development | 4,503,964 | - | - | - | - | - | 4,066,740 | 12,894,200 |
| Capital outlay | 1,048,040 | - | - | - | 365,734 | - | 6,972,767 | 8,386,541 |
| Debt service: | | | | | | | | |
| Principal retirement | 3,945,717 | - | - | - | - | - | 17,349 | 3,963,066 |
| Interest and fiscal charges | 5,500,814 | - | - | - | - | - | 83,580 | 5,584,394 |
| Total expenditures | 138,403,436 | 63,482,866 | 29,822,474 | 4,323,496 | 42,503,177 | 4,323,496 | 48,399,946 | 326,935,395 |
| Excess (deficiency) of revenues over (under) expenditures | 25,475,690 | - | (864,589) | - | (9,819,387) | - | (8,656,798) | 6,134,916 |
| Other financing sources (uses) | | | | | | | | |
| Transfers in | 55,299 | - | 864,589 | - | 9,819,387 | - | 1,627,058 | 12,366,333 |
| Transfers out | (30,272,104) | - | - | - | - | - | (144,533) | (30,416,637) |
| Issuance of debt | - | - | - | - | - | - | 7,037,755 | 7,037,755 |
| Total other financing sources (uses) | (30,216,805) | - | 864,589 | - | 9,819,387 | - | 8,520,280 | (11,012,349) |
| Net change in fund balances | (4,741,115) | - | - | - | - | - | (136,518) | (4,877,633) |
| Fund balances, January 1 | 37,007,407 | - | - | - | - | - | 9,207,723 | 46,215,130 |
| Fund balances, December 31 | \$ 32,266,292 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 9,071,205 | \$ 41,337,497 |

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, 2011

Net change in fund balances - total governmental funds \$ (4,877,633)

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 (\$8,386,541),
depreciation expense (\$6,717,303), and loss on disposal of capital assets
(\$12,252) is a reconciling item. 1,656,986

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. (117,739)

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 bonds and notes issuance | (7,037,755) |
| Principal repayments on general obligation bonds | 3,963,066 |
| Payments for litigation liability | 1,000,000 |

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 | (863,553) |
| Compensated absence expense | (364,864) |
| Other postemployment benefits expense | (3,019,912) |
| Investment loss from derivative instruments | (10,801,626) |
| Pension expense | (580,491) |
| Accrual of interest on long-term debt | (203,805) |
| Claims and judgement expense | 216,300 |
| Amortization of bond premium | 56,134 |
| Amortization of issuance costs | (25,550) |
| Amortization of deferred refunding loss | (106,776) |
| | (106,776) |

Change in net assets of governmental activities \$ (21,107,218)

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, 2011

| | County | | |
|---|-----------------------|----------------------|----------------------|
| | Nursing Home Fund | 911 Fund | Total |
| Assets | | | |
| Current assets: | | | |
| Cash | \$ 1,000 | \$ 102,415 | \$ 103,415 |
| Accounts receivable | 5,374,110 | 366,863 | 5,740,973 |
| Due from other governments | - | 50,823 | 50,823 |
| Bond issuance costs, net | - | 440,840 | 440,840 |
| Restricted cash | 435,868 | 3,196,664 | 3,632,532 |
| Other assets | 59,986 | - | 59,986 |
| Total current assets | 5,870,964 | 4,157,605 | 10,028,569 |
| Noncurrent assets: | | | |
| Capital assets not being depreciated | 181,514 | 686,204 | 867,718 |
| Capital assets being depreciated, net of depreciation | 9,802,120 | 55,523,222 | 65,325,342 |
| Total noncurrent assets | 9,983,634 | 56,209,426 | 66,193,060 |
| Total assets | \$ 15,854,598 | \$ 60,367,031 | \$ 76,221,629 |
| Liabilities | | | |
| Current liabilities: | | | |
| Accounts payable and accrued liabilities | \$ 3,146,366 | \$ 256,005 | \$ 3,402,371 |
| Due to other funds | 1,486,494 | 7,640 | 1,494,134 |
| Deposits held in escrow | 435,868 | - | 435,868 |
| Accrued interest payable | 25,768 | 171,192 | 196,960 |
| Unearned revenue | 83,690 | 338,824 | 422,514 |
| General obligation debt | 222,513 | 1,532,744 | 1,755,257 |
| Liability for workers' compensation self-insurance | 75,954 | - | 75,954 |
| Compensated absences | 453,296 | 156,764 | 610,060 |
| Total current liabilities | 5,929,949 | 2,463,169 | 8,393,118 |
| Noncurrent liabilities: | | | |
| General obligation debt | 6,139,618 | 41,933,918 | 48,073,536 |
| Liability for workers' compensation self-insurance | 683,589 | - | 683,589 |
| Compensated absences | 163,045 | 56,386 | 219,431 |
| Liability for other postemployment benefits | 5,934,098 | 884,488 | 6,818,586 |
| Liability for pension benefits | 1,500,403 | 236,655 | 1,737,058 |
| Total noncurrent liabilities | 14,420,753 | 43,111,447 | 57,532,200 |
| Total liabilities | 20,350,702 | 45,574,616 | 65,925,318 |
| Net assets (deficit) | | | |
| Invested in capital assets, net of related debt | 3,621,503 | 12,736,745 | 16,358,248 |
| Restricted | - | 3,196,664 | 3,196,664 |
| Unrestricted (deficit) | (8,117,607) | (1,140,994) | (9,258,601) |
| Total net assets (deficit) | \$ (4,496,104) | \$ 14,792,415 | \$ 10,296,311 |

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, 2011

| | County Nursing Home Fund | 911 Fund | Total |
|---|---|----------------------|----------------------|
| Operating revenues: | | | |
| Charges for sales and services: | | | |
| Charges for services | \$ 32,017,214 | \$ - | \$ 32,017,214 |
| Telephone surcharge revenue | - | 6,706,462 | 6,706,462 |
| Total operating revenues | <u>32,017,214</u> | <u>6,706,462</u> | <u>38,723,676</u> |
| Operating expenses: | | | |
| Operating/administrative | 39,782,252 | 11,304,928 | 51,087,180 |
| Depreciation | 863,067 | 2,095,919 | 2,958,986 |
| Total operating expenses | <u>40,645,319</u> | <u>13,400,847</u> | <u>54,046,166</u> |
| Operating loss | (8,628,105) | (6,694,385) | (15,322,490) |
| Nonoperating revenue (expense) | | | |
| Capital grant | 187,500 | - | 187,500 |
| Investment income | 1,535 | 17,951 | 19,486 |
| Bond interest | (308,782) | (2,047,253) | (2,356,035) |
| Total nonoperating expense | <u>(119,747)</u> | <u>(2,029,302)</u> | <u>(2,149,049)</u> |
| Loss before transfers | (8,747,852) | (8,723,687) | (17,471,539) |
| Transfers in | 8,535,087 | 9,515,217 | 18,050,304 |
| Change in net assets (deficit) | <u>(212,765)</u> | <u>791,530</u> | <u>578,765</u> |
| Total net assets (deficit), January 1 | (4,283,339) | 14,000,885 | 9,717,546 |
| Total net assets (deficit), December 31 | <u>\$ (4,496,104)</u> | <u>\$ 14,792,415</u> | <u>\$ 10,296,311</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, 2011

| | County | | |
|---|-----------------------|-----------------------|------------------------|
| | Nursing Home | | |
| | Fund | 911 Fund | Total |
| Cash flows from operating activities | | | |
| Cash received on patient accounts | \$ 30,713,802 | \$ - | \$ 30,713,802 |
| Cash received from telephone surcharge revenue | - | 6,630,027 | 6,630,027 |
| Cash payments for material and supplies | (3,397,673) | (189,695) | (3,587,368) |
| Cash payments for patient services | (6,555,561) | - | (6,555,561) |
| Cash payments for program services | - | (3,139,526) | (3,139,526) |
| Cash payments for salaries and employee benefits | (28,468,290) | (7,740,937) | (36,209,227) |
| Net cash used in operating activities | <u>(7,707,722)</u> | <u>(4,440,131)</u> | <u>(12,147,853)</u> |
| Cash flows from investing activities | | | |
| Investment income | 1,535 | 17,951 | 19,486 |
| Investment redemptions | - | 146,832 | 146,832 |
| Net cash provided by investing activities | <u>1,535</u> | <u>164,783</u> | <u>166,318</u> |
| Cash flows from noncapital financing activities | | | |
| Transfers from other funds | 8,535,087 | 9,515,217 | 18,050,304 |
| Net cash provided by noncapital financing activities | <u>8,535,087</u> | <u>9,515,217</u> | <u>18,050,304</u> |
| Cash flows from capital and related financing activities | | | |
| Capital grant | 187,500 | - | 187,500 |
| Interest expense | (313,380) | (2,082,207) | (2,395,587) |
| Payments on capital lease | - | (207,962) | (207,962) |
| Principal payments on bonds | (212,481) | (1,411,802) | (1,624,283) |
| Purchases of capital assets | (589,748) | (393,789) | (983,537) |
| Net cash used in capital and related financing activities | <u>(928,109)</u> | <u>(4,095,760)</u> | <u>(5,023,869)</u> |
| Net increase/(decrease) in cash and cash equivalents | (99,209) | 1,144,109 | 1,044,900 |
| Cash and cash equivalents, January 1 | 536,077 | 2,154,970 | 2,691,047 |
| Cash and cash equivalents, December 31 | <u>\$ 436,868</u> | <u>\$ 3,299,079</u> | <u>\$ 3,735,947</u> |
| Reconciliation of operating loss to net cash used in operating activities: | | | |
| Operating loss | \$ (8,628,105) | \$ (6,694,385) | \$ (15,322,490) |
| Adjustments to reconcile operating loss to net cash used in operating activities: | | | |
| Depreciation | 863,067 | 2,095,919 | 2,958,986 |
| Changes in assets and liabilities in: | | | |
| Accounts receivable | (1,303,412) | (69,966) | (1,373,378) |
| Due from other governments | - | (6,469) | (6,469) |
| Other assets | - | 14,009 | 14,009 |
| Accounts payable | 1,489,013 | (64,709) | 1,424,304 |
| Due to other funds | (743,447) | 4,107 | (739,340) |
| Deposits held in escrow | (99,044) | - | (99,044) |
| Compensated absences payable | 12,296 | 54,996 | 67,292 |
| Liability for other postemployment benefits | 1,212,048 | 184,636 | 1,396,684 |
| Liability for pension benefits | 104,264 | 41,731 | 145,995 |
| Liability for workers' compensation self-insurance | (614,402) | - | (614,402) |
| Total adjustments | 920,383 | 2,254,254 | 3,174,637 |
| Net cash used in operating activities | <u>\$ (7,707,722)</u> | <u>\$ (4,440,131)</u> | <u>\$ (12,147,853)</u> |
| Noncash financing activities: | | | |
| Amortization of bond issuance costs | \$ - | \$ (20,038) | \$ (20,038) |
| Amortization of bond premium | - | 54,291 | 54,291 |
| | <u>\$ -</u> | <u>\$ 34,253</u> | <u>\$ 34,253</u> |
| Reconciliation of cash to Statement of Net Assets | | | |
| Cash | \$ 1,000 | \$ 102,415 | \$ 103,415 |
| Restricted cash | 435,868 | 3,196,664 | 3,632,532 |
| | <u>\$ 436,868</u> | <u>\$ 3,299,079</u> | <u>\$ 3,735,947</u> |

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, 2011

| | Pension Trust | |
|---|-----------------------|----------------------|
| | Fund | Agency Funds |
| Assets | | |
| Cash and cash equivalents | \$ 9,278,837 | \$ 9,683,975 |
| Investments: | | |
| Certificates of deposit | - | 100,017 |
| U.S. treasuries | 21,516,862 | 512,895 |
| U.S. government agency obligations | 10,226,278 | 750,118 |
| Corporate bonds | 27,606,996 | - |
| Municipal bonds | - | 200,000 |
| Stocks | 69,641,121 | - |
| Fixed income mutual funds | - | 3,903,127 |
| International equity mutual funds | 51,178,389 | - |
| Equity mutual funds | 33,194,954 | - |
| Other | 572,653 | 1,066 |
| Receivables: | | |
| Delinquent taxes on behalf of other governments | - | 12,929,840 |
| Accounts | - | 133,080 |
| Total assets | <u>\$ 223,216,090</u> | <u>\$ 28,214,118</u> |
| Liabilities | | |
| Liabilities: | | |
| Due to other governments | \$ - | \$ 5,385,502 |
| Other liabilities | - | 22,828,616 |
| Total liabilities | <u>-</u> | <u>\$ 28,214,118</u> |
| Net assets | | |
| Net assets held in trust for pension benefits | <u>\$ 223,216,090</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, 2011

| | |
|--|-----------------------|
| Additions: | |
| Employer contributions | \$ 10,000,000 |
| Employee contributions | <u>5,219,125</u> |
| Total contributions | 15,219,125 |
| Investment income: | |
| Net depreciation in fair value of investments | (2,162,931) |
| Interest | 2,299,670 |
| Dividends | <u>3,392,725</u> |
| Total investment income | <u>3,529,464</u> |
| Total additions | <u>18,748,589</u> |
| Deductions: | |
| Benefit payments | 10,909,163 |
| Refunds of contributions | <u>1,259,601</u> |
| Total deductions | <u>12,168,764</u> |
| Net increase | 6,579,825 |
| Net assets held in trust for pension benefits, beginning of year | 216,636,265 |
| Net assets held in trust for pension benefits, end of year | <u>\$ 223,216,090</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, 2011

| | Solid Waste and Refuse Authority | Industrial Development Authority | Library System | Planning Commission | Total |
|---|--|--|---------------------|------------------------|-----------------------|
| Assets | | | | | |
| Cash and cash equivalents | \$ 2,749,557 | \$ 73,044 | \$ 169,469 | \$ 1,040,751 | \$ 4,032,821 |
| Accounts receivable | 13,218,355 | 341,568 | 111,228 | 295,171 | 13,966,322 |
| Due from other governments | - | 1,200,000 | - | - | 1,200,000 |
| Notes receivable | - | 498,107 | - | - | 498,107 |
| Investments | - | 4,882,695 | 892,752 | - | 5,775,447 |
| Restricted cash | 3,340,604 | - | - | - | 3,340,604 |
| Restricted investments | 143,168,501 | - | - | - | 143,168,501 |
| Other assets | 1,049,505 | 1,876 | 40,677 | 629,230 | 1,721,288 |
| Capital assets not being depreciated | 9,666,219 | 7,140,462 | - | - | 16,806,681 |
| Capital assets being depreciated, net of depreciation | 18,693,808 | 25,442,996 | 617,340 | 48,745 | 44,802,889 |
| Total assets | \$ 191,886,549 | \$ 39,580,748 | \$ 1,831,466 | \$ 2,013,897 | \$ 235,312,660 |
| Liabilities and net assets | | | | | |
| Liabilities: | | | | | |
| Accounts payable and accrued liabilities | \$ 1,520,698 | \$ 387,799 | \$ 249,216 | \$ 111,535 | \$ 2,269,248 |
| Due to other governments | - | - | - | - | - |
| Unearned revenue | 7,593,884 | - | 11,438 | - | 7,605,322 |
| Other liabilities | 673,911 | - | - | - | 673,911 |
| Long-term liabilities: | | | | | |
| Due within one year | 8,245,000 | 966,253 | - | - | 9,211,253 |
| Due in more than one year | 18,283,544 | 800,000 | 32,874 | 79,015 | 19,195,433 |
| Total liabilities | 36,317,037 | 2,154,052 | 293,528 | 190,550 | 38,955,167 |
| Net assets: | | | | | |
| Invested in capital assets, net of related debt | 2,650,081 | 30,963,958 | 617,340 | 48,745 | 34,280,124 |
| Restricted | | | | | |
| Capital activity and debt service | 134,521,367 | - | - | - | 134,521,367 |
| Legal purposes | 11,987,738 | - | - | - | 11,987,738 |
| Unrestricted | 6,410,326 | 6,462,738 | 920,598 | 1,774,602 | 15,568,264 |
| Total net assets | \$ 155,569,512 | \$ 37,426,696 | \$ 1,537,938 | \$ 1,823,347 | \$ 196,357,493 |

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, 2011

| | Solid Waste and Refuse Authority | Industrial Development Authority | Library System | Planning Commission | Total |
|---|---|---|---------------------------|--------------------------------|-----------------------|
| Program revenues: | | | | | |
| Charges for goods and services | \$ 43,734,056 | \$ 19,429 | \$ 2,398,035 | \$ 2,634,115 | \$ 48,785,635 |
| Operating grants and contributions | - | 7,534,041 | 4,340,383 | 1,445,000 | 13,319,424 |
| Capital grants and contributions | - | 1,222,000 | - | - | 1,222,000 |
| Total program revenues | 43,734,056 | 8,775,470 | 6,738,418 | 4,079,115 | 63,327,059 |
| General revenues: | | | | | |
| Unrestricted investment earnings/(loss) | - | 81,373 | (26,243) | 733 | 55,863 |
| Total revenues | 43,734,056 | 8,856,843 | 6,712,175 | 4,079,848 | 63,382,922 |
| Expenses | 42,735,054 | 8,555,487 | 7,813,168 | 3,995,683 | 63,099,392 |
| Change in net assets | 999,002 | 301,356 | (1,100,993) | 84,165 | 283,530 |
| Net assets, January 1 | 154,570,510 | 37,125,340 | 2,638,931 | 1,739,182 | 196,073,963 |
| Net assets, December 31 | \$ 155,569,512 | \$ 37,426,696 | \$ 1,537,938 | \$ 1,823,347 | \$ 196,357,493 |

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

County of York, Pennsylvania

Notes to Financial Statements

December 31, 2011

(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 14).

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 2011 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 Governmental Accounting Standards Board 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 365 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.

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 that are restricted and to administer 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. Certain nonparticipating contracts such as nonnegotiable certificates of deposit 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:

| | |
|------------------------------------|-------------|
| Buildings and improvements | 40 years |
| Furniture, fixtures, and equipment | 5-15 years |
| Bridges, roads, and rails | 20-50 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 \$1,294,085 and \$440,737, respectively as of December 31, 2011.

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)

Fund Balance

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

- Nonspendable fund balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- Restricted fund balance – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed fund balance – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners. These amounts cannot be used for any other purpose unless the Board of Commissioners remove or change the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.
- Assigned fund balance – This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. The Board of Commissioners delegated the responsibility to approve/or remove assigned fund balance that reflect the Commissioner's intended use of the resources to the Chief Clerk.
- Unassigned fund balance – This classification represents amounts that are available for any purpose.

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Net Assets

The government-wide and proprietary fund financial statements utilize a net assets presentation. Net assets are categorized as invested capital assets (net of related debt), restricted and unrestricted.

- *Invested In Capital Assets, Net of Related Debt* – This category groups all capital assets into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Assets* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Assets* – This category represents net assets of the County, not restricted for any project or other purpose.

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

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 adjustments due to future audits, reviews, and investigations by third-party payers. 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.

Adoption of Governmental Accounting Standards Board Statements

The County adopted the requirements of GASB statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*". The adoption of this statement resulted in the reclassification of fund balances in the Balance Sheet – Governmental Funds and the modification of certain note disclosures.

The County adopted the requirements of GASB statement No. 59, "*Financial Instruments Omnibus*". The adoption of this statement had no effect on previously reported amounts.

Pending Changes in Accounting Principles

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 the remaining provisions of statement No. 57 for its calendar year 2012 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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Pending Changes in Accounting Principles (Continued)

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.

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.

In June 2011, the GASB issued Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*". The County is required to adopt statement No. 63 for its calendar year 2012 financial statements.

In June 2011, the GASB issued Statement No. 64, "*Derivative Instruments: Application of Hedge Accounting Termination Provisions—an amendment of GASB Statement No. 53*". The County is required to adopt statement No. 64 for its calendar year 2012 financial statements.

In March 2012, the GASB issued Statement No. 65, "*Items Previously Reported as Assets and Liabilities*". The County is required to adopt statement No. 65 for its calendar year 2013 financial statements.

In March 2012, the GASB issued Statement No. 66, "*Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62*". The County is required to adopt statement No. 66 for its calendar year 2013 financial statements.

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(2) Deposit and Investment Risk

As of December 31, 2011, 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 | \$ 3,903,127 | \$ - | \$ 3,903,127 | \$ - | \$ - |
| Certificate of Deposit | 100,017 | 100,017 | - | - | - |
| U.S. Treasuries | 512,895 | - | - | 512,895 | - |
| U.S. Government Agencies | 22,934,164 | 22,934,164 | - | - | - |
| Municipal Bonds | 17,881,452 | 2,735,047 | 4,286,405 | 2,010,000 | 8,850,000 |
| Investment Derivatives | (21,943,188) | - | - | - | (21,943,188) |
| Total | \$ 23,388,467 | \$ 25,769,228 | \$ 8,189,532 | \$ 2,522,895 | \$ (13,093,188) |

As of December 31, 2011, 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 | \$ 21,516,862 | \$ 817,038 | \$ 2,441,178 | \$ 18,258,646 | \$ - |
| U.S. Government Agencies | 10,226,278 | - | 546,922 | 2,740,261 | 6,939,095 |
| Corporate Bonds | 27,606,996 | - | 12,483,429 | 13,979,736 | 1,143,831 |
| Total | \$ 59,350,136 | \$ 817,038 | \$ 15,471,529 | \$ 34,978,643 | \$ 8,082,926 |

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

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

See Note 8 for information on interest rate risk for the County's derivative instruments.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(2) Deposit and Investment Risk (Continued)

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.

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, 2011, the County's operating investments in cash equivalents, fixed income mutual funds and U.S. Government Agencies were rated AAA by Standard & Poor's. \$949,865 (5%), \$2,151,642 (12%), and \$14,779,945 (83%) of the County's operating investments in municipal bonds as of December 31, 2011 were rated AAA, AA, and A respectively, by Standard & Poor's.

See Note 8 for information on credit risk for the County's derivative instruments.

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. Investments in investment grade bonds (rated below Baa) are permissible but may not constitute more than 20% of the fixed income portfolio.

As of December 31, 2011, all of the County's retirement investments in cash equivalents and U.S. Government Agencies were rated AAA by Standard & Poor's. \$2,576,889 (9%), \$9,191,281 (33%), \$14,818,497 (54%), and \$1,020,329 (4%) of the County's retirement investments in corporate bonds as of December 31, 2011 were rated AAA, AA, A, and BAA respectively, by Standard & Poor's.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(2) Deposit and Investment Risk (Continued)

Custodial Credit Risk. For deposits and investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2011, \$40,673,493 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, 2011. The County does not have a written policy to limit its exposure to custodial credit risk.

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

The County's Retirement Investment Policy limits single investments in U.S. Treasury securities, Treasury zero coupon securities, and Federal Agency securities to 30%, 10%, and 10%, respectively, of the fixed income investments at market value. Other types of fixed income securities are limited to 5% for each single security and no issuer, other than the U.S. Government or Federal Agencies, may represent more than 5% of the total market value of the fixed income portfolio. The policy does not limit investments in U.S. Treasury Securities as a percentage of fixed income investments at market value. The policy does limit investments in Federal Agency Securities to 50% of the market value of the fixed income portfolio, with an investment in an individual Federal Agency not to exceed 25% of the value of the fixed income market portfolio.

More than 5% of the County's primary government investments are in the Federal Home Loan Bank. This investment is 10% 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 Westmoreland County PA. These investments are 51%, 13%, and 5%, respectively, of the County's government activities investments.

More than 5% of the County's general fund investments are in Allegheny County Industrial Development Authority, Federal Home Loan Bank, and Montgomery County PA. These investments are 5%, 62%, and 7% of the County's general fund investments. More than 5% of the County's mental health/mental retardation fund investments are in Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, and Pennsylvania Economic Development. These investments are 71%, 11%, and 14%, respectively, of the County's mental health/mental retardation fund investments.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(2) Deposit and Investment Risk (Continued)

More than 5% of the County's health choices management fund investments are in Allegheny County PA, Pennsylvania Economic Development, and Westmoreland County PA. These investments total 6%, 16%, and 7%, respectively, of the County's health choices management fund investments. More than 5% of the County's nonmajor governmental funds investments are in the Pennsylvania Economic Development, Schuylkill County PA, and Westmoreland County PA. These investments are 22%, 5%, and 9%, respectively, of the County's nonmajor governmental funds investments.

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

(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, 2011, the carrying values of the YCSWRA's cash deposits amounted to \$322,658 and the bank balances amounted to \$309,349. 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, 2011:

| | |
|--|-------------------|
| 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>59,349</u> |
| | <u>\$ 309,349</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.

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)

Cash and Short-Term Investments (Continued)

Short-term investments consist of the following as of December 31, 2011:

| | |
|--|---------------------|
| Securities held by the pledging financial institution's trust department, but in the YCSWRA's name | <u>\$ 2,426,899</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).

All monies held by the Trustee in funds established under the Indenture are pledged as collateral for the Series of 1997 bonds. In accordance with Section 5.01 of the Indenture, all revenue of the YCSWRA, from whatever source derived, is to be deposited into the Revenue Fund, and transferred out in amounts sufficient to fund operating expenses and contractual obligations. Amounts not required for operating purposes are restricted for use by the Trustee to fulfill the requirements of the Indenture.

Indentured Trust Funds consist of the following at December 31, 2011:

| | |
|--|-----------------------|
| At fair value: | |
| Cash equivalents | \$ 2,521,996 |
| U.S. Government and Agency investments | 122,654,442 |
| County of York, PA - general obligation note | 10,940,002 |
| | <u>\$ 136,116,440</u> |
| Current portion | \$ 127,034,099 |
| Non-current portion | 9,082,341 |
| | <u>\$ 136,116,440</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)

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.

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, 2011:

At fair value:

| | |
|-------------------------|---------------------|
| Section 1109 trust Fund | \$ 6,469,921 |
| Collateral Bond | 436,886 |
| | <u>\$ 6,906,807</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)

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.

Self-insurance trust fund consists of the following as of December 31, 2011:

At fair value:

| | |
|--|---------------------|
| Cash equivalents | \$ 27,327 |
| U.S. Government and Agency Investments | 257,845 |
| Fixed income funds | 2,409,405 |
| | <u>\$ 2,694,577</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

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)

Landfill Trust Fund (Continued)

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, 2011:

At fair value:

Stewartstown Borough Trust Fund

Cash equivalents

\$ 791,281

Interest Rate Risk

The YCSWRA's investments consist of the following as of December 31, 2011:

| Investment Type | Maturity Date | Investment Maturities (in Years) | | | |
|--|---------------|----------------------------------|-----|------|--------------|
| | | Less Than 1 | 1-5 | 6-10 | More Than 10 |
| Cash and cash equivalents: | | | | | |
| U.S. Government Money Market Inst II Fund #904 | | 3,313,279 | - | - | - |
| Federated Treasury Obligation MMF #395 | | 620,004 | - | - | - |
| Money Market Inst I Fund #420 | | 27,327 | - | - | - |
| Debt Securities: | | | | | |
| FHLB | 01/09/12 | 250,080 | - | - | - |
| FHLB | 08/23/12 | 1,484,421 | - | - | - |
| FHLB | 08/23/12 | 1,384,460 | - | - | - |
| FHLB | 08/23/12 | 5,422,884 | - | - | - |
| FHLB | 08/23/12 | 6,387,508 | - | - | - |
| FHLB | 08/23/12 | 5,018,042 | - | - | - |
| FHLMC | 08/16/12 | 4,113,519 | - | - | - |
| FHLMC | 08/16/12 | 6,257,746 | - | - | - |
| FHLMC | 08/16/12 | 15,629,371 | - | - | - |
| FHLMC | 08/16/12 | 25,890,676 | - | - | - |

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)

| Debt Securities(Continued): | Maturity Dates | December 31, 2011 | | | |
|---|----------------|----------------------|---------------------|--------------------|--------------------|
| | | Less Than 1 | 5-Jan | 10-Jun | More Than 10 |
| FHLMC | 08/16/12 | 13,865,007 | - | - | - |
| Short Duration Government Bond Inst I Fund #120 | | 2,565,110 | - | - | - |
| Treasury Inflation Protected Securities Series IX | 07/15/13 | - | 257,845 | - | - |
| MTB PA Municipal Bond - Inst I Fund #476 | | 2,271,194 | - | - | - |
| United States Treasury Note | 9/30/2012 | 436,886 | - | - | - |
| United States Treasury Note | 10/31/2012 | 916,821 | - | - | - |
| United States Treasury Note | 10/31/2012 | 856,701 | - | - | - |
| United States Treasury Note | 10/31/2012 | 3,351,657 | - | - | - |
| United States Treasury Note | 10/31/2012 | 3,932,811 | - | - | - |
| United States Treasury Note | 10/31/2012 | 3,096,149 | - | - | - |
| United States Treasury Note | 8/15/2013 | - | 2,566,174 | - | - |
| United States Treasury Note | 8/15/2013 | - | 10,587,360 | - | - |
| United States Treasury Note | 8/15/2013 | - | 3,070,334 | - | - |
| United States Treasury Note | 8/15/2013 | - | 8,822,800 | - | - |
| United States Treasury Note | 08/15/21 | - | - | 512,895 | - |
| GS Short Dur Gov In (447) | | 1,183,815 | - | - | - |
| Vanguard Intermd Treas Admrl (535) | | 1,165,754 | - | - | - |
| Vanguard Short-Term Treas - Adm #532 | | 2,737,374 | - | - | - |
| County of York, PA General Obligation Note | 11/01/29 | 405,000 | 2,330,000 | 2,910,000 | 5,295,000 |
| | | <u>\$112,583,596</u> | <u>\$27,634,513</u> | <u>\$3,422,895</u> | <u>\$5,295,000</u> |

Credit Risk

As of December 31, 2011, all of the YCSWRA's rated investments in debt securities were rated Aaa by Moody's and AAA or AA by Standard & Poor's.

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, 2011, \$2,486,248 of the YCSWRA's deposits and short-term investments were exposed to custodial credit risk.

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)

Concentration of Credit Risk

The YCSWRA places no limit on the amount that may be invested in any one issuer. As of December 31, 2011, more than 5% of the YCSWRA's investments are in Federal Home Loan Mortgage Group, United States Treasury Notes, Federal Home Loan Bank, County of York, PA General Obligation Note, and Federal National Mortgage Association. As of December 31, 2011, these investments are 44.15%, 25.62%, 13.39%, 7.35%, and 0.00% 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 of America Treasury bills.
- Short-term obligations (less than 13 months) of the United States of America 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 above the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Industrial Development Authority (Continued)

- 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 issuing 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 municipal authority's 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 municipal 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 any payment on its obligations.

Deposits

The deposits held at December 31, 2011 were as follows:

| <u>Type</u> | <u>Maturities</u> | <u>Carrying Value</u> |
|------------------------------|---------------------|-----------------------|
| Demand Deposits | | \$ 45,096 |
| Time Deposits; 1.34% to 3.2% | 05/2014- 11/2016 | 560,000 |
| | | <u>\$ 605,096</u> |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Industrial Development Authority

Custodial Credit Risk

Deposits in financial institutions had a bank balance of \$836,140 at December 31, 2011, \$16,977 of which was exposed to custodial credit risk, which were uninsured but collateralized by securities pledged and held by the financial institutions' trust departments or agents, not in the Authority's name, in accordance with Commonwealth law.

Investments

The Authority's investments, reported at fair value, consisted of the following as of December 31, 2011:

| | Investment Maturities (in Years) | | | | Fair Value |
|--|----------------------------------|---------------------|-------------|--------------|---------------------|
| | Less than 1 | 1-5 | 6-10 | More than 10 | |
| Money Market Investments | \$ 27,948 | \$ - | \$ - | \$ - | \$ 27,948 |
| Federal Home Loan Mortgage Corporation | - | 100,278 | - | - | 100,278 |
| Federal Home Loan Bank | 457,494 | 605,401 | - | - | 1,062,895 |
| Federal National Mortgage Association | 70,222 | 689,835 | - | - | 760,057 |
| U.S. Treasury Notes | 607,700 | 1,791,765 | - | - | 2,399,465 |
| | <u>\$ 1,163,364</u> | <u>\$ 3,187,279</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 4,350,643</u> |

As of December 31, 2011, all of the Authority's investments were rated AAA by Moody's and Standard & Poor's (unaudited). 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 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 \$250,000 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, 2011 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, 2011, more than five percent of the Authority's investments were in Federal Home Loan Bank and Federal National Mortgage Association securities. As of December 31, 2011, these investments were 24.43% and 17.47%, 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, 2011, 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 | \$ 11,737 | \$ 11,737 | \$ - | \$ - |
| Corporate Bonds | 25,115 | 25,115 | - | - |
| Fixed Income Mutual Funds | 325,170 | 28,992 | 93,792 | 202,386 |
| Mutual Funds | 542,467 | N/A | N/A | N/A |
| Total | <u>\$ 904,489</u> | <u>\$ 65,844</u> | <u>\$ 93,792</u> | <u>\$ 202,386</u> |

In addition to cash equivalents and investments, an additional cash balance of \$157,732 is reported on the balance sheet. Total cash equivalents and investments are reported as follows:

| | |
|---------------------------|---------------------|
| Cash and Cash Equivalents | \$ 169,469 |
| Investments | 892,752 |
| | <u>\$ 1,062,221</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, 2011, 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> |
|---------------------------|------------------------------|-----------------------------------|
| Corporate Bonds | A | 100% |
| Fixed Income Mutual Funds | AAA | 12% |
| Fixed Income Mutual Funds | A | 68% |
| Fixed Income Mutual Funds | BB | 6% |
| Fixed Income Mutual Funds | B | 14% |

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. As of December 31, 2011, \$0 of the Library System's cash in bank of \$169,469 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 U.S. Government and its agencies, for which there is no limit. More than 5% of the Library System's investments are in PIMCO and MTB Short Term Bond Corp (Fixed Income Mutual Fund). These investments are 16% and 5% 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, 2011:

| | <u>Carrying Amount</u> | <u>Fair Value</u> |
|-------|----------------------------|---------------------|
| Cash | \$ 4,479,618 | \$ 4,680,816 |
| PLGIT | 838,933 | 838,933 |
| | <u>\$ 5,318,551</u> | <u>\$ 5,519,749</u> |

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, 2011, the book balance of the Commission's deposits was \$5,318,551 and the bank balance was \$5,519,749. Of the bank balances at December 31, 2011, \$250,000 was covered by federal depository insurance and \$4,430,816 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, 2011 838,933 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, 2011, PLGIT carried an AAA rating and had an average maturity of less than one year.

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 (15.77%).

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 2011 was 4.15 mills with .1 mill pertaining to a dedicated library tax.

The County recorded an allowance for uncollectible taxes of \$440,737 as of December 31, 2011. 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 Montanay 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 \$21,666,924 for the year ended December 31, 2011.

Under the terms of the Agreement with Viacom, the YCSWRA will receive \$42,000,000 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, 2011. 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 \$7,593,884 is recorded as a contract receivable, with \$2,316,550 being shown as the current portion as of December 31, 2011. 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, 2011 is as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance |
|--|----------------------|---------------|---------------|----------------|
| Governmental activities | | | | |
| Capital assets not being depreciated (cost): | | | | |
| Land | \$ 53,144,964 | \$ 65,588 | \$ - | \$ 53,210,552 |
| Construction in progress | 7,104,570 | 3,178,469 | 6,261,085 | 4,021,954 |
| Easements | 17,717,054 | 260,517 | - | 17,977,571 |
| Total capital assets not being depreciated | 77,966,588 | 3,504,574 | 6,261,085 | 75,210,077 |
| Capital assets being depreciated (cost): | | | | |
| Buildings and improvements | 194,628,288 | 8,055,277 | - | 202,683,565 |
| Furniture, fixtures, and equipment | 12,943,031 | 1,949,051 | 189,412 | 14,702,670 |
| Bridges, roads, and rail trail | 22,091,163 | 1,138,724 | - | 23,229,887 |
| Total capital assets being depreciated | 229,662,482 | 11,143,052 | 189,412 | 240,616,122 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 49,451,464 | 4,739,691 | - | 54,191,155 |
| Furniture, fixtures, and equipment | 10,390,439 | 1,407,089 | 177,160 | 11,620,368 |
| Bridges, roads, and rail trail | 13,846,675 | 570,523 | - | 14,417,198 |
| Total accumulated depreciation | 73,688,578 | 6,717,303 | 177,160 | 80,228,721 |
| Total capital assets being depreciated, net | 155,973,904 | 4,425,749 | 12,252 | 160,387,401 |
| Total capital assets, governmental activities | \$ 233,940,492 | \$ 7,930,323 | \$ 6,273,337 | \$ 235,597,478 |
| Business-type activities | | | | |
| Capital assets not being depreciated (cost): | | | | |
| Land | \$ 260,065 | \$ - | \$ - | \$ 260,065 |
| Construction in Progress | 30,518,636 | 272,946 | 30,183,929 | 607,653 |
| Total capital assets not being depreciated | 30,778,701 | 272,946 | 30,183,929 | 867,718 |
| Capital assets being depreciated (cost): | | | | |
| Buildings and improvements | 37,282,408 | 325,895 | - | 37,608,303 |
| Leasehold assets | 997,500 | - | - | 997,500 |
| Furniture, fixtures, and equipment | 20,166,388 | 30,362,206 | 21,904 | 50,506,690 |
| Total capital assets being depreciated | 58,446,296 | 30,688,101 | 21,904 | 89,112,493 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 7,488,105 | 1,187,957 | - | 8,676,062 |
| Furniture, fixtures, and equipment | 12,597,214 | 1,571,529 | 21,904 | 14,146,839 |
| Leasehold assets | 764,750 | 199,500 | - | 964,250 |
| Total accumulated depreciation | 20,850,069 | 2,958,986 | 21,904 | 23,787,151 |
| Total capital assets being depreciated, net | 37,596,227 | 27,729,115 | - | 65,325,342 |
| Total capital assets, business-type activities | \$ 68,374,928 | \$ 28,002,061 | \$ 30,183,929 | \$ 66,193,060 |

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 | \$ 408,215 | \$ - | \$ 8,049,615 |
| Construction in progress | 6,351,540 | 2,405,526 | - | 8,757,066 |
| Total capital assets not being depreciated | 13,992,940 | 2,813,741 | - | 16,806,681 |
| Capital assets being depreciated (cost): | | | | |
| Buildings and improvements | 160,126,636 | 257,796 | - | 160,384,432 |
| Furniture, fixtures, and equipment | 7,532,759 | 251,591 | - | 7,784,350 |
| Total capital assets being depreciated | 167,659,395 | 509,387 | - | 168,168,782 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 111,741,106 | 6,135,133 | - | 117,876,239 |
| Furniture, fixtures, and equipment | 4,796,691 | 692,963 | - | 5,489,654 |
| Total accumulated depreciation | 116,537,797 | 6,828,096 | - | 123,365,893 |
| Total capital assets being depreciated, net | 51,121,598 | (6,318,709) | - | 44,802,889 |
| Total capital assets, business-type activities | \$ 65,114,538 | \$ (3,504,968) | \$ - | \$ 61,609,570 |

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

Governmental activities

| | |
|--|---------------------|
| Public safety | \$ 2,070,231 |
| General government | 1,197,322 |
| Judicial | 2,222,584 |
| Health, education, and welfare | 420,726 |
| Road and bridges | 572,028 |
| Cultural and recreation | 234,412 |
| Total depreciation expense – governmental activities | <u>\$ 6,717,303</u> |

Business-type activities

| | |
|---|---------------------|
| County Nursing Home Fund | \$ 863,067 |
| 911 Fund | 2,095,919 |
| Total depreciation expense - business-type activities | <u>\$ 2,958,986</u> |

Component units

| | |
|--|---------------------|
| York County Planning Commission | \$ 34,319 |
| York County Library System | 301,287 |
| York County Industrial Development Authority | 981,698 |
| York County Solid Waste and Refuse Authority | 5,510,792 |
| Total depreciation expense - component units | <u>\$ 6,828,096</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, 2011:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|--|-----------------------|----------------------|----------------------|-----------------------|------------------------|
| Governmental activities | | | | | |
| General obligation debt | \$ 188,066,334 | \$ 7,037,755 | \$ 3,963,066 | \$ 191,141,023 | \$ 4,123,261 |
| Litigation liability | 3,500,000 | - | 1,000,000 | 2,500,000 | 1,000,000 |
| Unamortized bond premium | 1,288,056 | - | 56,134 | 1,231,922 | 56,134 |
| Liability for workers' compensation self-insurance | 1,679,266 | 1,524,419 | 660,866 | 2,542,819 | 254,282 |
| Compensated absences | 3,776,397 | 3,228,712 | 2,863,848 | 4,141,261 | 3,045,742 |
| Liability for other postemployment benefits | 11,322,410 | 7,270,421 | 4,250,509 | 14,342,322 | - |
| Liability for pension benefits | 3,208,598 | 8,570,886 | 7,990,395 | 3,789,089 | - |
| | <u>\$ 212,841,061</u> | <u>\$ 27,632,193</u> | <u>\$ 20,784,818</u> | <u>\$ 219,688,436</u> | <u>\$ 8,479,419</u> |
| Business-type activities | | | | | |
| General obligation debt | \$ 50,258,666 | \$ - | \$ 1,624,283 | \$ 48,634,383 | \$ 1,700,966 |
| Unamortized bond premium | 1,248,701 | - | 54,291 | 1,194,410 | 54,291 |
| Liability for workers' compensation self-insurance | 1,373,945 | - | 614,402 | 759,543 | 75,954 |
| Compensated absences | 762,200 | 641,436 | 574,145 | 829,491 | 610,060 |
| Liability for other postemployment benefits | 5,421,902 | 3,490,218 | 2,093,534 | 6,818,586 | - |
| Liability for pension benefits | 1,591,063 | 2,155,600 | 2,009,605 | 1,737,058 | - |
| Capital lease obligation | 207,962 | - | 207,962 | - | - |
| | <u>\$ 60,864,439</u> | <u>\$ 6,287,254</u> | <u>\$ 7,178,222</u> | <u>\$ 59,973,471</u> | <u>\$ 2,441,271</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.

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, 2011 (Payable from General Fund Tax Revenues):

| | |
|---|------------------------------|
| <p>\$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.</p> | <p>\$ 20,385,000</p> |
| <p>\$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.</p> | <p>21,130,617</p> |
| <p>\$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.</p> | <p>10,940,000</p> |
| <p>\$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.</p> | <p>52,445,000</p> |
| <p>\$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.</p> | <p>17,370,000</p> |
| <p>\$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.</p> | <p>29,060,000</p> |
| <p>\$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.</p> | <p>32,740,000</p> |
| <p>\$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.</p> | <p>3,275,651</p> |
| <p>\$20,000,000 Series of 2011 – general obligation note with interest on the outstanding balance due quarterly at a variable rate equal to 65% of 1 month LIBOR plus 85 basis points. Principal due on maturity on April 15, 2013.</p> | <p>3,794,755</p> |
| <p>Total general obligation debt</p> | <p><u>\$ 191,141,023</u></p> |

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 8. However, the amounts of those bonds are reflective of the swap transactions described in Note 8.

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. During 2011, the County drew down the remaining available note proceeds of \$3,243,000 and paid principal on the note in the amount of \$17,349. The principal balance outstanding on the note at December 31, 2011 was \$3,275,651.

In April 2011, the County issued General Obligation Note, Series of 2011, in the amount of \$20,000,000. The principal of this note is payable in full, upon maturity, on April 15, 2013. Interest payments on the outstanding principal are due quarterly, beginning on July 15, 2011. The interest rate on the Series of 2011 notes is 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 draws on the note as needed to fund the various capital projects. The principal balance outstanding on the note at December 31, 2011 was \$3,794,755.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities (Continued)

The annual requirements to amortize Governmental Activities general obligation bonds outstanding for the year ended December 31, 2011 are as follows, *assuming current interest rates remain the same*:

| | Principal | Interest and Remarketing Costs | Total |
|-----------|-----------------------|---|-----------------------|
| 2012 | \$ 4,123,261 | \$ 6,007,123 | \$ 10,130,384 |
| 2013 | 83,739,011 | 5,295,955 | 89,034,966 |
| 2014 | 2,619,358 | 4,833,905 | 7,453,263 |
| 2015 | 2,725,711 | 5,061,691 | 7,787,402 |
| 2016 | 2,838,786 | 4,913,834 | 7,752,620 |
| 2017-2021 | 15,366,775 | 22,119,251 | 37,486,026 |
| 2022-2026 | 13,638,156 | 17,953,669 | 31,591,825 |
| 2027-2031 | 13,116,238 | 13,879,172 | 26,995,410 |
| 2032-2036 | 52,973,727 | 7,579,388 | 60,553,115 |
| | <u>\$ 191,141,023</u> | <u>\$ 87,643,988</u> | <u>\$ 278,785,011</u> |

Business-Type Activities general obligation debt consisted of the following individual issues at December 31, 2011:

| | General Obligation Debt |
|--|------------------------------------|
| \$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. | <u>\$ 48,634,383</u> |
| Total general obligation debt | <u>\$ 48,634,383</u> |

The Series of 2006 descriptions described in the table above do not reflect the swap transactions disclosed in Note 8.

County of York, Pennsylvania

Notes to Required Supplementary Information

(7) Long-Term Liabilities (Continued)

The annual requirements to amortize Business-Type Activities general obligation bonds outstanding for the year ended December 31, 2011 are as follows, *assuming current interest rates remain the same*:

| | Principal | Interest and Remarketing Costs | Total |
|-----------|----------------------|--------------------------------------|----------------------|
| 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 | 2,094,837 | 1,979,302 | 4,074,139 |
| 2017-2021 | 11,143,419 | 8,214,933 | 19,358,352 |
| 2022-2026 | 9,254,230 | 5,794,396 | 15,048,626 |
| 2027-2031 | 7,072,254 | 3,188,014 | 10,260,268 |
| 2032-2036 | 11,728,999 | 317,364 | 12,046,363 |
| | <u>\$ 48,634,383</u> | <u>\$ 28,328,802</u> | <u>\$ 76,963,185</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, 2011 was \$1,011,718,068 compared to \$239,775,406 of related outstanding debt. Total debt of the component units consisted of the following individual issues as of December 31, 2011:

| | 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. | \$ 26,355,000 | \$ - | \$ 26,355,000 |
| Note payable for the Marketview Arts Center improvement project; loan agreement with a private lender; due 7/19/2023 | - | 800,000 | 800,000 |
| Line of credit with Integrity Bank | - | 966,253 | 966,253 |
| | <u>26,355,000</u> | <u>1,766,253</u> | <u>28,121,253</u> |
| Plus: unamortized premium | 173,544 | - | 173,544 |
| Less: current portion | 8,245,000 | 966,253 | 9,211,253 |
| | <u>\$ 18,283,544</u> | <u>\$ 800,000</u> | <u>\$ 19,083,544</u> |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities (Continued)

The following is a summary of changes in component unit long-term debt discussed below for the year ended December 31, 2011:

| | | |
|------------------------------|----|--------------------|
| Balance at January 1, 2011 | \$ | 34,214,165 |
| Additions | | 1,657,088 |
| Reductions | | <u>(7,750,000)</u> |
| Balance at December 31, 2011 | \$ | <u>28,121,253</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.

At December 31, 2011, there were 29 series of Revenue Bonds outstanding with aggregate principal amounts payable of \$111,298,918, which includes \$3,200,000 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, 2011, assuming no change in current terms, are as follows:

| | | <u>Principal</u> |
|-----------|----|-------------------|
| 2012 | \$ | 9,211,253 |
| 2013 | | 8,750,000 |
| 2014 | | 9,360,000 |
| 2021-2025 | | <u>800,000</u> |
| | \$ | <u>28,121,253</u> |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps

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

At December 31, 2011, the County has the following derivative instruments outstanding:

| | <u>Current 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 | \$ 17,370,000 | Investment | \$ (4,107,065) | | Unrestricted Investment Loss | \$ (1,928,208) |
| 2003 Pay-Fixed Interest Rate Swap | \$ 29,060,000 | Investment | \$ (6,627,801) | | Unrestricted Investment Loss | \$ (3,780,221) |
| 2005 Pay-Fixed Interest Rate Swap | \$ 32,740,000 | Investment | <u>\$(10,228,145)</u> | | Unrestricted Investment Loss | <u>\$ (5,800,804)</u> |
| Total Pay-Fixed Interest Rate Swaps | | | <u>\$(20,963,011)</u> | | | <u>\$(11,509,233)</u> |
| 2006 Basis Swap | \$ 69,765,000 | Investment | <u>\$ (980,177)</u> | | Unrestricted Investment Loss | <u>\$ 707,607</u> |
| Total Investment Derivatives | | | <u>\$(21,943,188)</u> | | | <u>\$(10,801,626)</u> |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps (Continued)

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.

Terms of derivative instruments

The following table displays the terms of the County's derivative instruments outstanding at December 31, 2011, along with the credit rating of the counterparty.

| | <u>Type</u> | <u>Current Notional Amounts</u> | <u>Effective Date</u> | <u>Maturity Date</u> | <u>Terms</u> | <u>Counterparty Credit Rating</u> |
|------|------------------------------------|---|---------------------------|--------------------------|---|---------------------------------------|
| 2005 | Pay-fixed interest rate swap | \$ 17,370,000 | 12/01/10 | 06/01/30 | Pay 4.3435%; receive 87.3% of 1-Month LIBOR | Aa1 / AA- |
| 2003 | Pay-fixed interest rate swap | \$ 29,060,000 | 12/02/10 | 06/02/31 | Pay 4.06%; receive 87.5% of 1-Month LIBOR | Aa1 / AA- |
| 2005 | Pay-fixed interest rate swap | \$ 32,740,000 | 12/01/10 | 06/01/33 | Pay 4.43%; receive 88.3% of 1-Month LIBOR | Aa1 / AA- |
| 2006 | Basis Swap | \$ 69,765,000 | 02/22/06 | 06/01/33 | Pay SIFMA; receive 67% of LIBOR plus 42.39 basis points | Aa1 / AA- |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps (Continued)

Derivative Instrument Risks

Credit risk. As of December 31, 2011, 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. The County executes its derivative instruments with one counterparty that comprises 100% percent of its net exposure to credit risk. As of December 31, 2011, the counterparty was rated Aa1 by Moody's Investors Service, and AA- by Standard & Poor's.

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

Interest Rate Risk. The 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 Baa/BBB. 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 reduced 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 an extended period of time and/or in a high interest rate environment. As of December 31, 2011, the SIFMA rate of .10% was less than the 67% of 1-month LIBOR rate plus 42.39 basis points of .614%.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(9) Short-Term Debt

During 2011, the County issued Tax and Revenue Anticipation Notes in the amount of \$24,950,000 for cash flow purposes until the County began receiving tax receipts from the 2011 property tax. During 2011, the County repaid \$24,950,000 related to these Tax and Revenue Anticipation Notes. There was no outstanding balance at December 31, 2011 related to the issuance of this short-term debt.

(10) York County Post-Employment Benefit Plan

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

Funding Policy. The contribution requirements of the County are established and may be amended by resolution of the York County Retirement Board. The Plan does not require any contributions from Plan members. The County funds the Plan on a pay-as-you-go basis. For 2011, the County's contribution to the plan was \$6,344,043.

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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

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) | \$ 7,472,301 | \$ 3,072,574 | \$ 514,317 | \$ 11,059,192 |
| Interest on net OPEB obligation | 452,896 | 188,883 | 27,993 | 669,772 |
| Adjustment to ARC | <u>(654,776)</u> | <u>(273,077)</u> | <u>(40,472)</u> | <u>(968,325)</u> |
| Annual OPEB costs (expense) | 7,270,421 | 2,988,380 | 501,838 | 10,760,639 |
| Contributions made | <u>(4,250,509)</u> | <u>(1,776,332)</u> | <u>(317,202)</u> | <u>(6,344,043)</u> |
| Increase in net OPEB obligation | 3,019,912 | 1,212,048 | 184,636 | 4,416,596 |
| Net OPEB obligation - beginning of year | <u>11,322,410</u> | <u>4,722,050</u> | <u>699,852</u> | <u>16,744,312</u> |
| Net OPEB obligation - end of year | <u>\$ 14,342,322</u> | <u>\$ 5,934,098</u> | <u>\$ 884,488</u> | <u>\$ 21,160,908</u> |

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009, 2010, and 2011 were as follows:

| Fiscal Year Ended | Annual OPEB Cost | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-------------------------|---------------------|--|---------------------------|
| 12/31/09 | \$10,100,844 | 62.5% | \$11,726,281 |
| 12/31/10 | \$10,015,691 | 49.9% | \$16,744,312 |
| 12/31/11 | \$10,760,639 | 59.0% | \$21,160,908 |

Funded Status and Funding Progress. As of January 1, 2011, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$182,299,039 and there were no assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$182,299,039. The covered payroll was \$93.9 million, and the ratio of the UAAL to the covered payroll was 194.1%.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

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

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

In the January 1, 2011 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return, which is the expected long-term investment yield on the investments that are expected to be used to finance the payments of benefits, a health care cost trend rate of 9% initially, reduced by decrements to an ultimate rate of 5% after 5 years. The actuarial assumptions also include a dental and vision cost trend rate of 6%. The UAAL is being amortized using the level dollar method over a period of 30 years on an open basis.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(11) 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%.

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, 2011, 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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Planning Commission (Continued)

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.

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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Planning Commission (Continued)

Information as of the latest actuarial valuation follows:

| | |
|-------------------------------|---|
| Valuation date | 12/31/2011 |
| Actuarial cost method | Entry age normal, level percentage of payroll |
| 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 2011 health and dental insurance premiums. |
| Health care cost trend rates: | |

| | Health | Pharmacy | Dental | Vision |
|-------|--------|----------|--------|--------|
| 2011 | 8.0% | 9.0% | 3.5% | 3.0% |
| 2012 | 7.0% | 8.0% | 3.0% | 3.0% |
| 2013 | 6.0% | 7.0% | 3.0% | 3.0% |
| 2014 | 5.5% | 6.0% | 3.0% | 3.0% |
| 2015 | 5.3% | 5.8% | 3.0% | 3.0% |
| 2016 | 5.2% | 5.6% | 3.0% | 3.0% |
| 2017 | 5.2% | 5.6% | 3.0% | 3.0% |
| 2018 | 5.2% | 5.5% | 3.0% | 3.0% |
| 2019 | 5.2% | 5.5% | 3.0% | 3.0% |
| 2020+ | 4.7% | 4.7% | 3.0% | 3.0% |

| | |
|---------------------------|---------------------|
| Amortization period | 28 year open period |
| Actuarial value of assets | Not applicable |
| Inflation rate | None |

Three-Year Trend Information

| | Annual OPEB Cost (AOC) | Percentage of AOC Contributed | Net OPEB Obligation |
|------|------------------------------|-------------------------------------|------------------------|
| 2011 | \$ 44,285 | 0.0% | \$ 79,015 |
| 2010 | 17,365 | 0.0% | 34,730 |
| 2009 | 17,365 | 0.0% | 17,365 |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Planning Commission (Continued)

Annual OPEB Cost and Net OBEB Obligation

The Commission's estimated annual OPEB costs and net OBEB obligations to the Plan for the year ended December 31, 2011 were as follows:

| | | |
|---------------------------------|----|---------------|
| Annual required contribution | \$ | 44,378 |
| Interest of Net OPEB Obligation | \$ | 702 |
| Adjustment to ARC | \$ | (795) |
| Annual OPEB cost | | 44,285 |
| Contribution made | | - |
| Change in Net OPEB Obligation | | 44,285 |
| Net OPEB Obligation, beginning | | 34,730 |
| Net OPEB Obligation, ending | \$ | <u>79,015</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) |
|--------------------------|-------------------------------|---|---------------------------|--------------------|---------------------|---|
| 12/31/2011 | \$ - | \$ 424,448 | \$ 424,448 | 0% | N/A | N/A |
| 11/1/2009 | \$ - | \$ 160,788 | \$ 160,788 | 0% | N/A | N/A |

Note: Certain assumptions were modified for the 12/31/11 valuation.

Summary of Employer Contributions

| Year Ending | Annual Required Contribution | Actual Contribution | Percentage Contributed |
|-------------|------------------------------|---------------------|------------------------|
| 12/31/2011 | \$ 44,378 | \$ - | 0.0% |
| 12/31/2010 | 17,365 | - | 0.0% |
| 12/31/2009 | 17,365 | - | 0.0% |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) 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, 2011, the Plan's membership consisted of the following:

| | |
|---|---------------------|
| Retirees and beneficiaries currently receiving benefits | 926 |
| Terminated employees entitled to benefits, but not yet receiving benefits | 174 |
| Active plan members | <u>2,370</u> |
| Total members | <u><u>3,470</u></u> |

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

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

Covered employees are required by the Act to contribute to the Plan at a rate of 5% of their gross pay. Employees may contribute up to an additional 10% of gross pay, at their option. The contributions are recorded in an individually identified account that is also credited with interest, calculated to yield 4.0% compounded annually. Accumulated employee contributions and credited interest, which amounted to \$57,710,054 as of December 31, 2011, vest immediately and are returned upon termination of service if the employee is not eligible for other benefits.

Administrative costs of the Plan are paid by the County General Fund. The Act makes no provision for termination of the Plan. The County does not issue a publicly available financial report for the Plan.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

Funding Status and Progress

As of December 31, 2011, the most recent actuarial valuation date, the plan was 79.0 % funded. The actuarial accrued liability for benefits was \$306.7 million, and the actuarial value of assets was \$242.5 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$64.3 million. The actuarial value of assets as a percentage of the actuarial accrued liability was 79.0%. The covered payroll was \$102.0 million, and the ratio of the UAAL to the covered payroll was 63.0%.

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, 2011 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 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, 2011 was 23 years.

| Year Ended December 31, | Annual Required Contribution (ARC) | Interest on Net Pension Asset | ARC Adjustment | Pension Cost | County Contribution | Percentage of Pension Cost Contributed | Change in Net | |
|----------------------------|---|-------------------------------------|-------------------|--------------|------------------------|--|-----------------------------------|---------------------------------------|
| | | | | | | | Pension (Asset)/ Obligation | Net Pension (Asset)/ Obligation |
| 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 |
| 2011 | 10,950,633 | 359,975 | 584,122 | 10,726,486 | 10,000,000 | 93.23% | 726,486 | 5,526,147 |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

During 2011, the County did not fully fund their annual required contribution in the amount of \$950,633. At December 31, 2011, the County has recorded an accumulated pension liability of \$3,789,089 and \$1,737,058 in the statement of net assets for governmental and business-type activities, respectively, for the cumulative unfunded net pension obligation.

Legally Required Reserves

At December 31, 2011, the County has a balance of \$57,710,054 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, 2011. Since those accumulations represent the present value as of December 31, 2011 of future benefits, the reserve balance and liability are equal and this reserve is fully funded.

The County has a balance of \$63,344,575 in the County Annuity Reserve Account as of December 31, 2011. 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 \$99,914,789 as of December 31, 2011.

(13) 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, 2011 amounted to \$128,005.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(13) Component Unit Employee Retirement Plans

York County Solid Waste and Refuse Authority (Continued)

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, 2011.

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

Effective April 30, 2011 the York County Library System terminated its single-employer defined benefit plan allowing participants to roll over their balances to the York County Library System Retirement Plan (The "Plan"), a 401(k) plan.

Description of the plan

The Library System maintained a single-employer defined contribution 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 for the purposes of salary deferrals if they have attained the age of 21 and have completed 1 year of service. Employees may elect to reduce compensation by a specific dollar amount and have that amount contributed to the plan on a pre-tax basis as a salary deferral not exceeding the limit set forth by the IRS. Participants are 100% vested once they are eligible to contribute. The Library System makes a contribution equal to 100% of the employees' salary deferrals that do not exceed 3% of the employees' compensation plus 50% of your salary deferrals between 3% and 5% of the employees' compensation. Employee contributions for the year ended December 31, 2011 was \$186,571. Employer contributions to the plan were \$82,231.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(13) Component Unit Employee Retirement Plans

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 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, 2011, the date of the latest actuarial valuation, the pension plan's membership consisted of:

| | |
|--|------------------|
| Retirees and Beneficiaries Currently Receiving Benefits | 17 |
| Terminated Plan Members Entitled to But Not Yet Receiving Benefits | 8 |
| Active Plan Members | <u>44</u> |
| Total Members | <u><u>69</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)

(13) 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, 2011:

| | |
|--|----------------------------|
| Annual required contribution | \$ 206,455 |
| Adjustment to ARC | 53,742 |
| Annual pension cost | <u>260,197</u> |
| Contributions made | <u>(336,475)</u> |
| Change in prepaid pension expenses | (76,278) |
| Net prepaid pension expense, beginning | <u>(483,593)</u> |
| Net prepaid pension expense, ending | <u><u>\$ (559,871)</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 based on a salary scale. 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, 2011, 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 |
|----------------------------------|------------------------|-----------------------|---|---------------------------|----------------------|
| 2009 | 244,852 | \$ 219,636 | 2007 | 89.7% | (213,405) |
| 2010 | 246,872 | \$ 517,060 | 2009 | 209.4% | (483,593) |
| 2011 | 260,197 | \$ 336,475 | 2011 | 129.3% | (559,871) |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(13) 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 |
|---------------------------------------|---|--------------------------------|-----------------------------------|
| 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% |
| 2011 | \$ 206,455 | \$ 336,475 | 163% |

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 (FAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of covered Payroll [(b-a)/c] |
|---|--|--|--|-----------------------------------|--------------------------------|--|
| 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% |
| 1/1/2011 | \$ 7,476,482 | \$ 7,281,624 | \$ (194,858) | 102.68% | \$ 2,153,525 | -9.05% |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(13) Component Unit Employee Retirement Plans (Continued)

York County Planning Commission (Continued)

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. The Commission views this plan as the employee's investment account. The Commission has not made contributions to this plan in the past and does not anticipate making contributions in the future. During the year ended December 31, 2011, the Commission did not make any contributions to the plan.

(14) 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, 2011.

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, 2011, was \$26,355,000.

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(14) Commitments and Contingencies (Continued)

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, 2011. As of December 31, 2011, \$966,253 had been drawn on the line related to the Harley-Davidson West Campus and Marketview Arts Center projects.

(15) Due from Other Governments

Amounts due from other governments are primarily grants receivable from the Commonwealth of Pennsylvania at December 31, 2011, for the following funds:

| | |
|--|---------------------|
| Governmental funds | |
| General Fund | \$ 1,018,994 |
| Mental Health/Mental Retardation Fund | 217,279 |
| Children & Youth Fund | 4,524,560 |
| Community Development Block Grant Fund | 421,576 |
| Other Nonmajor Funds | 1,368,161 |
| | <u>\$ 7,550,570</u> |
| | |
| Enterprise Fund | |
| 911 Fund | \$ 50,823 |
| | <u>\$ 50,823</u> |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(16) Interfund Accounts

Individual fund “due from other funds” and “due to other funds” balances at December 31, 2011, are as follows:

| | Due from Other Funds | Due to Other Funds |
|--|---------------------------------|-------------------------------|
| Governmental funds | | |
| General Fund | \$ 2,992,701 | \$ 1,354,295 |
| York HealthChoices Management Fund | - | 1,829,434 |
| Mental Health/Mental Retardation Fund | 13,294 | 846,568 |
| Children and Youth Fund | 1,086,432 | - |
| Community Development Block Grant Fund | - | 44 |
| Other Nonmajor Funds | 2,104,330 | 672,282 |
| | 6,196,757 | 4,702,623 |
| Enterprise funds | | |
| County Nursing Home Fund | - | 1,486,494 |
| 911 Fund | - | 7,640 |
| | - | 1,494,134 |
| Total | \$ 6,196,757 | \$ 6,196,757 |

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(16) Interfund Accounts (Continued)

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

| | Transfers In | Transfers Out |
|---------------------------------------|---------------------|----------------------|
| Governmental funds | | |
| General Fund | \$ 55,299 | \$ 30,272,104 |
| Mental Health/Mental Retardation Fund | 864,589 | - |
| Children & Youth Fund | 9,819,387 | - |
| Other Nonmajor Funds | 1,627,058 | 144,533 |
| | 12,366,333 | 30,416,637 |
| Enterprise funds | | |
| County Nursing Home Fund | 8,535,087 | - |
| 911 Fund | 9,515,217 | - |
| | 18,050,304 | - |
| Total | \$ 30,416,637 | \$ 30,416,637 |

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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(17) Deficit Fund Equity

At December 31, 2011, the County Nursing Home Fund and the 911 Fund had deficit balances in unrestricted net assets of \$8,117,607 and \$1,140,994, respectively. The deficit balances in unrestricted net assets is primarily due to long-term liabilities recorded in the funds.

The Capital Projects Bond Account Fund had a deficit balance in unassigned fund balance of \$707,118. The deficit balance was due to the County accrued expenditures for the fund but did not drawdown note proceeds to fund the expenditures as of December 31, 2011.

(18) Landfill Closure and Post Closure Care Costs – Component Unit

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 the 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 landfill closure and postclosure care liability of \$673,911 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, 2011. 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.

(19) 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 significant settlements exceeded insurance coverage for each of the past three years.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(19) Risk Management (Continued)

Self-Insurance (Continued)

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, 2011, the County has recorded a liability for claims incurred of \$759,543 in the county nursing home fund and \$2,542,819 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, 2011.

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 \$30,731,828 or \$300,000 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 \$300,000 per covered member. The County purchased stop loss insurance to cover all claims in excess of these deductible points. As of December 31, 2011, the County has recorded a liability for claims incurred of \$1,910,334 as account payable in the general fund and \$236,109 as accounts payable in the county nursing home fund.

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

| | <u>Medical</u> | | <u>Workers' Compensation</u> | |
|--------------------------------------|---------------------|---------------------|------------------------------|---------------------|
| | <u>2011</u> | <u>2010</u> | <u>2011</u> | <u>2010</u> |
| Balance as of January 1 | \$ 1,274,220 | \$ 1,286,346 | \$ 3,053,211 | \$ 2,841,491 |
| Add: Incurred claims relating to: | | | | |
| Prior years | 2,707 | (61,543) | 627,685 | (791,391) |
| Current year | 24,533,127 | 21,446,683 | 479,734 | 1,785,076 |
| | <u>24,535,834</u> | <u>21,385,140</u> | <u>1,107,419</u> | <u>993,685</u> |
| Less: Payment of claims relating to: | | | | |
| Prior years | 1,276,927 | 1,224,803 | 496,014 | 182,657 |
| Current year | 22,386,684 | 20,172,463 | 362,254 | 599,308 |
| | <u>23,663,611</u> | <u>21,397,266</u> | <u>858,268</u> | <u>781,965</u> |
| Balance as of December 31 | <u>\$ 2,146,443</u> | <u>\$ 1,274,220</u> | <u>\$ 3,302,362</u> | <u>\$ 3,053,211</u> |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(19) Risk Management (Continued)

Self-Insurance (Continued)

The foregoing reconciliation reflects a deficiency in the December 31, 2010 liability for medical self-insurance of \$2,707. The foregoing reconciliation also reflects a deficiency in the December 31, 2010 liability for workers' compensation self-insurance of \$627,685. 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 County's favorable loss experience in 2011, no liability has been recorded for claims incurred, but not paid as of December 31, 2011.

(20) Restricted Assets and Related Liabilities

At December 31, 2011, the County's governmental funds had a restricted cash balance of \$5,808,129 maintained in escrow accounts in the name of the County. At December 31, 2011, the County also had a restricted investment balance \$8,848,811. Each fund's restricted cash and investments are provided below with a brief explanation of the reasons for the restriction:

- \$3,873,476 and \$389,508 are restricted cash and investments in the General Fund. These balances are for various purposes, including: agricultural land preservation, records management, and workers' compensation.
- \$1,365,554/\$7,764,173 and \$427,531/\$695,130 are restricted cash/investments in the York HealthChoices Fund and the Adams HealthChoices Fund, respectively. Of this balance, \$361,305 and \$1,616,067, 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. \$880,878 and \$5,907,864, 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. \$550,902 and \$935,372, 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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(20) Restricted Assets and Related Liabilities (Continued)

- \$60,755 is restricted cash in the York County MH/MR Fund. These funds are received from individuals designated to be used as memorials.
- \$256 is restricted cash in the Capital Projects Bond Account Fund to pay for costs to fund certain capital projects related to the \$20,000,000 2011 General Obligation Note.
- \$43,866 is restricted cash in the Domestic Relations Fund. These funds are held to be remitted to the intended third party.
- \$7,362 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.
- \$29,329 is restricted cash in the Donations Fund as being held for specific purposes by individuals or businesses.

At December 31, 2011, the County's enterprise funds had a restricted cash balance of \$3,632,532. Each fund's restricted cash is provided below with a brief explanation of the reasons for the restriction:

- \$435,868 of cash in the county nursing home fund. Of this balance \$391,434 is restricted for the payment of patient funds held in safekeeping and \$44,434 for other deposits held in escrow.
- \$3,196,664 of cash in the 911 fund is restricted for payment of eligible 911 wireless expenses.

The YCSWRA (a component unit) is required to maintain cash and investments amounting to \$146,509,105 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)

(21) Fund Balance/Net Assets

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

Nonspendable \$ 12,443,854

This line item represents \$10,940,000 for a loan receivable and \$1,503,854 for a note receivable.

Restricted \$ 76,314

This line item represents amounts restricted for crime victims in the amount of \$22,724 and the payment of worker's compensation claims in the amount of \$53,590.

Committed \$ 35,896

This line item represents amounts that have been committed for the Susquehanna Riverlands Project.

Assigned \$ 4,886,484

This line item represents \$3,400,000 that has been assigned to offset excess expenditures over revenues for the 2012 General Fund budget and \$1,486,484 assigned for future expenditures of the County's Nursing Home Fund.

Nonmajor Funds

Restricted

Liquid Fuels Tax \$ 1,507,087

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

Domestic Relations \$ 4,194,700

This line item represents amounts that are restricted by grantors for the future payments of expenditures for the operation of the Child Support Enforcement Program.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(21) Fund Balance/Net Assets (Continued)

Nonmajor Funds (Continued)

Restricted (Continued)

Drug Task Force \$ 1,075,732

This line item represents amounts that are restricted by enabling legislation for the future payments of expenditures for the operation of the Drug Task Force.

Donations \$ 29,329

This line item represents amounts that are restricted by bequests from county residents for the future payments of expenditures for improvements to county parks.

Affordable Housing \$ 2,687,565

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

Committed

Earn It \$ 18,072

This line item represents amounts that are committed for the future payments of expenditures for the juvenile restitution and community service program.

Prison Telephone \$ 265,838

This line item represents amounts that are committed for the future payments of expenditures for the benefit of prisoners in the county prison.

Net Assets

The restrictions on net assets included in the fund financial statements and the government-wide statements represent portions of net assets that are restricted for various purposes and are not available for the payment of other subsequent expenditures. The following restricted net assets are included in the fund financial statements and the government-wide financial statements

Governmental Activities

All applicable restricted governmental fund balance amounts disclosed above are also recorded as restricted net assets in the Governmental Activities Statement of Net Assets.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(21) Fund Balance/Net Assets (Continued)

Business Type Activites

911 Fund

Restricted

\$ 3,196,664

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

\$ 223,216,090

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

(22) 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, 2011, are as follows:

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|------|---------------------|-------------------|---------------------|
| 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>\$ 2,500,000</u> | <u>\$ 255,000</u> | <u>\$ 2,755,000</u> |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(23) 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, 2011, was \$10,940,000.

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, 2011, was \$1,503,854.

The annual principal and interest amounts on the loan and note for the year ended December 31, 2011, are as follows:

| | Principal | Interest | Total |
|-----------|----------------------|---------------------|----------------------|
| 2012 | \$ 544,188 | \$ 603,778 | \$ 1,147,966 |
| 2013 | 573,880 | 575,335 | 1,149,215 |
| 2014 | 604,246 | 545,292 | 1,149,538 |
| 2015 | 635,334 | 513,601 | 1,148,935 |
| 2016 | 667,194 | 480,211 | 1,147,405 |
| 2017-2021 | 3,489,012 | 1,854,345 | 5,343,357 |
| 2022-2026 | 3,490,000 | 1,064,208 | 4,554,208 |
| 2027-2029 | 2,440,000 | 228,566 | 2,668,566 |
| Total | <u>\$ 12,443,854</u> | <u>\$ 5,865,336</u> | <u>\$ 18,309,190</u> |

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(24) Operating leases

The County leases various towers under operating leases with expiration dates greater than one year. Minimum rental payments at December 31, 2011 are as follows:

| | |
|-----------|---------------------|
| 2012 | 173,686 |
| 2013 | 177,450 |
| 2014 | 182,022 |
| 2015 | 186,736 |
| 2016 | 171,434 |
| 2017-2021 | 243,873 |
| 2022-2026 | 279,400 |
| 2027-2031 | <u>258,079</u> |
| Total | <u>\$ 1,672,680</u> |

Rental expense totaled \$302,565 for the year ended December 31, 2011.

(25) 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. During 2011, the County paid their final payment on the lease of \$207,962. At December 31, 2011, the balance of the capital lease outstanding is \$0.

At December 31, 2011, the County has leased equipment disclosed as leasehold assets in Note 6 in the amount of \$997,500 with an accumulated depreciation of \$964,250.

(26) Subsequent Event

In January of 2012, the County issued Tax and Revenue Anticipation Notes, Series of 2012, in the amount of \$17,955,000. The Notes bear interest at 1.00% and are due on April 30, 2012.

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 |
|-----------------------------------|---|-----------------------------------|
| 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% |
| 2011 | \$ 10,950,633 | 91% |

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, 2011 |
| Actuarial cost method | Entry Age |
| Amortization method | Level percentage of projected payroll |
| Remaining amortization period | 23 years, closed |
| Asset valuation method | Greater of market value or actuarial value 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% |
| 12/31/2011 | \$ 242,460,283 | \$ 306,718,599 | \$ 64,258,316 | 79.0% | \$ 101,994,045 | 63.0% |

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

County of York, Pennsylvania

Schedule of Funding Progress for Postemployment Benefits Other Than Pensions

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) - Entry Age (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|---|--|--|--|-------------------------------|------------------------------------|--|
| 1/1/2007 | \$ - | \$ 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% |
| 1/1/2011 | \$ - | \$ 182,299,039 | \$ 182,299,039 | 0% | \$ 93,916,913 | 194.1% |

The increase in the actuarial accrued liability was primarily due to projected future mortality rates have been updated to reflect mortality improvement in the general population, future medical costs were based upon actual costs incurred in recent years, and the actuarial cost method was changed from the projected unit credit actuarial cost method to the entry age normal actuarial cost method.

County of York, Pennsylvania

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

Year ended December 31, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) |
|--|------------------|----------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Real estate taxes | \$ 109,600,000 | \$ 109,600,000 | \$ 110,537,455 | \$ 937,455 |
| Intergovernmental | 7,350,157 | 7,737,306 | 6,732,892 | (1,004,414) |
| Departmental | 36,974,377 | 36,974,377 | 39,535,859 | 2,561,482 |
| Fines and costs | 6,146,790 | 6,146,790 | 5,455,377 | (691,413) |
| Hotel tax | 1,200,000 | 1,200,000 | 1,495,347 | 295,347 |
| Investment | 121,437 | 121,437 | 122,196 | 759 |
| Total revenues | 161,392,761 | 161,779,910 | 163,879,126 | 2,099,216 |
| Expenditures | | | | |
| Current: | | | | |
| General government | 14,405,170 | 14,405,170 | 12,235,067 | 2,170,103 |
| Public safety | 59,411,850 | 59,399,938 | 59,281,034 | 118,904 |
| Health, education, and welfare: | | | | |
| Human Services | 11,263,278 | 11,263,278 | 10,845,335 | 417,943 |
| Judicial | 33,587,431 | 33,977,670 | 33,027,842 | 949,828 |
| Cultural and recreation | 8,078,338 | 8,078,338 | 8,015,623 | 62,715 |
| Conservation and community development | 4,512,881 | 4,521,703 | 4,503,964 | 17,739 |
| Capital outlay | - | - | 1,048,040 | (1,048,040) |
| Debt service: | | | | |
| Principal retirement | 5,180,000 | 5,180,000 | 3,945,717 | 1,234,283 |
| Interest and fiscal charges | 8,311,092 | 8,311,092 | 5,500,814 | 2,810,278 |
| Total expenditures | 144,750,040 | 145,137,189 | 138,403,436 | 6,733,753 |
| Excess of revenues over expenditures | 16,642,721 | 16,642,721 | 25,475,690 | 8,832,969 |
| Other financing sources (uses) | | | | |
| Transfers in | 2,436,000 | 2,436,000 | 55,299 | (2,380,701) |
| Transfers out | (19,078,721) | (19,078,721) | (30,272,104) | (11,193,383) |
| Total other financing sources (uses) | (16,642,721) | (16,642,721) | (30,216,805) | (13,574,084) |
| Net change in fund balances | \$ - | \$ - | \$ (4,741,115) | \$ (4,741,115) |

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, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) |
|---|------------------|---------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 64,063,809 | \$ 64,063,809 | \$ 63,431,118 | \$ (632,691) |
| Investment | 58,220 | 58,220 | 51,748 | (6,472) |
| Other | 65,000 | 65,000 | - | (65,000) |
| Total revenues | 64,187,029 | 64,187,029 | 63,482,866 | (704,163) |
| Expenditures | | | | |
| Current: | | | | |
| Health, education, and welfare: | | | | |
| Human Services | 64,690,921 | 64,690,921 | 63,482,866 | 1,208,055 |
| Total expenditures | 64,690,921 | 64,690,921 | 63,482,866 | 1,208,055 |
| Deficiency of revenues under expenditures | (503,892) | (503,892) | - | 503,892 |
| Net change in fund balances | \$ (503,892) | \$ (503,892) | \$ - | \$ 503,892 |

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, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) |
|---|------------------|---------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 28,865,871 | \$ 28,865,871 | \$ 28,909,884 | \$ 44,013 |
| Investment | 13,000 | 13,000 | 12,906 | (94) |
| Other | - | - | 35,095 | 35,095 |
| Total revenues | 28,878,871 | 28,878,871 | 28,957,885 | 79,014 |
| Expenditures | | | | |
| Current: | | | | |
| Health, education, and welfare: | | | | |
| Mental health/mental retardation | 29,857,886 | 29,857,886 | 29,822,474 | 35,412 |
| Total expenditures | 29,857,886 | 29,857,886 | 29,822,474 | 35,412 |
| Deficiency of revenues under expenditures | (979,015) | (979,015) | (864,589) | 114,426 |
| Other financing sources (uses) | | | | |
| Transfers in | 979,015 | 979,015 | 864,589 | (114,426) |
| 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, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) |
|---|------------------|---------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 36,403,000 | \$ 36,403,000 | \$ 31,992,388 | \$ (4,410,612) |
| Departmental | 600,000 | 600,000 | 691,402 | 91,402 |
| Total revenues | 37,003,000 | 37,003,000 | 32,683,790 | (4,319,210) |
| Expenditures | | | | |
| Current: | | | | |
| Health, education, and welfare: | | | | |
| Children and youth | 44,556,000 | 44,556,000 | 42,137,443 | 2,418,557 |
| Capital Outlay | 6,000 | 6,000 | 365,734 | (359,734) |
| Total expenditures | 44,562,000 | 44,562,000 | 42,503,177 | 2,058,823 |
| Deficiency of revenues under expenditures | (7,559,000) | (7,559,000) | (9,819,387) | (2,260,387) |
| Other financing sources (uses) | | | | |
| Transfers in | 7,559,000 | 7,559,000 | 9,819,387 | 2,260,387 |
| 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, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) |
|--|------------------|--------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 8,232,000 | \$ 8,232,000 | \$ 4,319,271 | \$ (3,912,729) |
| Departmental | 30,000 | 30,000 | 2,776 | (27,224) |
| Investment | 2,000 | 2,000 | 1,449 | (551) |
| Other | 950,000 | 950,000 | - | (950,000) |
| Total revenues | 9,214,000 | 9,214,000 | 4,323,496 | (4,890,504) |
| Expenditures | | | | |
| Current: | | | | |
| Conservation and community development | 9,214,000 | 9,214,000 | 4,323,496 | 4,890,504 |
| Total expenditures | 9,214,000 | 9,214,000 | 4,323,496 | 4,890,504 |
| Excess of revenues over expenditures | - | - | - | - |
| Other financing sources (uses) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| 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, Core Communities, and Prison Telephone Funds. The County prepares a separate budget report, which is available from the Commissioners' office. Annual operating budgets are legally adopted each year through the passage of an annual budget ordinance. The County's budgets utilize a modified accrual basis of accounting. The legal level of budgetary control is established for expenditures in total at the fund level. The general and special revenue funds have legally adopted budgets. Project-length financial plans are adopted for the capital projects funds.

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

1. During July and August, the department heads use current financial status reports to develop financial projections for their programs for the ensuing year and review with the budget staff.
2. The Commissioners, if requested or required, then interview 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. 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 restricted or committed to expenditures for specified purposes. Capital Project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays. 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.

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

Combining and Individual Fund Financial Statements and Schedules (Continued)

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

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

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

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

The Weatherization Fund receives monies from the United States Departments of Energy 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, 2011

| | 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 | Capital Projects Bond Account |
|--|------------------|--------------------|------------------------------------|----------------|------------------|-------------------------|--------------------------------|-----------------|--------------------------|-------------------------------|
| Assets | | | | | | | | | | |
| Cash and cash equivalents | \$ 1,507,087 | \$ 1,569,604 | \$ 291,349 | \$ - | \$ 222,931 | \$ 429 | \$ 1,200,706 | \$ 314,271 | \$ - | \$ - |
| Restricted cash | - | 43,866 | 7,362 | - | - | - | 427,531 | - | - | 256 |
| Investments | - | 1,960,623 | 1,900,713 | - | - | - | 161,715 | 915,492 | - | - |
| Restricted investments | - | - | - | - | - | - | 695,130 | - | - | - |
| Receivables: | | | | | | | | | | |
| Accounts | - | 6,696 | 192 | 15 | 142 | 230,007 | - | - | - | 9,945 |
| Due from other funds | - | - | 1,322 | 264,680 | 25,266 | - | 1,811,746 | - | - | 1,275 |
| Due from other governments | - | 913,475 | 107,745 | 1,649 | 345,292 | - | - | - | - | - |
| Total assets | \$ 1,507,087 | \$ 4,494,264 | \$ 2,308,683 | \$ 266,344 | \$ 593,631 | \$ 230,436 | \$ 4,296,828 | \$ 1,229,763 | \$ - | \$ 11,476 |
| Liabilities and fund balance | | | | | | | | | | |
| Liabilities: | | | | | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ 75,964 | \$ 512,834 | \$ 265,022 | \$ 390,903 | \$ - | \$ 1,637,408 | \$ 80,888 | \$ - | \$ 679,551 |
| Due to other funds | - | 179,734 | 382,194 | 1,322 | 62,682 | - | 4,015 | 694 | - | 39,043 |
| Deposits held in escrow | - | 43,866 | 7,362 | - | - | - | 422,502 | 72,449 | - | - |
| Due to other governments | - | - | - | - | - | - | 107,083 | - | - | - |
| Deferred revenue | - | - | 1,406,293 | - | 140,046 | 230,436 | 2,125,820 | - | - | - |
| Total liabilities | - | 299,564 | 2,308,683 | 266,344 | 593,631 | 230,436 | 4,296,828 | 154,031 | - | 718,594 |
| Fund balances (Deficit): | | | | | | | | | | |
| Restricted | 1,507,087 | 4,194,700 | - | - | - | - | - | 1,075,732 | - | - |
| Committed | - | - | - | - | - | - | - | - | - | - |
| Unassigned (Deficit) | - | - | - | - | - | - | - | - | - | (707,118) |
| Total fund balance | 1,507,087 | 4,194,700 | - | - | - | - | - | 1,075,732 | - | (707,118) |
| Total liabilities and fund balance | \$ 1,507,087 | \$ 4,494,264 | \$ 2,308,683 | \$ 266,344 | \$ 593,631 | \$ 230,436 | \$ 4,296,828 | \$ 1,229,763 | \$ - | \$ 11,476 |

County of York, Pennsylvania

Combining Balance Sheet – Nonmajor Governmental Funds (Continued)

December 31, 2011

| Assets | Access Grant Program | Donations | Earn-It | Affordable Housing | Weatherization | Downtown Hanover Improvement | Core Communities | Prison Telephone | ARRA Weatherization | Total |
|--|----------------------|-----------|-----------|--------------------|----------------|------------------------------|------------------|------------------|---------------------|---------------|
| | | | | | | | | | | |
| Cash and cash equivalents | \$ 6,589 | \$ - | \$ 22,772 | \$ 481,967 | \$ 22,448 | \$ 223,623 | \$ 4,600 | \$ 264,225 | \$ 302,637 | \$ 6,435,238 |
| Restricted cash | - | 29,329 | - | - | - | - | - | - | - | 508,344 |
| Investments | - | - | - | 2,836,522 | - | - | - | - | - | 7,775,065 |
| Restricted investments | - | - | - | - | - | - | - | - | - | 695,130 |
| Receivables: | | | | | | | | | | |
| Accounts | 200,000 | - | 21 | 834,587 | - | - | - | 60,298 | - | 1,341,903 |
| Due from other funds | - | - | - | - | - | - | - | 41 | - | 2,104,330 |
| Due from other governments | - | - | - | - | - | - | - | - | - | 1,368,161 |
| Total assets | \$ 206,589 | \$ 29,329 | \$ 22,793 | \$ 4,153,076 | \$ 22,448 | \$ 223,623 | \$ 4,600 | \$ 324,564 | \$ 302,637 | \$ 20,228,171 |
| Liabilities and fund balance | | | | | | | | | | |
| Liabilities: | | | | | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ - | \$ 21 | \$ 608,037 | \$ 10 | \$ - | \$ - | \$ 56,474 | \$ 256,994 | \$ 4,564,106 |
| Due to other funds | - | - | - | - | - | - | - | 2,252 | 346 | 672,282 |
| Deposits held in escrow | - | - | 4,700 | - | - | - | - | - | - | 550,879 |
| Due to other governments | - | - | - | - | - | - | - | - | - | 107,083 |
| Deferred revenue | 206,589 | - | - | 857,474 | 22,438 | 223,623 | 4,600 | - | 45,297 | 5,262,616 |
| Total liabilities | 206,589 | - | 4,721 | 1,465,511 | 22,448 | 223,623 | 4,600 | 58,726 | 302,637 | 11,156,966 |
| Fund balances (Deficit): | | | | | | | | | | |
| Restricted | - | 29,329 | - | 2,687,565 | - | - | - | - | - | 9,494,413 |
| Committed | - | - | 18,072 | - | - | - | - | 265,838 | - | 283,910 |
| Unassigned (Deficit) | - | - | - | - | - | - | - | - | - | (707,118) |
| Total fund balance | - | 29,329 | 18,072 | 2,687,565 | - | - | - | 265,838 | - | 9,071,205 |
| Total liabilities and fund balance | \$ 206,589 | \$ 29,329 | \$ 22,793 | \$ 4,153,076 | \$ 22,448 | \$ 223,623 | \$ 4,600 | \$ 324,564 | \$ 302,637 | \$ 20,228,171 |

County of York, Pennsylvania

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

Year ended December 31, 2011

| | 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 | Capital Projects Bond Account Fund |
|---|---------------------|-----------------------|--|-------------------|------------------|----------------------------|-----------------------------------|-----------------|-----------------------------|---------------------------------------|
| Revenues | | | | | | | | | | |
| Intergovernmental | \$ 2,510,898 | \$ 3,646,300 | \$ 8,003,402 | \$ 4,395,828 | \$ 3,463,505 | \$ - | \$ 12,212,452 | \$ - | \$ 32,259 | \$ 103,298 |
| Departmental | - | 151,416 | 266,221 | - | - | - | - | - | - | - |
| Investment | 6,512 | 9,685 | - | - | 3,986 | - | 10,906 | 2,455 | 7 | 2,031 |
| Other | 21,624 | 29,897 | - | 418,243 | 20,622 | - | - | 878,924 | - | 148,881 |
| Total revenues | 2,539,034 | 3,837,298 | 8,269,623 | 4,814,071 | 3,488,113 | - | 12,223,358 | 881,379 | 32,266 | 254,210 |
| Expenditures | | | | | | | | | | |
| Current: | | | | | | | | | | |
| Public safety | 1,173,337 | - | - | - | - | - | - | - | - | - |
| Roads and bridges | - | - | - | - | - | - | - | - | - | - |
| Health, education, and welfare: | | | | | | | | | | |
| Drug and alcohol | - | - | - | - | 3,588,113 | - | - | - | - | - |
| Office of aging | - | - | 8,787,468 | - | - | - | 12,223,358 | - | - | - |
| Human services | - | - | - | 5,077,267 | - | - | - | 804,828 | 32,266 | - |
| Judicial | - | - | - | - | - | - | - | - | - | - |
| Culture and recreation | - | 4,436,888 | - | - | - | - | - | - | - | - |
| Conservation and community development | - | - | - | - | - | - | - | - | - | - |
| Capital outlay | 751,526 | - | - | - | - | - | - | - | - | 6,221,241 |
| Debt service: | | | | | | | | | | |
| Principal retirement | - | - | - | - | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | 1,924,863 | 4,436,888 | 8,787,468 | 5,077,267 | 3,588,113 | - | 12,223,358 | 804,828 | 32,266 | 6,221,241 |
| Excess (deficiency) of revenues over (under) expenditures | 614,171 | (599,590) | (517,845) | (263,196) | (100,000) | - | - | 76,551 | - | (5,967,031) |
| Other financing sources (uses) | | | | | | | | | | |
| Operating transfers in | - | 741,675 | 517,845 | 263,196 | 100,000 | - | - | - | - | 4,342 |
| Operating transfers out | (55,254) | - | - | - | - | - | - | - | - | (89,236) |
| Issuance of debt | - | - | - | - | - | - | - | - | - | 3,794,755 |
| Total other financing sources (uses) | 588,917 | 741,675 | 517,845 | 263,196 | 100,000 | - | - | - | - | 3,709,861 |
| Net change in fund balances | 948,170 | 142,085 | - | - | - | - | - | 76,551 | - | (2,257,170) |
| Fund balances, January 1 | - | 4,052,615 | - | - | - | - | - | 999,181 | - | 1,550,052 |
| Fund balances (Deficit), December 31 | \$ 1,507,087 | \$ 4,194,700 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,075,732 | \$ - | \$ (707,118) |

County of York, Pennsylvania

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

Year ended December 31, 2011

| | Access Grant Program | Donations | Earn-It | Affordable Housing | Weatherization | Downtown Hanover Improvement | Core Communities | Prison Telephone | ARRA Weatherization | Total |
|---|----------------------|-----------|---------|--------------------|----------------|------------------------------|------------------|------------------|---------------------|---------------|
| Revenues | | | | | | | | | | |
| Intergovernmental | - | - | - | - | 553,497 | - | - | - | 1,619,543 | \$ 36,540,982 |
| Departmental | - | - | - | 316,440 | - | - | - | 870,047 | - | 1,604,124 |
| Investment | - | 42 | - | 6,778 | 21 | - | - | 2,340 | 68 | 44,831 |
| Other | - | 27,442 | 3,226 | - | 4,352 | - | - | - | - | 1,553,211 |
| Total revenues | - | 27,484 | 3,226 | 323,218 | 557,870 | - | - | 872,387 | 1,619,611 | 39,743,148 |
| Expenditures | | | | | | | | | | |
| Current: | | | | | | | | | | |
| Public safety | - | - | - | - | - | - | - | 1,043,884 | - | 1,043,884 |
| Roads and bridges | - | - | - | - | - | - | - | - | - | 1,173,337 |
| Health, education, and welfare: | | | | | | | | | | |
| Drug and alcohol | - | - | - | - | - | - | - | - | - | 3,588,113 |
| Office of aging | - | - | - | - | - | - | - | - | - | 8,787,468 |
| Human services | - | - | - | - | - | - | - | - | - | 17,300,625 |
| Judicial | - | - | - | 6,694 | - | - | - | - | - | 5,280,676 |
| Cultural and recreation | - | - | - | - | - | - | - | - | - | 85,407 |
| Conservation and community development | - | - | - | 1,889,259 | 557,870 | - | - | - | 1,619,611 | 4,066,740 |
| Capital outlay | - | - | - | - | - | - | - | - | - | 6,972,767 |
| Debt service: | | | | | | | | | | |
| Principal retirement | - | - | - | 17,349 | - | - | - | - | - | 17,349 |
| Interest and fiscal charges | - | - | - | 83,580 | - | - | - | - | - | 83,580 |
| Total expenditures | - | 85,407 | 6,694 | 1,990,188 | 557,870 | - | - | 1,043,884 | 1,619,611 | 48,399,246 |
| Excess (deficiency) of revenues over (under) expenditures | - | (57,923) | (3,468) | (1,666,970) | - | - | - | (171,497) | - | (8,656,798) |
| Other financing sources (uses) | | | | | | | | | | |
| Operating transfers in | - | - | - | - | - | - | - | - | - | 1,627,058 |
| Operating transfers out | - | (43) | - | - | - | - | - | - | - | (144,533) |
| Issuance of debt | - | (43) | - | 3,243,000 | - | - | - | - | - | 7,037,755 |
| Total other financing sources (uses) | - | (86) | - | 3,243,000 | - | - | - | - | - | 8,520,280 |
| Net change in fund balances | - | (57,966) | (3,468) | 1,576,030 | - | - | - | (171,497) | - | (136,518) |
| Fund balances, January 1 | - | 87,295 | 21,540 | 1,111,535 | - | - | - | 437,335 | - | 9,207,723 |
| Fund balances (Deficit), December 31 | - | 29,329 | 18,072 | 2,687,565 | - | - | - | 265,838 | - | 9,071,205 |

County of York, Pennsylvania

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

Year ended December 31, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – |
|---|------------------|------------|-------------------|---------------------------------|
| | Original | Final | | Positive (Negative) |
| Revenues | | | | |
| Intergovernmental | \$ 675,000 | \$ 675,000 | \$ 2,510,898 | \$ 1,835,898 |
| Investment | - | - | 6,512 | 6,512 |
| Other | 1,440,150 | 1,440,150 | 21,624 | (1,418,526) |
| Total revenues | 2,115,150 | 2,115,150 | 2,539,034 | 423,884 |
| Expenditures | | | | |
| Current: | | | | |
| Road and bridges | 2,002,000 | 2,002,000 | 1,173,337 | 828,663 |
| Capital outlay | - | - | 751,526 | (751,526) |
| Total expenditures | 2,002,000 | 2,002,000 | 1,924,863 | 77,137 |
| Excess of revenues over(under) expenditures | 113,150 | 113,150 | 614,171 | 501,021 |
| Other financing uses | | | | |
| Transfers out | (55,000) | (55,000) | (55,254) | (254) |
| Net change in fund balances | \$ 58,150 | \$ 58,150 | \$ 558,917 | \$ 500,767 |

County of York, Pennsylvania

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

Year ended December 31, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) |
|---|------------------|--------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 3,425,419 | \$ 3,425,419 | \$ 3,646,300 | \$ 220,881 |
| Departmental | 182,500 | 182,500 | 151,416 | (31,084) |
| Investment | 15,000 | 15,000 | 9,685 | (5,315) |
| Other | 33,000 | 33,000 | 29,897 | (3,103) |
| Total revenues | 3,655,919 | 3,655,919 | 3,837,298 | 181,379 |
| Expenditures | | | | |
| Current: | | | | |
| Judicial | 4,993,502 | 4,993,502 | 4,436,888 | 556,614 |
| Total expenditures | 4,993,502 | 4,993,502 | 4,436,888 | 556,614 |
| Deficiency of revenues under expenditures | (1,337,583) | (1,337,583) | (599,590) | 737,993 |
| Other financing sources | | | | |
| Transfers in | 741,675 | 741,675 | 741,675 | - |
| Net change in fund balances | \$ (595,908) | \$ (595,908) | \$ 142,085 | \$ 737,993 |

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, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – |
|---|------------------|------------------|-------------------|---------------------------------|
| | Original | Final | | Positive (Negative) |
| Revenues | | | | |
| Intergovernmental | \$ 7,411,328 | \$ 7,411,328 | \$ 8,003,402 | \$ 592,074 |
| Departmental | 387,287 | 387,287 | 266,221 | (121,066) |
| Total revenues | <u>7,798,615</u> | <u>7,798,615</u> | <u>8,269,623</u> | <u>471,008</u> |
| Expenditures | | | | |
| Current: | | | | |
| Health, education, and welfare: | | | | |
| Office of aging | 8,316,460 | 8,316,460 | 8,787,468 | (471,008) |
| Total expenditures | <u>8,316,460</u> | <u>8,316,460</u> | <u>8,787,468</u> | <u>(471,008)</u> |
| Deficiency of revenues under expenditures | (517,845) | (517,845) | (517,845) | - |
| Other financing sources | | | | |
| Transfers in | 517,845 | 517,845 | 517,845 | - |
| Net change in fund balances | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

County of York, Pennsylvania

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

Year ended December 31, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) |
|---|------------------|--------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 4,575,568 | \$ 5,259,726 | \$ 4,395,828 | \$ (863,898) |
| Other | 313,637 | 517,610 | 418,243 | (99,367) |
| Total revenues | 4,889,205 | 5,777,336 | 4,814,071 | (963,265) |
| Expenditures | | | | |
| Current: | | | | |
| Human services | 5,059,136 | 5,947,267 | 5,077,267 | 870,000 |
| Total expenditures | 5,059,136 | 5,947,267 | 5,077,267 | 870,000 |
| Deficiency of revenues under expenditures | (169,931) | (169,931) | (263,196) | (93,265) |
| Other financing sources | | | | |
| Transfers in | 169,931 | 169,931 | 263,196 | 93,265 |
| 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, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) |
|---|------------------|--------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 2,962,704 | \$ 2,962,704 | \$ 3,463,505 | \$ 500,801 |
| Investment | 1,000 | 1,000 | 3,986 | 2,986 |
| Other | 27,813 | 27,813 | 20,622 | (7,191) |
| Total revenues | 2,991,517 | 2,991,517 | 3,488,113 | 496,596 |
| Expenditures | | | | |
| Current: | | | | |
| Health, education, and welfare: | | | | |
| Drug and alcohol | 3,091,517 | 3,091,517 | 3,588,113 | (496,596) |
| Total expenditures | 3,091,517 | 3,091,517 | 3,588,113 | (496,596) |
| 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, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) |
|---|------------------|---------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 13,438,689 | \$ 13,438,689 | \$ 12,212,452 | \$ (1,226,237) |
| Investment | 11,500 | 11,500 | 10,906 | (594) |
| Total revenues | 13,450,189 | 13,450,189 | 12,223,358 | (1,226,831) |
| Expenditures | | | | |
| Current: | | | | |
| Human services | 13,491,715 | 13,491,715 | 12,223,358 | 1,268,357 |
| Total expenditures | 13,491,715 | 13,491,715 | 12,223,358 | 1,268,357 |
| Deficiency of revenues under expenditures | (41,526) | (41,526) | - | 41,526 |
| Net change in fund balances | \$ (41,526) | \$ (41,526) | \$ - | \$ 41,526 |

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Justice Assistance Grant Fund

Year ended December 31, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) |
|--------------------------------------|------------------|-----------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 70,000 | \$ 70,000 | \$ 32,259 | \$ (37,741) |
| Investment | - | - | 7 | 7 |
| Total revenues | 70,000 | 70,000 | 32,266 | (37,734) |
| Expenditures | | | | |
| Current: | | | | |
| Judicial | 70,000 | 70,000 | 32,266 | 37,734 |
| Total expenditures | 70,000 | 70,000 | 32,266 | 37,734 |
| 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 – Earn It Fund

Year ended December 31, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) |
|--------------------------------------|------------------|----------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Other | \$ 8,000 | \$ 8,000 | \$ 3,226 | \$ (4,774) |
| Total revenues | 8,000 | 8,000 | 3,226 | (4,774) |
| Expenditures | | | | |
| Current: | | | | |
| Judicial | 8,000 | 8,000 | 6,694 | 1,306 |
| Total expenditures | 8,000 | 8,000 | 6,694 | 1,306 |
| Excess of revenues over expenditures | - | - | (3,468) | (3,468) |
| Net change in fund balances | \$ - | \$ - | \$ (3,468) | \$ (3,468) |

County of York, Pennsylvania

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

Year ended December 31, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) |
|--|------------------|------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Departmental | \$ 410,000 | \$ 410,000 | \$ 316,440 | \$ (93,560) |
| Investment | 2,500 | 2,500 | 6,778 | 4,278 |
| Total revenues | 412,500 | 412,500 | 323,218 | (89,282) |
| Expenditures | | | | |
| Current: | | | | |
| Conservation and community development | 412,500 | 412,500 | 1,889,259 | (1,476,759) |
| Debt service: | | | | |
| Principal retirement | - | - | 17,349 | (17,349) |
| Interest and fiscal charges | - | - | 83,580 | (83,580) |
| Total expenditures | 412,500 | 412,500 | 1,990,188 | (1,577,688) |
| Excess of revenues over expenditures | - | - | (1,666,970) | (1,666,970) |
| Other financing sources (uses) | | | | |
| Issuance of debt | - | - | 3,243,000 | 3,243,000 |
| Total other financing sources | - | - | 3,243,000 | 3,243,000 |
| Net change in fund balances | \$ - | \$ - | \$ 1,576,030 | \$ 1,576,030 |

County of York, Pennsylvania

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

Year ended December 31, 2011

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget – Positive (Negative)</u> |
|--|-------------------------|------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Intergovernmental | \$ 1,009,423 | \$ 1,009,423 | \$ 553,497 | \$ (455,926) |
| Investment | - | - | 21 | 21 |
| Other | - | - | 4,352 | 4,352 |
| Total revenues | <u>1,009,423</u> | <u>1,009,423</u> | <u>557,870</u> | <u>(451,553)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Conservation and community development | <u>1,009,423</u> | <u>1,009,423</u> | <u>557,870</u> | <u>451,553</u> |
| Total expenditures | <u>1,009,423</u> | <u>1,009,423</u> | <u>557,870</u> | <u>451,553</u> |
| Excess of revenues over expenditures | - | - | - | - |
| Net change in fund balances | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

County of York, Pennsylvania

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

Year ended December 31, 2011

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

Year ended December 31, 2011

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget – Positive (Negative) |
|--|------------------|--------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 2,000,000 | \$ 2,000,000 | \$ 1,619,543 | \$ (380,457) |
| Investment | - | - | 68 | 68 |
| Total revenues | 2,000,000 | 2,000,000 | 1,619,611 | (380,389) |
| Expenditures | | | | |
| Current: | | | | |
| Conservation and community development | 2,000,000 | 2,000,000 | 1,619,611 | 380,389 |
| Total expenditures | 2,000,000 | 2,000,000 | 1,619,611 | 380,389 |
| 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, 2011

| | Balance January 1, 2011 | Additions | Deletions | Balance December 31, 2011 |
|---|-------------------------------|----------------------|----------------------|---------------------------------|
| Tax Claim Bureau | | | | |
| Assets: | | | | |
| Cash and cash equivalents | \$ 775,897 | \$ 28,783,468 | \$ 28,162,160 | \$ 1,397,205 |
| Investments | 1,215,885 | 42,785 | 457,549 | 801,121 |
| Accounts receivable | 151,896 | 133,080 | 151,896 | 133,080 |
| Delinquent taxes receivable on behalf of other governments | 12,174,459 | 20,096,286 | 19,340,905 | 12,929,840 |
| Total assets | \$ 14,318,137 | \$ 49,055,619 | \$ 48,112,510 | \$ 15,261,246 |
| Liabilities: | | | | |
| Due to other governments | \$ 1,674,408 | \$ 1,103,309 | \$ 917,127 | \$ 1,860,590 |
| Other liabilities | 12,643,729 | 52,634,849 | 51,877,922 | 13,400,656 |
| Total liabilities | \$ 14,318,137 | \$ 53,738,158 | \$ 52,795,049 | \$ 15,261,246 |
| Unclaimed Money | | | | |
| Assets: | | | | |
| Cash and cash equivalents | \$ 332,371 | \$ 166,504 | \$ 186,507 | \$ 312,368 |
| Total assets | \$ 332,371 | \$ 166,504 | \$ 186,507 | \$ 312,368 |
| Liabilities: | | | | |
| Other liabilities | \$ 332,371 | \$ 166,504 | \$ 186,507 | \$ 312,368 |
| Total liabilities | \$ 332,371 | \$ 166,504 | \$ 186,507 | \$ 312,368 |
| Row Offices | | | | |
| Assets: | | | | |
| Cash and cash equivalents | \$ 7,798,084 | \$ 48,491,191 | \$ 50,118,692 | \$ 6,170,583 |
| Total assets | \$ 7,798,084 | \$ 48,491,191 | \$ 50,118,692 | \$ 6,170,583 |
| Liabilities: | | | | |
| Due to other governments | \$ 3,787,671 | \$ 40,494,533 | \$ 40,757,292 | \$ 3,524,912 |
| Other liabilities | 4,010,413 | 7,996,658 | 9,361,400 | 2,645,671 |
| Total liabilities | \$ 7,798,084 | \$ 48,491,191 | \$ 50,118,692 | \$ 6,170,583 |

County of York, Pennsylvania

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

Year ended December 31, 2011

| | Balance January 1, 2011 | Additions | Deletions | Balance December 31, 2011 |
|---|-------------------------------|-----------------------|-----------------------|---------------------------------|
| Landfill Escrow | | | | |
| Assets: | | | | |
| Cash and cash equivalents | \$ 137,512 | \$ 2,913,420 | \$ 1,247,113 | \$ 1,803,819 |
| Investments | 6,122,368 | 2,565,864 | 4,022,130 | 4,666,102 |
| Total assets | \$ 6,259,880 | \$ 5,479,284 | \$ 5,269,243 | \$ 6,469,921 |
| Liabilities: | | | | |
| Other liabilities | \$ 6,259,880 | \$ 5,479,284 | \$ 5,269,243 | \$ 6,469,921 |
| Total liabilities | \$ 6,259,880 | \$ 5,479,284 | \$ 5,269,243 | \$ 6,469,921 |
| Total All Agency Funds | | | | |
| Assets: | | | | |
| Cash and cash equivalents | \$ 9,043,864 | \$ 80,354,583 | \$ 79,714,472 | \$ 9,683,975 |
| Investments | 7,338,253 | 2,608,649 | 4,479,679 | 5,467,223 |
| Accounts receivable | 151,896 | 133,080 | 151,896 | 133,080 |
| Delinquent taxes receivable on behalf of other governments | 12,174,459 | 20,096,286 | 19,340,905 | 12,929,840 |
| Total assets | \$ 28,708,472 | \$ 103,192,598 | \$ 103,686,952 | \$ 28,214,118 |
| Liabilities: | | | | |
| Due to other governments | \$ 5,462,079 | \$ 41,597,842 | \$ 41,674,419 | \$ 5,385,502 |
| Other liabilities | 23,246,393 | 66,277,295 | 66,695,072 | 22,828,616 |
| Total liabilities | \$ 28,708,472 | \$ 107,875,137 | \$ 108,369,491 | \$ 28,214,118 |

County of York, Pennsylvania

Combining Statement of Changes in Assets and Liabilities – Row Offices

Year ended December 31, 2011

| | Balance January 1, 2011 | Additions | Deletions | Balance December 31, 2011 |
|---------------------------------|-------------------------------|----------------------|----------------------|---------------------------------|
| Assets: | | | | |
| Cash and cash equivalents | \$ 7,798,084 | \$ 48,491,191 | \$ 50,118,692 | \$ 6,170,583 |
| Total assets | \$ 7,798,084 | \$ 48,491,191 | \$ 50,118,692 | \$ 6,170,583 |
| Liabilities: | | | | |
| Due to other governments | | | | |
| Clerk of courts | \$ 1,360,122 | \$ 8,371,648 | \$ 8,692,237 | \$ 1,039,533 |
| Prothonotary | 184,600 | 2,327,488 | 2,329,129 | 182,959 |
| Register of wills | 67,190 | 936,589 | 923,393 | 80,386 |
| Recorder of deeds | 2,085,220 | 26,467,346 | 26,496,242 | 2,056,324 |
| Sheriff | 59,964 | 1,851,543 | 1,773,368 | 138,139 |
| Treasurer | 30,575 | 539,919 | 542,923 | 27,571 |
| | <u>3,787,671</u> | <u>40,494,533</u> | <u>40,757,292</u> | <u>3,524,912</u> |
| Other liabilities | | | | |
| Clerk of courts | 161,743 | 1,230,910 | 1,244,952 | 147,701 |
| Prothonotary | 675,289 | 335,130 | 390,197 | 620,222 |
| Sheriff | 3,173,381 | 6,398,550 | 7,695,634 | 1,876,297 |
| Treasurer | - | 32,068 | 30,617 | 1,451 |
| | <u>4,010,413</u> | <u>7,996,658</u> | <u>9,361,400</u> | <u>2,645,671</u> |
| Total liabilities | \$ 7,798,084 | \$ 48,491,191 | \$ 50,118,692 | \$ 6,170,583 |

County of York, Pennsylvania

Combining Balance Sheet – Agency Funds

December 31, 2011

| | Tax Claim Bureau | Unclaimed Money | Row Offices | Landfill Escrow | Total Agency Funds |
|--|-----------------------------|----------------------------|---------------------|----------------------------|-------------------------------|
| Assets | | | | | |
| Cash and cash equivalents | \$ 1,397,205 | \$ 312,368 | \$ 6,170,583 | \$ 1,803,819 | \$ 9,683,975 |
| Investments: | | | | | |
| Certificates of Deposit | 100,017 | - | - | - | 100,017 |
| U.S. treasuries | - | - | - | 512,895 | 512,895 |
| U.S government obligations | 500,038 | - | - | 250,080 | 750,118 |
| Municipal bonds | 200,000 | - | - | - | 200,000 |
| Fixed income mutual funds | - | - | - | 3,903,127 | 3,903,127 |
| Other | 1,066 | - | - | - | 1,066 |
| Accounts receivable | 133,080 | - | - | - | 133,080 |
| Delinquent taxes on behalf of other governments | 12,929,840 | - | - | - | 12,929,840 |
| Total assets | \$ 15,261,246 | \$ 312,368 | \$ 6,170,583 | \$ 6,469,921 | \$ 28,214,118 |
| Liabilities | | | | | |
| Liabilities: | | | | | |
| Due to other governments | \$ 1,860,590 | \$ - | \$ 3,524,912 | \$ - | \$ 5,385,502 |
| Other liabilities | 13,400,656 | 312,368 | 2,645,671 | 6,469,921 | 22,828,616 |
| Total liabilities | \$ 15,261,246 | \$ 312,368 | \$ 6,170,583 | \$ 6,469,921 | \$ 28,214,118 |

County of York, Pennsylvania

Statistical Section

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

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| Financial Trends..... | 151 |
| <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 | 158 |
| <i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i> | |
| Debt Capacity..... | 167 |
| <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..... | 174 |
| <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 | 177 |
| <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 Ten Years
(accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|--|---------------------|---------------------|----------------------|---------------------|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| 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 | \$70,136,376 |
| 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 | 9,570,727 |
| 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) | (40,114,063) |
| 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 | \$39,593,040 |
| 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 | \$16,358,248 |
| Restricted | - | - | - | 2,620,297 | 6,807,576 | 457,070 | 1,931,678 | 1,904,105 | 1,692,364 | 3,196,664 |
| 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) | (9,258,601) |
| 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 | \$10,296,311 |
| 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 | \$86,494,624 |
| 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 | 12,767,391 |
| 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) | (49,372,664) |
| 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 | \$49,889,351 |

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 Ten Years
(accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| 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 | \$13,553,130 |
| 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 | 63,954,882 |
| Roads and bridges | 1,028,481 | 1,070,320 | 1,460,581 | 1,724,826 | 1,519,225 | 1,559,298 | 1,599,298 | 1,414,983 | 1,222,838 | 1,745,365 |
| 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 | 178,166,138 |
| 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 | 41,611,232 |
| Cultural and recreation | 4,777,294 | 4,135,753 | 3,975,262 | 5,052,808 | 5,500,997 | 5,544,178 | 11,559,587 | 8,015,693 | 6,911,070 | 7,388,731 |
| 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 | 12,949,541 |
| Other departments and programs | 18,623,218 | 23,384,458 | 27,124,485 | 29,719,493 | 8,091,591 | 8,174,354 | 7,992,510 | 8,752,020 | 3,837,074 | 5,838,841 |
| Interest expense | 2,404,939 | 2,199,266 | 6,172,075 | 6,047,723 | 309,112,946 | 331,418,057 | 350,276,794 | 349,255,392 | 320,488,505 | 325,207,860 |
| Total governmental activities expenses | 230,793,082 | 232,286,524 | 282,592,675 | 293,610,661 | 309,112,946 | 331,418,057 | 350,276,794 | 349,255,392 | 320,488,505 | 325,207,860 |
| 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 | 40,954,101 |
| 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 | 15,448,100 |
| Total business-type activities expenses | 35,932,521 | 34,622,073 | 37,106,050 | 40,438,346 | 43,448,864 | 46,796,381 | 49,951,517 | 53,857,785 | 54,604,196 | 56,402,201 |
| Total primary government expenses | \$266,725,573 | \$267,908,597 | \$299,698,725 | \$334,049,007 | \$352,561,810 | \$378,214,438 | \$400,228,311 | \$403,113,177 | \$375,092,701 | \$381,610,061 |
| 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 | \$4,942,983 |
| 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 | 29,548,437 |
| 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 | 957,623 |
| 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 | 10,842,412 |
| Cultural and recreation | - | - | - | - | 472,389 | 356,738 | 1,068,990 | 796,590 | 601,593 | 678,867 |
| Conservation and community development | - | - | 614,041 | 672,613 | 1,342,886 | 735,994 | 431,326 | 446,313 | 459,155 | 319,216 |
| Operating grants and contributions | 10,386,110 | 16,010,539 | 319,066 | 451,701 | 2,111,569 | 661,218 | 489,157 | 559,971 | 579,609 | 686,093 |
| General government | - | - | 14,552,398 | 12,304,777 | 3,874,309 | 4,306,031 | 2,512,450 | 3,840,805 | 2,777,420 | 2,963,707 |
| Public safety | 689,455 | 677,436 | 991,347 | 873,349 | 627,984 | 741,487 | 825,491 | 792,344 | 679,314 | 1,759,372 |
| Roads and bridges | 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 | 152,185,462 |
| Health, education, and welfare | 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 | 5,438,185 |
| Judicial | 65,029 | 9,853 | 77,833 | 407,797 | 1,478,666 | 401,071 | 1,811,168 | 615,200 | 1,366,854 | 585,940 |
| Cultural and recreation | 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 | 6,517,311 |
| Conservation and community development | 36,579,693 | - | 93,330 | 7,500 | - | - | - | - | - | - |
| Other departments and programs | - | - | - | - | - | - | - | - | - | - |
| Capital Grants and contributions | - | - | - | - | - | - | - | - | - | - |
| General government | - | - | - | - | - | - | - | - | - | - |
| Roads and bridges | - | - | - | - | - | - | - | - | - | - |
| Health, education, and welfare | - | - | - | - | - | - | - | - | - | - |
| Total governmental activities program revenues | 164,566,846 | 167,534,344 | 177,053,055 | 197,145,269 | 218,655,080 | 229,055,609 | 235,685,707 | 234,290,713 | 224,687,857 | 219,216,073 |
| 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 | 32,204,714 |
| 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 | 6,706,462 |
| Total business-type activities program revenues | 27,017,258 | 28,383,532 | 33,337,423 | 37,093,595 | 38,098,195 | 37,602,533 | 36,204,640 | 36,179,976 | 40,433,926 | 38,911,176 |
| Total primary government program revenues | \$191,584,104 | \$195,917,876 | \$210,390,478 | \$234,238,864 | \$256,753,275 | \$266,658,142 | \$271,890,347 | \$270,470,689 | \$265,121,783 | \$258,127,249 |

COUNTY OF YORK, PENNSYLVANIA

Changes in Net Assets (Continued)

Last Ten Years

(accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| 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) | (\$105,991,787) |
| Business-type activities | (8,115,263) | (6,238,541) | (3,768,627) | (3,344,751) | (5,350,669) | (9,193,848) | (13,746,877) | (17,677,809) | (14,170,270) | (17,491,025) |
| Total primary government net expense | (\$75,141,469) | (\$71,990,721) | (\$89,308,247) | (\$99,810,143) | (\$95,808,535) | (\$111,556,296) | (\$128,337,964) | (\$132,642,488) | (\$109,970,918) | (\$123,482,812) |
| 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 | \$110,419,716 |
| 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) | (10,568,496) |
| 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 | 1,495,347 |
| 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 | 1,588,306 |
| Gain (Loss) sale of assets | - | 150,000 | 150,000 | 150,000 | 150,000 | 37,500 | (1,917) | - | - | - |
| Special item - litigation expense | - | - | - | (16,000,000) | - | - | (5,500,000) | - | - | - |
| Proceeds from swap transactions | - | - | 4,660,667 | - | - | - | - | 5,850,000 | - | - |
| 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) | (18,050,304) |
| Total governmental activities | 72,345,762 | 86,076,423 | 94,740,475 | 80,539,604 | 96,525,797 | 103,486,137 | 91,434,654 | 109,214,799 | 89,885,185 | 84,884,569 |
| Business-type activities: | | | | | | | | | | |
| Unrestricted investment earnings | - | - | - | - | 1,275,434 | 1,034,915 | 56,518 | 17,777 | 16,571 | 19,486 |
| 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 | 18,050,304 |
| Total business-type activities | 2,593,441 | 8,409,372 | 4,027,719 | 7,984,154 | 10,795,412 | 10,865,772 | 11,574,810 | 12,622,397 | 13,500,791 | 18,069,790 |
| Total primary government | \$74,939,203 | \$94,485,795 | \$98,768,194 | \$88,523,758 | \$107,321,209 | \$114,351,909 | \$103,009,464 | \$121,837,196 | \$103,385,976 | \$102,954,359 |
| 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) | (\$21,107,218) |
| 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) | (669,478) | 578,765 |
| Total primary government | (\$202,266) | \$22,495,074 | \$9,459,947 | (\$11,286,385) | \$11,512,674 | \$2,795,613 | (\$25,328,500) | (\$10,805,292) | (\$6,584,942) | (\$20,528,453) |

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 Ten 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 |
| 2011 | 110,419,716 | 1,495,347 | 111,915,063 |

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

| | (1) 2002 | (1) 2003 | (1) 2004 | (1) 2005 | (1) 2006 | (1) 2007 | 2008 | 2009 | 2010 | 2011 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund | | | | | | | | | | |
| Reserved | \$ - | \$ - | \$ 5,413,570 | \$ 8,503,496 | \$ 8,281,067 | \$ 7,928,694 | \$ 9,616,046 | \$ 23,217,673 | \$ 21,855,801 | \$ - |
| Unreserved | 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 | - |
| Nonspendable | - | - | - | - | - | - | - | - | - | 12,443,854 |
| Restricted | - | - | - | - | - | - | - | - | - | 76,314 |
| Committed | - | - | - | - | - | - | - | - | - | 35,896 |
| Assigned | - | - | - | - | - | - | - | - | - | 4,886,484 |
| Unassigned | - | - | - | - | - | - | - | - | - | 14,823,744 |
| Total General Fund | \$ 11,403,499 | \$ 21,879,194 | \$ 28,470,206 | \$ 31,591,947 | \$ 24,880,518 | \$ 23,713,248 | \$ 14,130,899 | \$ 32,627,638 | \$ 37,007,407 | \$ 32,266,292 |
| All other-governmental funds | | | | | | | | | | |
| Reserved | | | | | | | | | | |
| Capital Projects Fund | \$ 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 | 5,465,204 | 6,471,220 | 6,348,032 | 6,491,523 | 7,197,050 | 6,503,313 | 6,493,878 | 7,658,505 | 7,657,671 | - |
| Restricted | - | - | - | - | - | - | - | - | - | 9,494,413 |
| Committed | - | - | - | - | - | - | - | - | - | 283,910 |
| Unassigned | - | - | - | - | - | - | - | - | - | (707,118) |
| Total all other governmental funds | \$ 36,958,792 | \$ 46,306,752 | \$ 32,375,762 | \$ 12,811,610 | \$ 32,296,749 | \$ 33,487,807 | \$ 16,243,150 | \$ 9,854,824 | \$ 9,207,723 | \$ 9,071,205 |
| Total fund balances of all governmental funds | \$ 48,362,291 | \$ 68,185,946 | \$ 60,845,968 | \$ 44,403,557 | \$ 57,177,267 | \$ 57,201,055 | \$ 30,374,049 | \$ 42,482,462 | \$ 46,215,130 | \$ 41,337,497 |

NOTES:

(1) Certain reclassifications were made to prior year amounts to conform to the 2008-2010 presentation.

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

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

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--|-----------------------|---------------------|----------------------|-----------------------|---------------------|--------------------|-----------------------|---------------------|--------------------|----------------------|
| 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 | \$110,537,455 |
| 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 | 171,926,535 |
| Departmental | 29,602,142 | 26,872,249 | 25,867,845 | 25,780,527 | 30,055,002 | 35,969,407 | 34,990,258 | 36,159,035 | 40,495,979 | 41,834,161 |
| 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 | 5,455,377 |
| 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 | 1,495,347 |
| 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 | 233,130 |
| 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 | 1,588,306 |
| Total Revenues | 233,374,047 | 255,046,694 | 272,355,249 | 302,994,515 | 323,719,025 | 340,911,374 | 347,460,500 | 350,577,609 | 339,608,014 | 333,070,311 |
| 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 | 12,235,067 |
| 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 | 60,324,918 |
| Roads & bridges | 551,949 | 909,980 | 934,533 | 1,213,279 | 1,000,228 | 1,045,462 | 1,086,155 | 907,161 | 706,836 | 1,173,337 |
| 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 | 175,964,324 |
| 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 | 38,308,518 |
| 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 | 8,101,030 |
| 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 | 12,894,200 |
| Other departments and programs | 18,649,327 | 19,638,868 | 27,124,485 | 29,719,493 | 16,882,310 | 15,682,655 | 33,820,265 | 8,115,158 | 8,673,466 | 8,386,541 |
| 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 | 8,673,466 | 8,386,541 |
| 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 | 3,963,066 |
| 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 | 5,584,394 |
| Total Expenditures | 248,088,475 | 270,761,873 | 282,691,424 | 312,298,284 | 333,530,146 | 344,161,354 | 382,024,325 | 350,242,444 | 326,152,050 | 326,935,394 |
| 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 | 12,366,333 |
| 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) | (30,416,637) |
| 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 | 7,037,755 |
| Total other financing sources (uses) | (989,232) | 35,538,835 | 632,948 | (7,138,642) | 22,584,831 | 3,273,768 | 7,736,819 | 11,773,248 | (9,723,296) | (11,012,549) |
| Net changes in fund balances | (\$15,703,660) | \$19,823,656 | (\$9,703,227) | (\$16,442,411) | \$12,773,710 | \$23,798 | (\$26,827,006) | \$12,108,413 | \$3,732,668 | (\$4,877,633) |
| 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% | 3.0% |

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 | Conservation and Community Development (4) | Capital Outlay | (2) (3) Debt Service | (5) Other | Totals |
|-------------|--------------------|---------------|------------------|-------------------------------|---------------|------------------------|--|----------------|----------------------|---------------|----------------|
| | | | | | | | | | | | |
| 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 |
| 2011 | 12,235,067 | 60,324,918 | 1,173,337 | 175,964,324 | 38,308,518 | 8,101,030 | 12,894,200 | 8,386,541 | 9,547,460 | - | 326,935,395 |

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) | | (1) Totals |
|-------------|-------------------|-------------------|---------------|-----------------|--------------|-------------------------|----|----------------|
| | | | | | | Bond Proceeds and Other | | |
| 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 |
| 2011 | 110,537,455 | 171,926,535 | 41,834,161 | 5,455,377 | 233,130 | 10,121,408 | | 340,108,066 |

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> |
|--------------------|------------------------|-----------------------|---------------|
| 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 |
| 2011 | 110,537,455 | 1,495,347 | 112,032,802 |

County of York, Pennsylvania

Property Values (1)

Last Ten Years
(Unaudited)

| Fiscal Year | Residential | Commercial | Agricultural | Industrial | Miscellaneous/ Apartments | Utility/ Exempt | Total |
|-------------|----------------|---------------|---------------|---------------|------------------------------|--------------------|--------------------|
| 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) |
| 2011 | 20,250,978,863 | 2,847,780,035 | 1,370,314,145 | 1,681,083,004 | 576,469,708 | 2,698,957,561 | 29,425,583,316 (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> |
|--------------------|---|--|--|
| 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 |
| 2011 | 26,726,625,755 (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 | |
| 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 |
| 2011 | 4.05 | 0.10 | 4.15 (3) | 1.875 | 19.756 | 25.781 |

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>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> | <u>2011</u> |
|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| County Direct Rate | 3.150 | 4.200 | 4.200 | 4.510 | 3.800 | 3.910 | 4.000 | 4.150 | 4.150 | 4.150 |
| School District Rates | | | | | | | | | | |
| Central York | 13.290 | 14.330 | 15.830 | 17.470 | 15.320 | 16.310 | 16.810 | 16.810 | 17.760 | 17.760 |
| Dallastown Area | 16.510 | 17.760 | 20.240 | 21.740 | 18.810 | 19.810 | 20.850 | 20.840 | 22.260 | 22.260 |
| Dover Area | 16.050 | 17.420 | 18.770 | 18.770 | 16.800 | 17.820 | 18.870 | 18.870 | 20.330 | 20.530 |
| Eastern York | 15.700 | 16.600 | 17.500 | 19.200 | 16.100 | 17.380 | 18.340 | 18.340 | 18.850 | 19.050 |
| Hanover Public | 16.550 | 16.950 | 17.550 | 19.050 | 16.920 | 17.720 | 18.490 | 18.490 | 19.070 | 19.070 |
| Northeastern | 18.830 | 19.780 | 20.730 | 22.810 | 20.790 | 21.740 | 21.740 | 21.740 | 23.280 | 23.720 |
| Northern | 13.380 | 14.150 | 15.400 | 16.400 | 13.300 | 13.870 | 13.870 | 13.870 | 14.369 | 14.614 |
| Red Lion Area | 14.800 | 16.050 | 17.550 | 19.500 | 16.840 | 18.690 | 20.440 | 20.440 | 22.060 | 22.060 |
| South Eastern | 14.330 | 16.230 | 16.720 | 21.350 | 16.906 | 17.832 | 18.831 | 18.831 | 20.482 | 20.851 |
| South Western | 14.100 | 15.050 | 15.550 | 16.500 | 13.660 | 14.240 | 15.750 | 15.750 | 16.280 | 16.550 |
| Southern | 15.190 | 15.980 | 16.800 | 17.770 | 14.390 | 15.080 | 15.020 | 15.020 | 16.620 | 16.840 |
| Spring Grove Area | 14.000 | 15.230 | 16.700 | 18.200 | 15.890 | 17.200 | 18.340 | 18.340 | 19.130 | 19.670 |
| West York Area | 16.690 | 18.040 | 18.420 | 19.090 | 16.647 | 17.330 | 18.265 | 18.265 | 19.812 | 19.812 |
| York City | 21.780 | 22.250 | 24.000 | 27.960 | 27.190 | 29.540 | 29.540 | 29.540 | 29.540 | 31.078 |
| York Suburban | 14.900 | 16.220 | 17.500 | 18.570 | 16.834 | 17.688 | 18.740 | 18.740 | 20.171 | 20.453 |
| West Shore | 11.500 | 11.500 | 11.300 | 11.900 | 10.100 | 10.200 | 10.500 | 10.500 | 11.100 | 11.780 |
| City | | | | | | | | | | |
| York | 11.390 | 11.390 | 12.520 | 13.520 | 13.170 | 13.670 | 14.670 | 15.640 | 15.640 | 17.390 |
| Borough Rates | | | | | | | | | | |
| Cross Roads | 0.350 | 0.350 | 0.350 | 0.350 | 0.280 | 0.280 | 0.280 | 0.280 | 0.280 | 0.280 |
| Dallastown | 1.100 | 1.580 | 2.000 | 2.000 | 1.650 | 1.650 | 1.650 | 1.650 | 1.650 | 1.650 |
| Delta | 1.100 | 1.700 | 1.700 | 1.900 | 1.440 | 1.900 | 1.900 | 3.000 | 3.000 | 3.000 |
| Dillsburg | 2.900 | 2.900 | 2.900 | 2.900 | 2.370 | 2.370 | 2.370 | 2.370 | 2.370 | 2.370 |
| Dover | 1.800 | 1.800 | 1.800 | 1.800 | 1.690 | 1.690 | 1.690 | 1.690 | 1.690 | 1.690 |
| East Prospect | 1.000 | 1.000 | 1.000 | 1.000 | 0.750 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Fawn Grove | 0.400 | 0.600 | 1.300 | 1.300 | 0.720 | 1.000 | 1.000 | 1.000 | 1.000 | 1.250 |
| Felton | 0.320 | 1.100 | 1.100 | 1.100 | 0.950 | 1.100 | 1.700 | 1.700 | 1.900 | 2.200 |
| Franklintown | 1.210 | 1.210 | 1.210 | 1.210 | 1.080 | 1.880 | 1.880 | 1.880 | 1.880 | 1.880 |
| Glen Rock | 2.500 | 2.500 | 3.000 | 3.000 | 2.400 | 2.500 | 2.600 | 2.800 | 2.800 | 2.800 |
| Goldsboro | 0.750 | 0.750 | 0.750 | 0.750 | 0.750 | 0.750 | 0.750 | 0.750 | 0.750 | 0.750 |
| Hellam | 3.000 | 3.000 | 3.200 | 3.350 | 2.900 | 3.100 | 3.300 | 3.400 | 3.400 | 3.400 |
| Hanover | 2.600 | 2.950 | 4.450 | 4.450 | 3.990 | 3.990 | 3.990 | 3.990 | 3.990 | 3.990 |
| Jacobus | 1.300 | 1.300 | 1.300 | 1.300 | 0.923 | 1.300 | 1.300 | 1.300 | 1.500 | 1.700 |
| Jefferson | 2.140 | 2.140 | 2.100 | 2.100 | 1.750 | 1.750 | 2.758 | 3.346 | 3.450 | 4.200 |
| Lewisberry | 1.000 | 1.000 | 1.000 | 1.000 | 0.800 | 0.800 | 0.800 | 0.800 | 0.800 | 1.300 |
| Loganville | 1.200 | 1.200 | 1.200 | 1.700 | 1.500 | 1.500 | 2.000 | 2.000 | 2.000 | 2.000 |
| Manchester | 1.650 | 1.650 | 2.650 | 2.650 | 2.150 | 2.150 | 2.150 | 2.150 | 2.150 | 2.150 |
| Mount Wolf | 1.900 | 2.400 | 3.500 | 3.500 | 2.900 | 2.900 | 2.900 | 2.900 | 2.900 | 2.900 |
| New Freedom | 0.830 | 0.830 | 0.830 | 0.830 | 0.660 | 0.700 | 0.750 | 0.810 | 0.850 | 0.910 |
| New Salem | 0.355 | 0.855 | 1.100 | 1.100 | 0.850 | 0.850 | 0.850 | 0.850 | 0.850 | 0.850 |
| North York | 2.500 | 3.500 | 3.500 | 3.500 | 3.210 | 3.710 | 3.710 | 4.710 | 4.710 | 5.500 |
| Railroad | 0.600 | 0.600 | 0.900 | 0.900 | 0.690 | 0.690 | 0.690 | 0.690 | 0.690 | 0.690 |
| Red Lion | 2.660 | 2.660 | 3.560 | 3.560 | 3.173 | 3.350 | 3.700 | 3.700 | 4.200 | 4.200 |
| Seven Valleys | 0.425 | 0.425 | 0.425 | 0.425 | 0.349 | 0.600 | 0.600 | 0.600 | 0.600 | 1.200 |
| Shrewsbury | 1.070 | 1.070 | 1.600 | 1.600 | 1.200 | 1.200 | 1.420 | 1.500 | 1.500 | 1.700 |
| Spring Grove | 1.590 | 2.590 | 2.590 | 2.590 | 2.340 | 2.340 | 2.340 | 2.840 | 2.840 | 2.840 |
| Stewartstown | 2.400 | 2.400 | 2.400 | 3.300 | 2.720 | 2.720 | 2.850 | 2.850 | 2.850 | 2.850 |
| Wellsville | 0.500 | 0.500 | 0.500 | 0.500 | 0.420 | 0.420 | 0.420 | 0.420 | 0.420 | 0.420 |
| West York | 2.690 | 3.190 | 3.190 | 4.490 | 3.900 | 4.900 | 4.900 | 4.900 | 5.500 | 6.500 |
| Windsor | 1.117 | 1.117 | 1.117 | 1.517 | 1.261 | 1.261 | 1.261 | 1.500 | 1.423 | 1.723 |
| Winterstown | 0.850 | 0.850 | 0.850 | 0.850 | 0.850 | 0.850 | 0.850 | 0.850 | 0.850 | 0.850 |
| Wrightsville | 0.870 | 0.870 | 2.100 | 2.100 | 1.610 | 2.290 | 2.290 | 2.690 | 3.090 | 3.090 |
| Yoe | 1.153 | 1.153 | 1.153 | 1.153 | 0.914 | 1.914 | 2.955 | 2.955 | 2.955 | 3.455 |
| York Haven | 3.600 | 3.600 | 3.600 | 3.600 | 3.000 | 3.000 | 3.000 | 4.000 | 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 |

SOURCE: Assessment Office

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

| | <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> | <u>2011</u> |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Townships | | | | | | | | | | |
| Carroll | 0.430 | 1.430 | 1.430 | 1.430 | 1.120 | 1.120 | 1.120 | 1.620 | 1.620 | 1.620 |
| Chanceford | 0.240 | 0.240 | 0.240 | 0.360 | 0.300 | 0.300 | 0.300 | 0.300 | 0.300 | 0.300 |
| Codorus | 0.550 | 0.550 | 0.550 | 0.550 | 0.420 | 0.420 | 0.420 | 0.420 | 0.600 | 0.600 |
| Conewago | 1.150 | 1.150 | 1.260 | 1.300 | 1.300 | 1.300 | 1.450 | 1.450 | 1.450 | 1.450 |
| Dover | 1.000 | 1.000 | 1.000 | 1.000 | 0.828 | 0.828 | 1.000 | 1.000 | 1.000 | 1.000 |
| East Hopewell | 0.590 | 0.590 | 0.590 | 0.590 | 0.430 | 0.430 | 0.430 | 0.430 | 0.430 | 0.430 |
| East Manchester | 1.150 | 1.150 | 1.150 | 1.150 | 1.040 | 1.040 | 1.040 | 1.040 | 1.040 | 1.040 |
| Fairview | 1.036 | 1.036 | 1.178 | 1.198 | 1.077 | 1.396 | 1.600 | 1.600 | 1.600 | 1.600 |
| Fawn | 0.650 | 0.650 | 0.650 | 0.650 | 0.470 | 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 | 1.500 | 1.200 | 1.200 | 1.500 | 1.500 | 1.500 | 1.500 |
| Hellam | 1.500 | 1.500 | 1.800 | 1.800 | 1.606 | 1.800 | 1.800 | 1.800 | 1.800 | 1.800 |
| Hopewell | 0.290 | 0.290 | 0.290 | 0.290 | 0.210 | 0.210 | 0.210 | 0.210 | 0.210 | 0.210 |
| Jackson | 0.350 | 0.350 | 0.350 | 1.200 | 0.950 | 0.950 | 0.950 | 0.950 | 0.950 | 0.950 |
| Lower Chanceford | 0.600 | 0.600 | 0.700 | 0.700 | 0.600 | 0.650 | 0.700 | 0.750 | 0.770 | 0.800 |
| Lower Windsor | 0.000 | 0.000 | 0.000 | 0.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 0.750 |
| Manchester | 1.240 | 1.240 | 1.240 | 1.240 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Manheim | 1.000 | 1.000 | 1.250 | 1.250 | 1.000 | 1.000 | 1.000 | 1.100 | 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 | 1.500 | 1.290 | 1.790 | 1.790 | 1.790 | 1.790 | 1.790 |
| North Codorus | 0.175 | 0.500 | 0.500 | 0.500 | 0.443 | 0.750 | 1.000 | 1.000 | 1.500 | 2.450 |
| North Hopewell | 0.335 | 0.335 | 0.335 | 0.335 | 0.272 | 0.272 | 0.272 | 0.272 | 0.272 | 0.272 |
| Paradise | 1.000 | 1.100 | 1.400 | 1.700 | 1.900 | 1.900 | 1.900 | 1.900 | 1.900 | 1.900 |
| Peach Bottom | 0.500 | 0.500 | 0.500 | 0.500 | 0.470 | 0.470 | 0.470 | 0.470 | 0.470 | 0.470 |
| Penn | 2.500 | 2.500 | 2.500 | 2.300 | 1.990 | 1.990 | 1.990 | 2.300 | 2.950 | 3.200 |
| Shrewsbury | 0.090 | 0.090 | 0.090 | 0.090 | 0.074 | 0.074 | 0.074 | 0.074 | 0.074 | 0.074 |
| Spring Garden | 2.050 | 2.450 | 2.850 | 2.850 | 2.440 | 2.440 | 2.440 | 2.440 | 2.440 | 2.440 |
| Springettsbury | 0.727 | 1.077 | 1.077 | 1.077 | 0.870 | 0.870 | 0.870 | 0.870 | 0.870 | 0.870 |
| Springfield | 0.330 | 0.330 | 0.330 | 0.330 | 0.260 | 0.260 | 0.260 | 0.300 | 0.300 | 0.300 |
| Warrington | 0.280 | 0.280 | 0.280 | 0.280 | 0.210 | 0.210 | 0.210 | 0.210 | 0.210 | 0.210 |
| Washington | 0.450 | 0.450 | 0.450 | 0.450 | 0.400 | 0.400 | 0.450 | 0.450 | 0.450 | 0.450 |
| West Manchester | 0.358 | 0.358 | 0.358 | 0.250 | 0.214 | 0.214 | 0.214 | 0.214 | 0.214 | 0.214 |
| West Manheim | 2.700 | 2.700 | 2.700 | 2.700 | 2.000 | 2.000 | 2.100 | 2.100 | 2.390 | 2.390 |
| Windsor | 0.320 | 0.320 | 0.320 | 0.600 | 0.500 | 0.500 | 0.600 | 0.600 | 0.600 | 0.600 |
| York | 0.700 | 0.800 | 0.800 | 0.700 | 0.600 | 0.600 | 0.600 | 0.700 | 0.700 | 0.700 |

SOURCE: Assessment Office

COUNTY OF YORK, PENNSYLVANIA
Principal Property Taxpayers
December 31

| Taxpayer | 2011 | | | 2002 | | |
|--------------------------------------|------------------------|------|--|------------------------|------|--|
| | Taxable Assessed Value | Rank | Percentage of Total Assessed Valuation | Taxable Assessed Value | Rank | Percentage of Total Assessed Valuation |
| ES 3 York LLC | \$ 115,106,330 | 1 | 0.43% | | | |
| 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% | | | |
| Delco Plaza I L P | 27,509,680 | 6 | 0.10% | | | |
| OSS Realty Company | 26,174,340 | 7 | 0.10% | | | |
| Harley Davidson Motor Company | 26,000,000 | 8 | 0.10% | | | |
| Yorkkat Realty LLP | 25,500,000 | 9 | 0.10% | | | |
| P R Financing LTD | 25,237,750 | 10 | 0.09% | | | |
| Exelon Generation Co. LLC | | | | \$ 305,066,630 | 1 | 1.71% |
| Crown American Financing Partnership | | | | 60,874,010 | 2 | 0.34% |
| York Galleria LLP | | | | 45,759,390 | 3 | 0.26% |
| ES 3 York LLC | | | | 37,557,470 | 4 | 0.21% |
| Kinsley Equities II | | | | 32,167,510 | 5 | 0.18% |
| The York Development, LP | | | | 23,128,410 | 6 | 0.13% |
| Wellspan Healthcare Services | | | | 22,790,180 | 7 | 0.13% |
| Edens & Avant Financing | | | | 22,464,120 | 8 | 0.13% |
| ISTAR GT LP | | | | 21,512,960 | 9 | 0.12% |
| Fenton LLC | | | | 20,000,000 | 10 | 0.11% |
| Total | \$ 412,111,113 | | 1.55% | \$ 591,320,680 | | 3.32% |

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 |
| 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% | 2,836,599 | 93,388,152 | 99.39% |
| 2007 | 99,298,832 | 95,589,866 | 96.26% | 3,180,801 | 98,770,667 | 99.47% |
| 2008 | 104,176,402 | 95,136,200 | 91.32% | 2,437,937 | 97,574,137 | 93.66% |
| 2009 | 108,549,695 | 100,423,781 | 92.51% | 3,403,533 | 103,827,314 | 95.65% |
| 2010 | 110,058,789 | 101,302,412 | 92.04% | 3,479,613 | 104,782,025 | 95.21% |
| 2011 | 111,162,049 | 102,604,108 | 92.30% | - | 102,604,108 | 92.30% |

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 | General Obligation Debt | Capital Leases | Government | | | |
| 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 | 1.49% | 536.70 | |
| 2009 | 189,829,219 | 51,790,122 | 407,638 | - | 242,026,979 | 1.58% | 564.25 | |
| 2010 | 188,066,334 | 50,258,666 | 207,962 | - | 238,532,962 | 1.50% | 548.39 | |
| 2011 | 191,141,023 | 48,634,383 | - | - | 239,775,406 | 1.50% | 547.41 | |

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 |
|----------------|-------------------|-------------------------------|--------------------------------------|---|---|
| 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 |
| 2011 | 438,017 | 26,726,626 | 239,775 | 0.90% | 547.41 |

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, 2011

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable</u> | <u>Estimated Share of Overlapping Debt</u> |
|--------------------------|-----------------------------|--|--|
| School Districts | | | |
| Central York | \$76,110,000 | 100% | \$76,110,000 |
| Dallastown Area | 89,766,293 | 100% | 89,766,293 |
| Dover Area | 58,085,000 | 100% | 58,085,000 |
| Eastern York | 52,454,300 | 100% | 52,454,300 |
| Hanover Public | 30,215,000 | 100% | 30,215,000 |
| Northeastern | 79,805,000 | 100% | 79,805,000 |
| Northern | 34,818,000 | 100% | 34,818,000 |
| Red Lion Area | 88,645,000 | 100% | 88,645,000 |
| South Eastern | 33,761,000 | 100% | 33,761,000 |
| South Western | 29,180,000 | 100% | 29,180,000 |
| Southern | 47,680,000 | 100% | 47,680,000 |
| Spring Grove Area | 90,870,000 | 100% | 90,870,000 |
| West York Area | 16,745,000 | 100% | 16,745,000 |
| York City | 134,065,000 | 100% | 134,065,000 |
| York Suburban | 44,595,000 | 100% | 44,595,000 |
| West Shore* | 63,358,790 | 45% | 28,511,456 |
| Other Schools | | | |
| York Co School of Tech | 36,030,000 | 100% | 36,030,000 |
| City | | | |
| York | 137,985,000 | 100% | 137,985,000 |

Source: Each individual governmental unit

Note 1 - Method to calculate overlapping debt is the percentage applicable multiplied by the total debt reported by each governmental unit.

* West Shore Area School District partially resides in York and Cumberland Counties. The percentage of overlapping debt is estimated using taxable square miles. Applicable percentages were estimated by dividing the portion the taxable square miles within the Counties boundaries for the school district by the total taxable square miles for the school district.

COUNTY OF YORK, PENNSYLVANIA

Direct and Overlapping Governmental Activities Debt (Continued)
As of December 31, 2011

| <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 | 77,682 | 100% | 77,682 |
| Dover | 4,245,390 | 100% | 4,245,390 |
| East Prospect | 0 | 100% | 0 |
| Fawn Grove | 0 | 100% | 0 |
| Felton | 907,219 | 100% | 907,219 |
| Franklintown | 0 | 100% | 0 |
| Glen Rock | 0 | 100% | 0 |
| Goldsboro | 0 | 100% | 0 |
| Hellam | 0 | 100% | 0 |
| Hanover | 40,299,476 | 100% | 40,299,476 |
| Jacobus | 0 | 100% | 0 |
| Jefferson | 150,016 | 100% | 150,016 |
| Lewisberry | 0 | 100% | 0 |
| Loganville | 0 | 100% | 0 |
| Manchester | 6,032,004 | 100% | 6,032,004 |
| Mount Wolf | 2,838,590 | 100% | 2,838,590 |
| New Freedom | 1,172,996 | 100% | 1,172,996 |
| New Salem | 3,287,800 | 100% | 3,287,800 |
| North York | 93,662 | 100% | 93,662 |
| Railroad | 42,321 | 100% | 42,321 |
| Red Lion | 17,339 | 100% | 17,339 |
| Seven Valleys | 116,409 | 100% | 116,409 |
| Shrewsbury | 272,511 | 100% | 272,511 |
| Spring Grove | 561,621 | 100% | 561,621 |
| Stewartstown | 354,747 | 100% | 354,747 |
| Wellsville | 0 | 100% | 0 |
| West York | 0 | 100% | 0 |
| Windsor | 367,335 | 100% | 367,335 |
| Winterstown | 0 | 100% | 0 |
| Wrightsville | 0 | 100% | 0 |
| Yoe | 0 | 100% | 0 |
| York Haven | 0 | 100% | 0 |
| Yorkana | 0 | 100% | 0 |

Source: Each individual governmental unit

Note 1 - Method to calculate overlapping debt is the percentage applicable multiplied by the total debt reported by each governmental unit.

COUNTY OF YORK, PENNSYLVANIA

Direct and Overlapping Governmental Activities Debt (Continued)
As of December 31, 2011

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable</u> | <u>Estimated Share of Overlapping Debt</u> |
|-----------------------------------|-------------------------|--|--|
| Townships | | | |
| Carroll | 981,486 | 100% | 981,486 |
| Chanceford | 0 | 100% | 0 |
| Codorus | 0 | 100% | 0 |
| Conewago | 0 | 100% | 0 |
| Dover | 25,303,696 | 100% | 25,303,696 |
| East Hopewell | 43,026 | 100% | 43,026 |
| East Manchester | 8,870,595 | 100% | 8,870,595 |
| Fairview | 10,930,581 | 100% | 10,930,581 |
| Fawn | 81,319 | 100% | 81,319 |
| Franklin | 0 | 100% | 0 |
| Heidelberg | 0 | 100% | 0 |
| Hellam | 1,371,721 | 100% | 1,371,721 |
| Hopewell | 0 | 100% | 0 |
| Jackson | 84,254 | 100% | 84,254 |
| Lower Chanceford | 0 | 100% | 0 |
| Lower Windsor | 165,552 | 100% | 165,552 |
| Manchester | 7,000,283 | 100% | 7,000,283 |
| Manheim | 27,750 | 100% | 27,750 |
| Monaghan | 0 | 100% | 0 |
| Newberry | 11,555,000 | 100% | 11,555,000 |
| North Codorus | 1,387,496 | 100% | 1,387,496 |
| North Hopewell | 0 | 100% | 0 |
| Paradise | 383,196 | 100% | 383,196 |
| Peach Bottom | 0 | 100% | 0 |
| Penn | 19,110,374 | 100% | 19,110,374 |
| Shrewsbury | 625,000 | 100% | 625,000 |
| Spring Garden | 960,577 | 100% | 960,577 |
| Springettsbury | 25,955,000 | 100% | 25,955,000 |
| Springfield | 11,922,483 | 100% | 11,922,483 |
| Warrington | 0 | 100% | 0 |
| Washington | 0 | 100% | 0 |
| West Manchester | 810,000 | 100% | 810,000 |
| West Manheim | 11,270,000 | 100% | 11,270,000 |
| Windsor | 445,000 | 100% | 445,000 |
| York | 6,405,000 | 100% | 6,405,000 |
| Subtotal, overlapping debt | | | 1,315,847,556 |
| County of York direct debt | | | <u>191,141,023</u> |
| Total direct and overlapping debt | | | <u><u>\$1,506,988,579</u></u> |

Source: Each individual governmental unit

Note 1 - Method to calculate overlapping debt is the percentage applicable multiplied by the total debt reported by each governmental unit.

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

| | Fiscal Year | | | | |
|---|----------------------|----------------------|----------------------|----------------------|------------------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 |
| Borrowing Base Revenues | | | | | |
| Two years prior | \$106,426,544 | \$125,324,948 | \$233,374,047 | \$255,046,694 | \$272,355,249 |
| Prior year | 125,324,948 | 134,955,914 | 255,046,694 | 272,355,249 | 302,994,515 |
| Current year | 134,955,914 | 144,764,478 | 272,355,249 | 302,994,515 | 323,719,025 |
| Total Revenues | <u>\$366,707,406</u> | <u>\$405,045,340</u> | <u>\$760,775,990</u> | <u>\$830,396,458</u> | <u>\$899,068,789</u> |
| Debt Limit For General Obligation Bonds | | | | | |
| Average borrowing base revenues | \$122,235,802 | \$135,015,113 | \$253,591,997 | \$276,798,819 | \$299,689,596 |
| Debt limit percentage | x 300% |
| Debt limit | 366,707,406 | 405,045,339 | 760,775,991 | 830,396,457 | 899,068,788 |
| Total outstanding bonded debt | 92,495,000 | 126,335,000 | 119,960,000 | 118,175,512 | 190,794,912 |
| Legal Debt Margin | <u>\$274,212,406</u> | <u>\$278,710,339</u> | <u>\$640,815,991</u> | <u>\$712,220,945</u> | <u>\$708,273,876</u> |
| Total outstanding bonded debt as a percentage of debt limit | 25.22% | 31.19% | 15.77% | 14.23% | 21.22% |
| Debt Limit For General Obligation Bonds and Lease Rental Debt | | | | | |
| Average borrowing base revenues | \$122,235,802 | \$135,015,113 | \$253,591,997 | \$276,798,819 | \$299,689,596 |
| Debt limit percentage | x 400% |
| Debt limit | 488,943,208 | 540,060,452 | 1,014,367,988 | 1,107,195,276 | 1,198,758,384 |
| Total amount of debt applicable to debt limit | 92,495,000 | 126,335,000 | 119,960,000 | 118,175,512 | 190,794,912 |
| Legal Debt Margin | <u>\$396,448,208</u> | <u>\$413,725,452</u> | <u>\$894,407,988</u> | <u>\$989,019,764</u> | <u>\$1,007,963,472</u> |
| Total amount of debt applicable to debt limit as a percentage of debt limit | 18.92% | 23.39% | 11.83% | 10.67% | 15.92% |

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

| | Fiscal Year | | | | |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 |
| Borrowing Base Revenues | | | | | |
| Two years prior | \$302,994,515 | \$323,719,025 | \$340,911,374 | \$347,460,500 | \$347,077,609 |
| Prior year | 323,719,025 | 340,911,374 | 347,460,500 | 347,077,609 | 334,966,358 |
| Current year | 340,911,374 | 347,460,500 | 347,077,609 | 334,966,358 | 329,674,101 |
| Total Revenues | <u>\$967,624,914</u> | <u>\$1,012,090,899</u> | <u>\$1,035,449,483</u> | <u>\$1,029,504,467</u> | <u>\$1,011,718,068</u> |
| Debt Limit For General Obligation Bonds | | | | | |
| Average borrowing base revenues | \$322,541,638 | \$337,363,633 | \$345,149,828 | \$343,168,156 | \$337,239,356 |
| Debt limit percentage | x 300% |
| Debt limit | <u>967,624,914</u> | <u>1,012,090,899</u> | <u>1,035,449,484</u> | <u>1,029,504,468</u> | <u>1,011,718,068</u> |
| Total outstanding bonded debt | 194,333,895 | 223,117,298 | 241,619,341 | 238,325,000 | 239,775,406 |
| Legal Debt Margin | <u>\$773,291,019</u> | <u>\$788,973,601</u> | <u>\$793,830,143</u> | <u>\$791,179,468</u> | <u>\$771,942,662</u> |
| Total outstanding bonded debt as a percentage of debt limit | 20.08% | 22.05% | 23.33% | 23.15% | 23.70% |
| Debt Limit For General Obligation Bonds and Lease Rental Debt | | | | | |
| Average borrowing base revenues | \$322,541,638 | \$337,363,633 | \$345,149,828 | \$343,168,156 | \$337,239,356 |
| Debt limit percentage | x 400% |
| Debt limit | <u>1,290,166,552</u> | <u>1,349,454,532</u> | <u>1,380,599,312</u> | <u>1,372,672,624</u> | <u>1,348,957,424</u> |
| Total amount of debt applicable to debt limit | 195,117,332 | 223,716,655 | 242,026,979 | 238,532,962 | 239,775,406 |
| Legal Debt Margin | <u>\$1,095,049,220</u> | <u>\$1,125,737,877</u> | <u>\$1,138,572,333</u> | <u>\$1,134,139,662</u> | <u>\$1,109,182,018</u> |
| Total amount of debt applicable to debt limit as a percentage of debt limit | 15.12% | 16.58% | 17.53% | 17.38% | 17.77% |

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 (2)</u> | <u>Local Unemployment Rate (3)</u> |
|--------------------|-------------------|------------------------------|---------------------------------------|-------------------------------------|------------------------------------|
| 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 | 15,008,288 | 36,005 | 67,318 | 4.8% |
| 2009 | 428,937 | 15,281,738 | 35,627 | 67,075 | 9.2% |
| 2010 | 434,972 | 15,856,034 | 36,453 | 66,646 | 7.9% |
| 2011 | 438,017 | 15,987,621 | 36,500 | 65,957 | 7.1% |

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

(2) Aggregated from information provided by each school district in York County

(3) US Bureau of Labor Statistics

COUNTY OF YORK, PENNSYLVANIA

Principal Employers

December 31, 2011

| Employer (1) | Employees | Percentage of Total County Employment |
|-------------------------------|----------------------|---|
| York Hospital | 8,500 | 4.09% |
| Federal Government | 3,444 | 1.66% |
| York County | 2,542 | 1.22% |
| Giant Food Stores LLC | 2,318 | 1.11% |
| Wal-Mart Associates, Inc. | 1,902 | 0.91% |
| BAE Systems | 1,720 | 0.83% |
| UTZ Quality Foods, Inc. | 1,368 | 0.66% |
| Kinsley Construction, Inc. | 1,320 | 0.63% |
| Harley-Davidson Motor Company | 1,200 | 0.58% |
| Hanover General Hospital | <u>771</u> | <u>0.37%</u> |
| Total | <u><u>25,085</u></u> | <u><u>12.07%</u></u> |
| Total Employees in County (2) | 207,900 | |

Note: Information on principal employers for 2002 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 Ten Years**

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| General Fund Departments | | | | | | | | | | |
| Commissioners | 9 | 9 | 10 | 9 | 11 | 8 | 9 | 7 | 6 | 6 |
| Solicitor | 2 | 2 | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 3 |
| Maintenance | 43 | 41 | 41 | 41 | 54 | 44 | 42 | 41 | 41 | 41 |
| Voter Registration | 9 | 9 | 8 | 10 | 10 | 10 | 9 | 8 | 7 | 7 |
| Assessment | 34 | 34 | 36 | 37 | 37 | 37 | 33 | 30 | 28 | 28 |
| Weights & Measures | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 | 1 |
| Treasurer | 8 | 8 | 9 | 10 | 8 | 10 | 10 | 10 | 10 | 9 |
| Payroll | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Controller | 13 | 15 | 14 | 14 | 14 | 15 | 15 | 13 | 13 | 12 |
| Training | - | - | - | - | 2 | 2 | - | - | - | - |
| Recorder of Deeds | 14 | 16 | 16 | 15 | 15 | 14 | 15 | 14 | 12 | 11 |
| Telephone & Mail Room | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Information Services | 21 | 20 | 20 | 19 | 20 | 21 | 20 | 21 | 19 | 19 |
| Print Shop | 1 | 1 | 1 | 1 | 1 | - | - | - | - | - |
| Public Relations | - | - | - | - | - | - | - | - | 1 | 1 |
| Purchasing | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Risk Management | 2 | 3 | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 2 |
| Archives | 5 | 5 | 6 | 6 | 7 | 7 | 7 | 7 | 7 | 7 |
| Conservation District | 14 | 14 | 14 | 14 | 15 | 16 | 16 | 16 | 16 | 15 |
| Human Resources | 9 | 9 | 8 | 7 | 8 | 9 | 10 | 10 | 8 | 10 |
| Center for Highway Safety | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Ag Land Preservation | 2 | 2 | 2 | 2 | 3 | 4 | 4 | 3 | 3 | 3 |
| Juvenile Probation | 134 | 59 | 60 | 66 | 64 | 64 | 63 | 63 | 62 | 61 |
| Adult Probation | - | 78 | 81 | 90 | 83 | 93 | 92 | 92 | 98 | 98 |
| Youth Development Center | 46 | 52 | 51 | 51 | 44 | 54 | 64 | 50 | 41 | 37 |
| Facilities Management | - | - | - | 4 | 4 | 4 | 3 | 2 | 2 | 2 |
| Prison | 390 | 386 | 391 | 390 | 394 | 411 | 439 | 472 | 469 | 489 |
| Register of Wills | 10 | 9 | 10 | 10 | 10 | 9 | 10 | 9 | 9 | 9 |
| Sheriff | 78 | 83 | 91 | 95 | 106 | 104 | 106 | 105 | 104 | 104 |
| Coroner | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Prothonotary | 23 | 25 | 23 | 24 | 26 | 26 | 28 | 27 | 28 | 28 |
| Clerk of Courts | 27 | 25 | 30 | 35 | 42 | 44 | 43 | 39 | 41 | 39 |
| Public Defender | 22 | 22 | 25 | 27 | 32 | 31 | 31 | 32 | 32 | 33 |
| District Attorney | 66 | 67 | 70 | 73 | 79 | 79 | 76 | 72 | 75 | 78 |
| Criminal Response Unit | - | - | - | - | - | - | 6 | 13 | 14 | 14 |
| Court Administration | 85 | 90 | 100 | 105 | 114 | 115 | 115 | 98 | 101 | 94 |
| District Magistrates | 83 | 82 | 85 | 88 | 89 | 89 | 88 | 94 | 88 | 91 |
| Emergency Services | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Divorce Masters | 5 | 5 | 5 | 5 | 4 | 4 | 4 | 4 | 4 | 4 |
| Emergency Management | 4 | 6 | 7 | 7 | 7 | 7 | 7 | 7 | 6 | 6 |
| Veterans | 4 | 4 | 4 | 5 | 5 | 5 | 6 | 6 | 6 | 6 |
| Parks | 59 | 42 | 35 | 46 | 54 | 51 | 48 | 46 | 48 | 49 |
| Fleet Management | - | - | - | - | 4 | 4 | 4 | 4 | 4 | 4 |
| Penn State Cooperative | 9 | 11 | 11 | 10 | 11 | 12 | 12 | 10 | 10 | 10 |
| Total General Fund Departments | 1,250 | 1,254 | 1,289 | 1,342 | 1,403 | 1,429 | 1,461 | 1,450 | 1,438 | 1,450 |
| Non General Fund Departments | | | | | | | | | | |
| Human Services | 7 | 7 | 7 | 6 | 10 | 11 | 11 | 10 | 10 | 13 |
| Drug & Alcohol | 13 | 12 | 11 | 12 | 13 | 12 | 12 | 9 | 11 | 12 |
| MH/MR | 106 | 115 | 118 | 116 | 123 | 130 | 134 | 131 | 134 | 131 |
| Community Service | 5 | 3 | 4 | 3 | - | - | - | - | - | - |
| HealthChoices | 4 | 4 | 5 | 5 | 4 | 6 | 7 | 6 | 7 | 7 |
| Children & Youth | 134 | 139 | 142 | 135 | 137 | 138 | 132 | 130 | 136 | 141 |
| Nursing Home | 505 | 525 | 502 | 515 | 506 | 516 | 530 | 520 | 527 | 524 |
| 911 | 75 | 77 | 81 | 104 | 94 | 103 | 115 | 115 | 125 | 131 |
| Domestic Relations | 82 | 79 | 78 | 77 | 75 | 79 | 74 | 69 | 68 | 64 |
| Aging | 58 | 62 | 63 | 60 | 60 | 60 | 63 | 63 | 68 | 69 |
| Total Non General Fund Departments | 989 | 1,023 | 1,011 | 1,033 | 1,022 | 1,055 | 1,078 | 1,053 | 1,086 | 1,092 |
| Total | 2,239 | 2,277 | 2,300 | 2,375 | 2,425 | 2,484 | 2,539 | 2,503 | 2,524 | 2,542 |

Source: York County Payroll System

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function

Last Ten Years

| Function | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| General Government | | | | | | | | | | |
| Fiscal Affairs | | | | | | | | | | |
| Deeds recorded | 9,673 | 10,201 | 10,694 | 11,577 | 14,182 | 16,018 | 17,021 | 16,577 | 15,976 | 14,777 |
| Mortgages recorded | 17,725 | 19,344 | 24,034 | 24,657 | 32,217 | 38,079 | 39,064 | 39,140 | 48,187 | 37,314 |
| Land Development Plans | 164 | 236 | 278 | 380 | 453 | 559 | 567 | 536 | 563 | 545 |
| Dwelling Units Planned | 618 | 714 | 1,195 | 858 | 1,788 | 3,273 | 4,898 | 3,948 | 5,112 | 2,940 |
| New Construction Permits | 665 | 891 | 1,083 | 1,375 | 1,899 | 2,679 | 3,064 | 2,688 | 2,931 | 2,761 |
| Administration | | | | | | | | | | |
| General election information | | | | | | | | | | |
| Registered voters | 269,020 | 268,107 | 264,161 | 299,412 | 278,994 | 275,251 | 266,880 | 264,134 | 240,218 | 231,954 |
| Votes cast | 39,165 | 132,341 | 50,337 | 197,132 | 58,910 | 128,119 | 56,042 | 181,678 | 59,976 | 101,349 |
| Percent of votes cast | 14.6% | 49.4% | 19.1% | 65.8% | 21.1% | 46.5% | 21.0% | 68.8% | 25.0% | 43.7% |
| Coroner | | | | | | | | | | |
| Cases | 490 | 471 | 477 | 449 | 443 | 437 | 432 | 490 | 447 | 484 |
| Autopsies | 61 | 52 | 90 | 81 | 90 | 76 | 74 | 66 | 63 | 64 |
| Court System and Corrections | | | | | | | | | | |
| Court Administration | | | | | | | | | | |
| Estates & wills probated | 2,113 | 1,903 | 1,945 | 1,892 | 1,773 | 1,403 | 1,383 | 1,418 | 1,292 | 1,413 |
| Petition for Adoption | 108 | 128 | 144 | 165 | 145 | 140 | 172 | 165 | 156 | 183 |
| Petition for termination or relinquishment | 88 | 120 | 142 | 213 | 203 | 206 | 200 | 172 | 186 | 237 |
| Marriage applications | 2,309 | 2,186 | 2,170 | 2,352 | 2,240 | 2,406 | 2,371 | 2,350 | 2,189 | 2,352 |
| Civil cases filed | 5,089 | 6,876 | 6,635 | 6,373 | 4,776 | 4,419 | 2,890 | 3,894 | 5,790 | 6,246 |
| Family cases filed | 2,292 | 2,363 | 2,281 | 2,283 | 2,526 | 2,333 | 2,385 | 3,306 | 386 | n/a |
| Municipal tax cases filed | 9,593 | 8,827 | 1,545 | 1,300 | 1,039 | 1,118 | 1,240 | 1,024 | 1,048 | 1,193 |
| Judgments filed | 8,335 | 7,712 | 7,725 | 7,039 | 4,810 | 5,203 | 4,394 | 4,075 | 3,754 | 3,911 |
| Administrative cases | 40 | 41 | 35 | 28 | 23 | 35 | 40 | 2 | n/a | n/a |
| Criminal cases | 7,974 | 7,630 | 7,762 | 8,153 | 8,058 | 7,874 | 6,997 | 5,709 | 5,614 | 5,887 |
| Juvenile cases | 947 | 1,044 | 967 | 1,241 | 1,169 | 1,138 | 1,207 | 1,123 | 1,006 | 1,045 |
| Miscellaneous cases | 3,247 | 2,970 | 2,883 | 2,624 | 2,605 | 2,319 | 1,909 | 1,586 | 1,578 | 1,799 |
| Summary appeals | 521 | 651 | 596 | 550 | 548 | 473 | 472 | 428 | 411 | 464 |
| Domestic relations active cases | 14,465 | 14,345 | 14,495 | 15,363 | 16,077 | 16,699 | 17,084 | 17,035 | 17,125 | 17,015 |
| Firearm permits issued | 6,375 | 5,388 | 6,181 | 5,605 | 7,908 | 3,879 | 3,556 | 3,743 | 4,350 | 8,338 |
| Probation | | | | | | | | | | |
| Adult caseload | 10,189 | 10,135 | 9,306 | 9,104 | 8,805 | 7,401 | 7,235 | 6,616 | 6,264 | 5,732 |
| Juvenile referrals | 1,637 | 1,925 | 2,003 | 2,264 | 2,389 | 2,148 | 2,198 | 2,378 | 2,426 | 2,287 |
| Corrections | | | | | | | | | | |
| Average daily population | 2,378 | 2,316 | 2,256 | 2,253 | 2,134 | 2,036 | 1,833 | 1,831 | 1,778 | 1,916 |
| Annual admissions | 22,020 | 23,748 | 23,415 | 24,831 | 19,129 | 13,535 | 11,777 | 11,802 | 12,078 | 11,834 |
| Pleasant Acres | | | | | | | | | | |
| Nursing home beds | 375 | 365 | 355 | 375 | 375 | 375 | 375 | 375 | 375 | 375 |
| Independent living beds | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 |
| Available bed days | 136,875 | 133,225 | 129,575 | 137,250 | 136,875 | 136,875 | 136,875 | 137,250 | 136,875 | 136,875 |
| Actual resident days | 130,535 | 129,519 | 126,395 | 130,203 | 130,782 | 136,875 | 132,825 | 132,393 | 130,752 | 123,788 |
| Percent occupancy | 95.4% | 97.2% | 97.5% | 94.9% | 95.5% | 100.0% | 97.0% | 96.5% | 95.5% | 90.4% |

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function (Continued)

Last Ten Years

| Function | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Human Services | | | | | | | | | | |
| Adult Services | | | | | | | | | | |
| Housing | - | - | - | 529 | 542 | 617 | 900 | 413 | 533 | 175 |
| Emergency shelter | 603 | 567 | 655 | 610 | 801 | 420 | 511 | 250 | 865 | 696 |
| Information/referral | 36,084 | 33,969 | 32,842 | 40,199 | 38,194 | 35,945 | 35,018 | 31,936 | 32,191 | 27,291 |
| Adult/Children Services | | | | | | | | | | |
| Bridge housing | 122 | 114 | 105 | 135 | 137 | 150 | 158 | 129 | 115 | 111 |
| Rental assistance | 1,967 | 3,747 | 4,096 | 4,050 | 5,098 | 5,875 | 4,863 | 4,107 | 3,277 | 3,150 |
| Emergency shelter | 695 | 590 | 800 | 576 | 696 | 617 | 480 | 521 | 777 | 726 |
| Individual shelter nights | 13,392 | 11,470 | 12,568 | 10,754 | 10,630 | 10,706 | 10,223 | 8,606 | 2,462 | 11,650 |
| Medical transportation | 2,033 | 1,627 | 1,624 | 1,940 | 1,482 | 1,141 | 805 | 517 | 596 | 477 |
| Area Agency on Aging | | | | | | | | | | |
| Home delivered meals | | | | | | | | | | |
| Meals served | 113,503 | 102,508 | 123,816 | 145,811 | 136,420 | 143,568 | 136,980 | 134,407 | 129,154 | 125,168 |
| Persons served | 727 | 681 | 755 | 1,052 | 991 | 1,011 | 1,113 | 1,029 | 1,033 | 1,008 |
| Congregate meals | | | | | | | | | | |
| Meals served | 149,672 | 106,314 | 81,188 | 78,565 | 83,966 | 89,479 | 84,543 | 78,968 | 79,166 | 88,440 |
| Persons served | 3,307 | 2,748 | 1,829 | 1,751 | 1,846 | 1,846 | 1,667 | 1,757 | 1,712 | 1,744 |
| Transportation | | | | | | | | | | |
| Trips | 76,117 | 81,256 | 94,248 | 110,764 | 104,884 | 108,600 | 104,718 | 101,136 | 105,867 | 117,152 |
| Persons served | n/a | n/a | n/a | n/a | n/a | 4,310 | 4,498 | 3,645 | 3,235 | 3,007 |
| Children & Youth Services | | | | | | | | | | |
| Children served | 8,601 | 7,871 | 7,810 | 8,483 | 8,622 | 8,619 | 8,277 | 8,219 | 8,605 | 9,798 |
| Placement days | 176,605 | 178,998 | 238,011 | 272,312 | 282,924 | 249,118 | 249,736 | 253,595 | 239,379 | 235,628 |
| Child abuse reports | 1,146 | 1,113 | 1,093 | 1,098 | 996 | 982 | 904 | 775 | 808 | 858 |
| Mental Health | | | | | | | | | | |
| Emergency/Crisis | | | | | | | | | | |
| intervention hours | 22,674 | 23,679 | 25,144 | 24,710 | 20,754 | 20,210 | 19,223 | 19,252 | 22,364 | 21,793 |
| Community treatment team hrs | 2,001 | 2,259 | 4,393 | 4,393 | n/a | n/a | n/a | n/a | n/a | n/a |
| Community residential days | 29,950 | 29,235 | 25,672 | 27,364 | 27,859 | 19,824 | 20,432 | 19,073 | 17,720 | 20,796 |
| Community employment hours | 1,218 | 10,674 | 8,126 | 9,152 | 10,575 | 8,165 | 6,119 | 6,327 | 6,229 | 8,812 |
| Community vocational rehab hours | 78,006 | 60,111 | 58,797 | 56,100 | 56,804 | 54,938 | 58,077 | 59,025 | 60,665 | 57,897 |
| Service case management hours | 55,308 | 59,719 | 58,071 | 54,696 | 51,406 | 51,959 | 47,494 | 47,056 | 43,511 | 35,679 |
| Day treatment hours | 5,492 | 2,779 | 4,462 | 4,906 | 4,559 | 2,289 | 4,450 | 4,981 | 2,800 | 5,684 |
| Psychiatric outpatient hours | 35,012 | 33,698 | 36,786 | 37,322 | 36,041 | 34,733 | 29,483 | 23,494 | 30,969 | 33,013 |
| Social rehab hours | 55,633 | 60,466 | 56,870 | 58,861 | 54,830 | 55,991 | 52,902 | 46,144 | 35,772 | 40,510 |
| Family based support hours | 8,818 | 7,448 | 11,388 | 9,744 | 7,480 | 5,525 | 4,977 | 5,575 | 5,306 | 5,483 |
| Housing support days | 17,151 | 17,029 | 18,044 | 18,135 | 21,047 | 17,145 | 14,168 | 16,878 | 11,921 | 10,860 |
| Psychiatric inpatient days | 297 | 223 | 161 | 109 | 234 | 293 | 98 | 363 | 65 | 200 |
| Mental Retardation | | | | | | | | | | |
| Community hab (ADT) hours | 290,701 | 249,633 | 117,596 | 87,742 | 76,749 | 113,169 | 83,871 | 142,957 | 140,154 | 134,292 |
| Vocational rehabilitation hours | 420,703 | 477,567 | 250,802 | 197,655 | 195,359 | 294,772 | 213,771 | 202,109 | 190,446 | 198,746 |
| Supported employment hours | 4,059 | 10,861 | 7,795 | 7,957 | 7,923 | 14,774 | 14,514 | 17,528 | 20,541 | 19,862 |
| Home & community hab hours | 633,952 | 561,968 | 327,312 | 278,730 | 252,436 | 184,155 | 178,064 | n/a | n/a | n/a |
| Respite service hours | 64,439 | 51,145 | 60,588 | 52,201 | 61,187 | n/a | n/a | n/a | n/a | n/a |
| Specialized treatment hours | 2,835 | 15 | 23,744 | 23,602 | 18,919 | n/a | n/a | n/a | n/a | n/a |
| Transportation | 11,434 | 7,936 | 7,773 | 7,437 | 7,414 | 7,198 | 6,999 | 6,952 | 6,829 | 6,504 |
| Early intervention clients | 1,420 | 1,405 | 1,348 | 1,322 | 1,324 | 1,360 | 1,246 | 1,135 | 1,044 | 951 |
| Family support clients | 271 | 314 | 228 | 238 | 292 | 611 | 582 | 571 | 543 | 542 |
| Residential clients | 416 | 409 | 632 | 618 | 627 | 609 | 591 | 579 | 569 | 553 |
| Drug & Alcohol | | | | | | | | | | |
| Intake evaluations | 4,549 | 6,681 | 2,180 | 2,258 | 1,507 | 1,494 | 1,297 | 1,459 | 806 | 779 |
| Inpatient treatment clients | 615 | 160 | 242 | 535 | 902 | 393 | 459 | 328 | 1,537 | 406 |
| Detoxification days | 2,279 | 2,151 | 2,346 | 1,864 | 1,904 | 835 | 1,343 | 515 | 1,537 | 1,207 |
| Methadone visits | 4,207 | 447 | 734 | 553 | 651 | 574 | 512 | 837 | 737 | 605 |
| Outpatient hours | 21,236 | 33,460 | 24,860 | 21,908 | 19,689 | 3,723 | 9,862 | 16,224 | 7,005 | 7,534 |

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function (Continued)

Last Ten Years

| Function | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|---------|-----------|---------|---------|---------|
| Human Services (continued) | | | | | | | | | | |
| York HealthChoices | | | | | | | | | | |
| Ancillary | | | | | | | | | | |
| Members | 297 | 370 | 181 | 68 | 88 | 83 | 72 | 1,530 | 53 | 18 |
| Units | 2,141 | 2,636 | 1,113 | 386 | 477 | 512 | 586 | 3,282 | 274 | 206 |
| BHRS | | | | | | | | | | |
| Members | 1,881 | 1,697 | 1,637 | 1,401 | 1,320 | 1,223 | 1,088 | 948 | 851 | 795 |
| Units | 1,431,605 | 1,352,969 | 1,264,062 | 1,112,149 | 1,083,439 | 990,092 | 1,029,126 | 913,124 | 591,111 | 500,838 |
| Community supports | | | | | | | | | | |
| Members | 1,963 | 2,052 | 1,864 | 1,465 | 1,440 | 1,577 | 1,340 | 1,040 | 883 | 646 |
| Units | 267,819 | 263,560 | 260,020 | 247,277 | 263,603 | 245,345 | 227,703 | 198,918 | 132,422 | 50,632 |
| Inpatient drug & alcohol | | | | | | | | | | |
| Members | 14 | 10 | 14 | 14 | 18 | 17 | 14 | 12 | 13 | 23 |
| Units | 130 | 100 | 145 | 166 | 213 | 143 | 122 | 77 | 56 | 159 |
| Inpatient mental health | | | | | | | | | | |
| Members | 836 | 860 | 845 | 699 | 717 | 724 | 565 | 531 | 526 | 392 |
| Units | 10,397 | 12,149 | 11,494 | 9,778 | 10,070 | 10,321 | 8,294 | 7,792 | 6,353 | 4,475 |
| Non-hospital drug & alcohol | | | | | | | | | | |
| Members | 778 | 743 | 668 | 460 | 385 | 343 | 274 | 213 | 199 | 130 |
| Units | 29,455 | 31,449 | 24,575 | 17,066 | 15,056 | 10,740 | 7,721 | 6,129 | 5,901 | 2,946 |
| Other services | | | | | | | | | | |
| Members | 749 | 639 | 497 | 329 | 194 | 227 | 106 | 164 | 20 | 15 |
| Units | 149,615 | 132,878 | 130,269 | 90,553 | 56,322 | 44,401 | 6,446 | 4,723 | 1,198 | 1,408 |
| Outpatient drug & alcohol | | | | | | | | | | |
| Members | 1,168 | 1,260 | 1,250 | 1,093 | 711 | 732 | 593 | 522 | 401 | 246 |
| Units | 33,501 | 32,896 | 30,287 | 17,427 | 11,110 | 16,996 | 11,708 | 7,497 | 5,197 | 3,192 |
| Outpatient mental health | | | | | | | | | | |
| Members | 9,934 | 9,583 | 9,056 | 7,997 | 7,000 | 6,415 | 5,536 | 4,540 | 4,391 | 3,406 |
| Units | 219,743 | 236,030 | 244,809 | 212,434 | 202,660 | 169,647 | 148,066 | 128,667 | 152,028 | 96,771 |
| RTF accredited | | | | | | | | | | |
| Members | 107 | 103 | 134 | 180 | 215 | 188 | 169 | 122 | 86 | 83 |
| Units | 19,383 | 17,581 | 24,097 | 33,036 | 38,418 | 169,647 | 148,066 | 128,667 | 152,028 | 96,771 |
| RTF non-accredited | | | | | | | | | | |
| Members | 14 | 19 | 21 | 20 | 18 | 19 | 23 | 27 | 9 | 8 |
| Units | 29,008 | 3,182 | 3,737 | 3,734 | 2,726 | 2,191 | 2,535 | 3,433 | 1,358 | 805 |

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function (Continued)

Last Ten Years

| Function | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Human Services (continued) | | | | | | | | | | |
| Adams HealthChoices | | | | | | | | | | |
| Ancillary | | | | | | | | | | |
| Members | 71 | 85 | 34 | 5 | 8 | 7 | 1 | 220 | 4 | n/a |
| Units | 799 | 1,140 | 154 | 28 | 50 | 34 | 4 | 475 | 20 | n/a |
| BHRS | | | | | | | | | | |
| Members | 442 | 403 | 371 | 311 | 270 | 250 | 223 | 204 | 208 | 173 |
| Units | 387,364 | 361,269 | 374,450 | 278,591 | 243,382 | 211,977 | 221,953 | 264,246 | 164,081 | 133,406 |
| Community supports | | | | | | | | | | |
| Members | 296 | 359 | 343 | 238 | 249 | 248 | 208 | 146 | 175 | 95 |
| Units | 51,994 | 49,943 | 49,714 | 45,500 | 53,551 | 51,063 | 32,626 | 19,863 | 15,230 | 8,881 |
| Inpatient drug & alcohol | | | | | | | | | | |
| Members | 1 | 1 | 2 | 1 | 4 | 1 | 2 | 1 | 1 | 3 |
| Units | 2 | 20 | 18 | 8 | 80 | 13 | 12 | 7 | 3 | 37 |
| Inpatient mental health | | | | | | | | | | |
| Members | 108 | 130 | 125 | 89 | 77 | 90 | 80 | 91 | 85 | 50 |
| Units | 1,350 | 2,074 | 1,910 | 1,872 | 1,197 | 1,654 | 1,310 | 1,366 | 1,197 | 636 |
| Non-hospital drug & alcohol | | | | | | | | | | |
| Members | 109 | 111 | 99 | 61 | 57 | 56 | 29 | 30 | 22 | 16 |
| Units | 4,193 | 5,236 | 4,468 | 2,541 | 2,217 | 1,505 | 882 | 796 | 558 | 277 |
| Other services | | | | | | | | | | |
| Members | 141 | 149 | 108 | 46 | 50 | 54 | 44 | 44 | 5 | 5 |
| Units | 10,016 | 10,609 | 5,017 | 3,384 | 3,633 | 4,420 | 2,572 | 3,084 | 606 | 395 |
| Outpatient drug & alcohol | | | | | | | | | | |
| Members | 203 | 208 | 201 | 162 | 160 | 167 | 104 | 95 | 91 | 55 |
| Units | 4,034 | 4,717 | 2,899 | 2,111 | 2,527 | 3,884 | 2,497 | 1,665 | 1,495 | 1,112 |
| Outpatient mental health | | | | | | | | | | |
| Members | 1,512 | 1,452 | 1,396 | 1,141 | 993 | 937 | 896 | 756 | 717 | 539 |
| Units | 32,713 | 38,407 | 30,483 | 26,645 | 16,998 | 22,200 | 20,933 | 16,517 | 19,548 | 11,815 |
| RTF accredited | | | | | | | | | | |
| Members | 27 | 39 | 41 | 46 | 49 | 50 | 38 | 31 | 31 | 22 |
| Units | 3,602 | 6,060 | 7,884 | 8,917 | 7,968 | 8,826 | 5,643 | 4,829 | 4,790 | 2,352 |
| RTF non-accredited | | | | | | | | | | |
| Members | 5 | 3 | 1 | 5 | 5 | 1 | 0 | 4 | 2 | 2 |
| Units | 935 | 289 | 128 | 683 | 772 | 52 | 0 | 381 | 62 | 148 |

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

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

| Function | Fiscal Year | | | | | | | | | |
|-------------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Governmental Fund | | | | | | | | | | |
| <u>Corrections</u> | | | | | | | | | | |
| Motor Vehicles | | | | | | | | | | |
| Juvenile Probation | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 5 | 5 | 5 |
| Adult Probation | 4 | 4 | 4 | 4 | 5 | 5 | 5 | 4 | 4 | 3 |
| Youth Development Center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 3 |
| Prison | 12 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 15 |
| Buildings | 2 | 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 | 24 |
| Number of Parks | 8 | 8 | 9 | 9 | 9 | 10 | 10 | 10 | 10 | 10 |
| Parks Acreage | 3,991 | 3,991 | 4,070 | 4,070 | 4,070 | 4,261 | 4,261 | 4,261 | 4,261 | 4,261 |
| Buildings | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 7 | 7 | 7 |
| <u>General Government</u> | | | | | | | | | | |
| Motor Vehicles | | | | | | | | | | |
| Conservation District | 8 | 8 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Coroner | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 |
| Fleet Management | 0 | 0 | 0 | 5 | 6 | 5 | 6 | 6 | 6 | 9 |
| Highway Safety | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Human Resources | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 0 |
| Maintenance | 3 | 3 | 3 | 4 | 4 | 5 | 5 | 5 | 5 | 5 |
| Penn State Coop Extension | 1 | 1 | 1 | 2 | 2 | 4 | 5 | 5 | 5 | 5 |
| Weights and Measures | 0 | 0 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Buildings | 4 | 4 | 5 | 5 | 4 | 4 | 4 | 4 | 4 | 4 |
| <u>Health Education and Welfare</u> | | | | | | | | | | |
| Motor Vehicles | | | | | | | | | | |
| Aging | 1 | 1 | 2 | 2 | 2 | 5 | 4 | 4 | 4 | 5 |
| Children & Youth | 8 | 11 | 13 | 15 | 13 | 13 | 13 | 13 | 13 | 14 |
| MH/MR | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Veterans Affairs | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 0 |
| Buildings | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 |
| <u>Judicial</u> | | | | | | | | | | |
| Motor Vehicles | | | | | | | | | | |
| District Attorney | 7 | 8 | 8 | 9 | 10 | 12 | 12 | 12 | 12 | 11 |
| Sheriff | 11 | 18 | 22 | 25 | 28 | 29 | 32 | 31 | 31 | 34 |
| Buildings | 1 | 1 | 1 | 1 | 2 | 4 | 7 | 7 | 10 | 10 |
| <u>Public Safety</u> | | | | | | | | | | |
| Motor Vehicles | | | | | | | | | | |
| Emergency Management | 3 | 3 | 4 | 4 | 6 | 5 | 4 | 4 | 4 | 4 |
| Emergency Services | 0 | 0 | 1 | 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 | 5 |
| Business Funds | | | | | | | | | | |
| <u>County Nursing Home</u> | | | | | | | | | | |
| Motor Vehicles | 8 | 10 | 10 | 10 | 11 | 10 | 9 | 9 | 9 | 8 |
| Buildings | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| <u>911 Fund</u> | | | | | | | | | | |
| Motor Vehicles | 3 | 3 | 3 | 3 | 4 | 7 | 7 | 7 | 7 | 7 |
| Buildings | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |

Source: York County Fixed Asset System

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