

COUNTY OF YORK, PENNSYLVANIA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE YEAR ENDED DECEMBER 31, 2009

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# Office of County Controller

**Robert P. Green**  
Controller

**Deborah K. Myers**  
Deputy Controller



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

## County of York, Pennsylvania

June 24, 2010

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, 2009, is submitted herewith. This CAFR was prepared by the County Controller's Office. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data as presented is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and changes in financial position of the County as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain a clear understanding of the County's financial affairs have been included.

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

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

## ***Profile of the Government***

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

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

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

## ***Local Economy***

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

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

As the National economy has fallen into decline, jobs have become scarce and company layoffs have increased. As a result to the negative economy, York County's unemployment rate has increased. In the falling economy the County's unemployment rate as of December 2009 was 9.2%, an increase of 4.5% from December 2008's unemployment rate of 4.7%. The Commonwealth of Pennsylvania and National unemployment rates for December 2009 were 8.1% and 9.3%, respectively. York County was 1.1% higher than the State, but .01% lower than the National rate.

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

### ***Long-term Financial Planning***

Unreserved, undesignated fund balance in the general fund was 2.0% of total general fund revenues at December 31, 2009. The County does not have formal policy guideline for budgetary and planning purposes. However, the County informally budgets to approximate breakeven revenues and expenses on an annual basis and to retain a consistent amount of unreserved, undesignated fund balance from year to year. The County is not currently planning any significant increases in operations or major projects, other than those already in progress.

### ***Relevant Financial Policies***

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

### ***Major Initiatives***

#### **County Human Service Center**

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

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

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

### **York County Department of Emergency Services Center Project**

The Board of Commissioners of York County approved a comprehensive upgrade of the county-wide 9-1-1 communications system, known as the Emergency Services Center Project, in 2003 that included upgrading and/or replacement of the following: radio and emergency service provider alerting infrastructure, subscriber equipment (two-way radios and pagers) installation of a Computer Assisted Dispatch (CAD) system, and a new consolidated 9-1-1 and Emergency Management (OEM) facility. It is estimated that this project will create a public safety grade 9-1-1 Communications System and a combined Emergency Management and 9-1-1 facility that will serve the County's needs for the next 20 years.

York County Department of Emergency Services (YCDES) implemented the new (CAD) system in October 2006. The CAD system allows dispatchers to process and dispatch calls for services to local emergency service providers more efficiently and effectively. The new telephone system was also implemented in 2006 as well.

The new Emergency Services Center (ESC) was completed and occupied in December of 2007 that allowed for the consolidation of both county-wide 9-1-1 and Emergency Management services as well as for a combined Emergency Operations Center (EOC) to support all of the county's emergency services providers. In addition, all work associated with the initially designed 22 new transmission (tower) sites development, improvements, upgrades and replacements has been completed. This work will greatly improve overall two-way radio reception, public safety provider alerting (paging) and radio interoperability with adjacent counties. Work is continuing with the development of two additional transmission sites in the southwestern area of the county that was approved by the Board of Commissioners in late 2009. These additional sites will serve to improve upon both two-way radio and alerting/paging for our public safety end users in this specific area of the county. In early summer of 2009 the county's new long-term back-up facility was also completed and will serve as an alternate operations center should the need arise. York County has one of very few fully redundant and fully functional Long Term Backup Facilities in the entire country.

With the exception of the decommissioning process of the former 9-1-1 communications system, it is expected that the project will be completed in the 4<sup>th</sup> quarter of 2010 and is expected to come in several million dollars under the originally proposed cost estimates of \$70 million that was funded through a general obligation bond issuance.

### **Energy Efficiency**

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

The County's 2009 budget projects the maintenance cost of all facilities to be just under \$8.8 million with some buildings dating back to the 1940's and currently utilizing natural gas and electric. There are 209 county owned vehicles, with an average of 16mpg per vehicle. The cost associated to maintain continuity of service continues to escalate, putting an increased burden on the taxpayers.

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

### ***Awards and Acknowledgements***

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of York for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2008. This is the eighteenth 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 nineteenth time York County has prepared such a report and demonstrates a commitment to continue the excellence in financial reporting previously recognized. It could not be completed in such a comprehensive manner, nor on a timely basis, without the input and support from a number of people whom I wish to acknowledge and express my thanks and appreciation to now: Felicia Dell, Director of the York County Planning Commission; John Fedor, Director/Chief Assessor of the York County Assessment Office; the York County school districts and local municipalities and especially to Deborah Myers, Deputy Controller, and all the employees on my staff who have contributed on a daily basis to making this report possible.

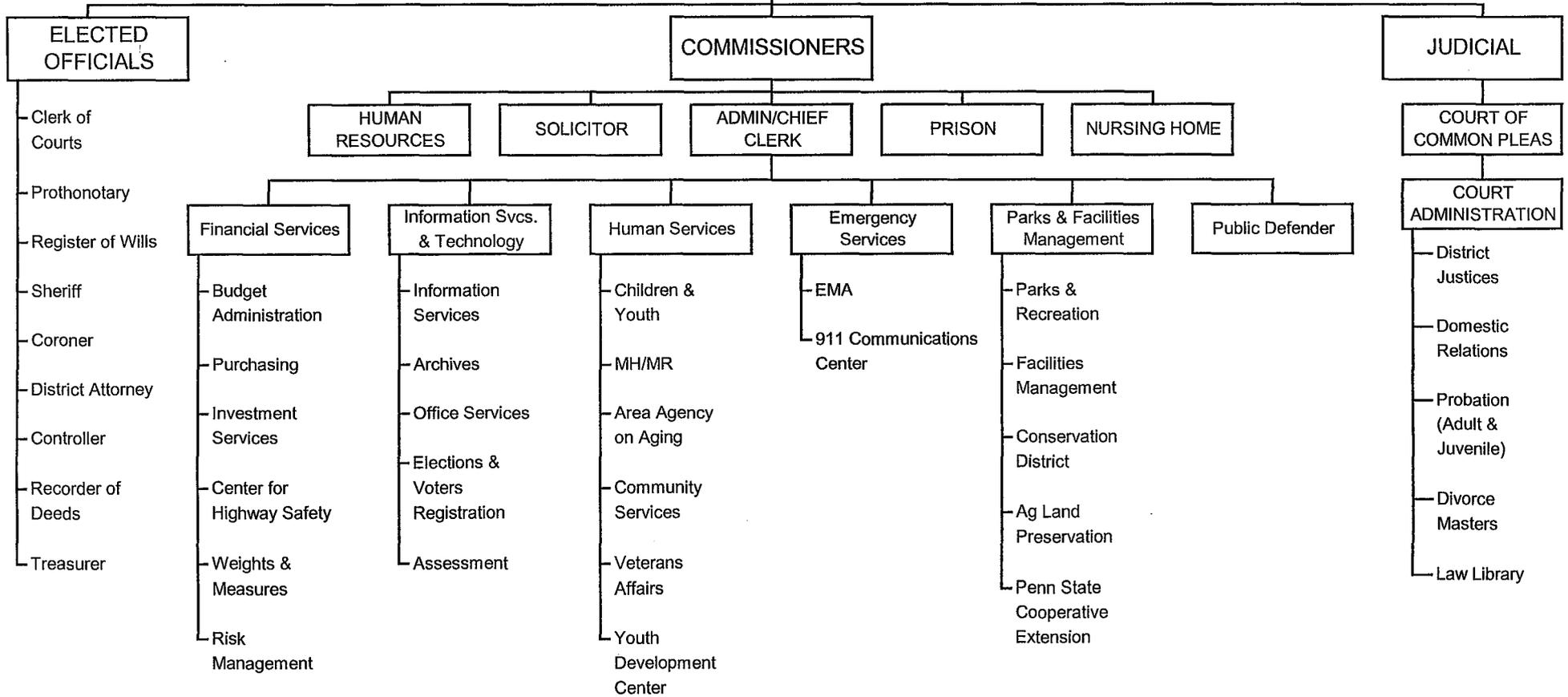
Sincerely,

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

**Robert P. Green**  
**Controller**

# YORK COUNTY GOVERNMENT

VOTERS



# YORK COUNTY OFFICIALS

December 31, 2009

## JUDICIARY COURT OF COMMON PLEAS

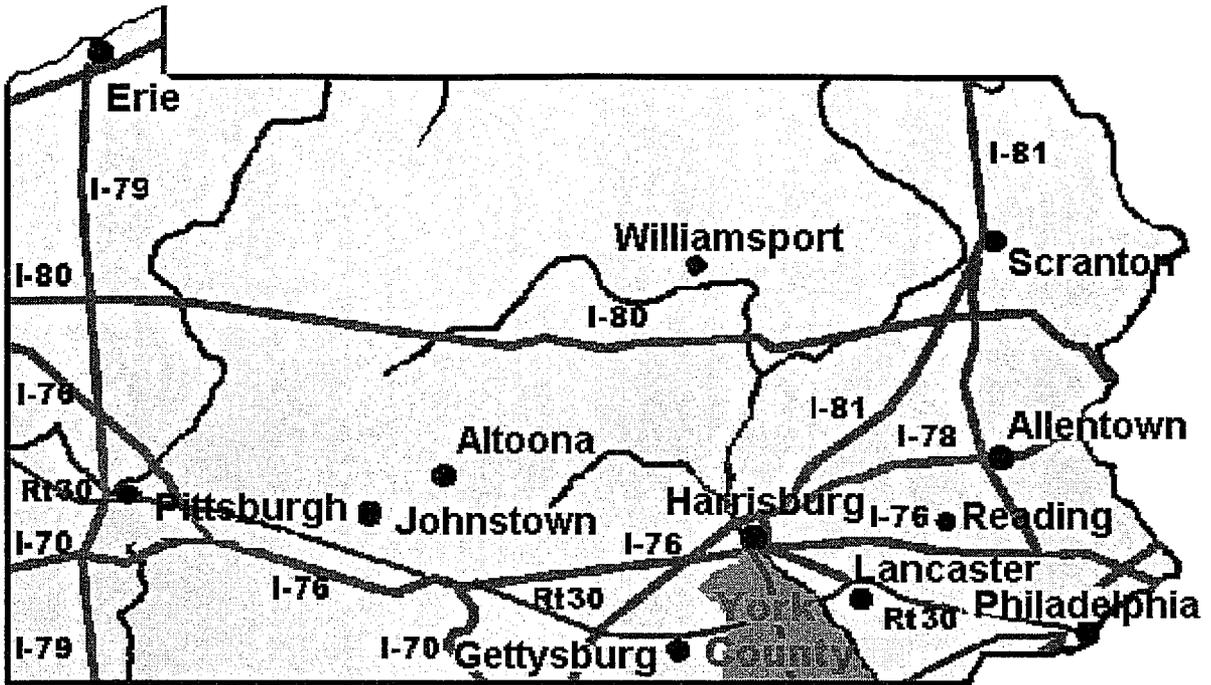
PRESIDENT JUDGE  
JUDGE

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

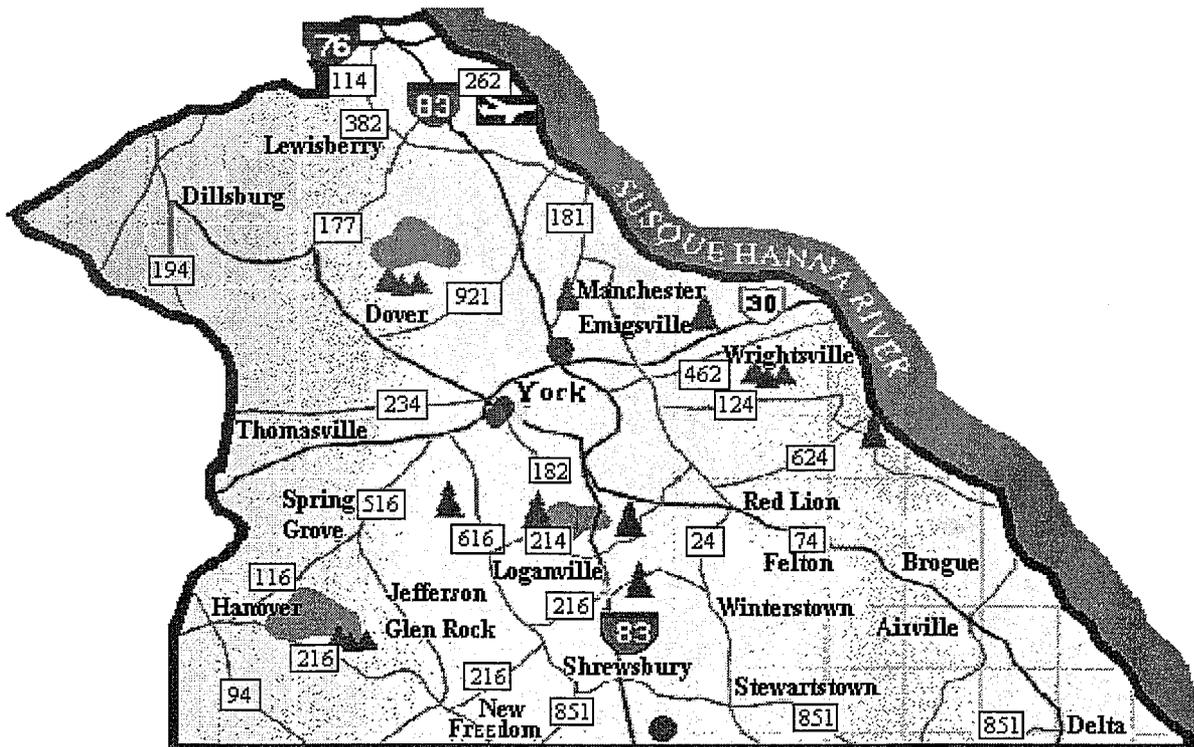
## ELECTED COUNTY OFFICIALS

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

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



COMMONWEALTH OF PENNSYLVANIA



YORK COUNTY

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of York  
Pennsylvania

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2008

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



A stylized handwritten signature in black ink, appearing to be "J.R. Emer".

President

A handwritten signature in black ink, appearing to be "Jeffrey R. Emer".

Executive Director

# Zelenkofske Axelrod LLC

## INDEPENDENT AUDITORS' REPORT

County Commissioners  
County of York  
York, Pennsylvania

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the COUNTY OF YORK, as of and for the year ended December 31, 2009, which collectively comprise the COUNTY OF YORK's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the COUNTY OF YORK's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the discretely presented component units' financial statements for the York County Solid Waste and Refuse Authority, the York County Industrial Development Authority, and the York County Planning Commission, which represent 98.7%, 98.6%, and 90.3% of the assets, net assets, and revenues, respectively, of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for those aggregate discretely presented component units, is based solely upon the reports of the other auditors.

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

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the COUNTY OF YORK, as of December 31, 2009, 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.

<u>Harrisburg</u>	<u>Lehigh Valley</u>	<u>Philadelphia</u>	<u>Pittsburgh</u>
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 2009 the COUNTY OF YORK adopted the provisions of Governmental Accounting Standards Board's Statement No. 52, "*Land and Other Real Estate Held as Investments by Endowments.*"

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2010 on our consideration of the COUNTY OF YORK's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, schedule of employer contributions and funding progress, schedule of funding progress for postemployment benefits other than pensions and budgetary comparison information on pages 15 through 27; 122; 123; and 124 through 128 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

# Zelenkofske Axelrod LLC

County Commissioners  
County of York  
York, Pennsylvania

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

*Zelenkofske Axelrod LLC*

ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania  
June 24, 2010

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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, 2009. 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, 2009.

### Financial Highlights

- The County had \$189,829,219 of governmental activities general obligation debt outstanding as of December 31, 2009. This represents an increase of \$17,248,625 or 10.0% from the previous year. The increase pertains to a few bond issuances/refundings that were offset by additional Series 2006 General Obligation Bond proceeds that were transferred from the governmental activities to the business-type activities. As a result of the transfer, the business-type activities debt increased by \$1,253,418 or 2.5% from the previous year. As of December 31, 2009, the business-type activities general obligation debt outstanding was \$51,790,122.
- The assets of the County's governmental activities exceeded its liabilities as of December 31, 2009 by \$64,242,725 (net assets). Of this amount, there was a deficit of unrestricted net assets of \$9,642,796.
- York County's total primary government net assets decreased by \$10.8 million. Net assets of the governmental activities decreased by \$5.8 million or 8.3%. The largest governmental activities decrease (\$2.5 million) related to the amount of the annual required contribution that was not funded for OPEB benefits in the current year. The second largest governmental activities decrease (\$1.7 million) was a result of unfunded annual required contribution (ARC) to the pension plan. The remaining decrease is further detailed on page 19 of this MD&A. The net assets of the business-type activities decreased by \$5.0 million or 32.5%. The decrease was due primarily to \$3.9 million of increased operating loss provided at the County Nursing Home and for the 911 program.
- At the end of the fiscal year, York County's governmental funds reported combined ending fund balances of \$42,482,462 an increase of \$12,108,413 in comparison with the prior year. Approximately 22.2% of this total amount, \$9,409,965 is available for spending at the government's discretion (unreserved fund balances) within the boundaries set forth in the governmental fund's purpose, which is consistent with prior years. The majority of this increase is reflected in the General Fund (\$18,496,739 or 130.9% increase from the prior year) resulting from the issuance of debt of \$17.5 million and swap proceeds of \$5.9 million. The Capital Projects Bond Account Fund had a \$7.6 million decrease due to spending related to capital projects.

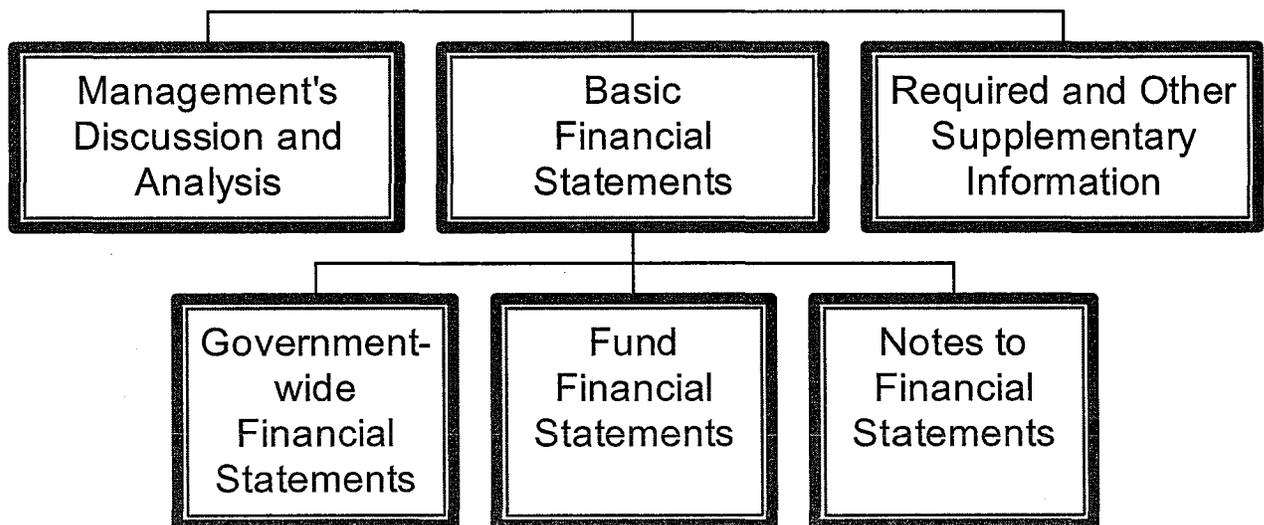
## Financial Highlights (Continued)

- At the end of the fiscal year, unreserved fund balances for the General Fund was \$9,409,965 or 5.4% of total General Fund expenditures and transfers out.

## Overview of the Financial Statements

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

## Required Components of the Comprehensive Annual Financial Report



## Government-Wide Financial Statements

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

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

## **Government-Wide Financial Statements (Continued)**

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

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

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

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

## **Fund Financial Statements**

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

The County has three types of funds:

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

## Fund Financial Statements (Continued)

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

### Financial Analysis of the County as a Whole

This is the eighth year that the County has presented its financial statements using the new reporting model required by GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis (MD&A) – for State and Local Governments*. Because this reporting model significantly changes both the recording and presentation of financial data, this is the seventh 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	
	2009	2008	2009	2008
	(\$ in millions)			
<b>Assets</b>				
Capital assets, net	\$ 229.1	\$ 227.4	\$ 68.1	\$ 65.1
Other assets	106.8	108.3	6.1	11.4
Total assets	<u>335.9</u>	<u>335.7</u>	<u>74.2</u>	<u>76.5</u>
<b>Liabilities</b>				
Current liabilities	59.2	71.4	3.9	4.1
Long-term liabilities	212.5	194.3	59.9	57.0
Total liabilities	<u>271.7</u>	<u>265.7</u>	<u>63.8</u>	<u>61.1</u>
<b>Net assets</b>				
Invested in capital assets, net of related debt	64.4	56.7	16.4	19.6
Restricted	9.4	8.6	1.9	1.9
Unrestricted	(9.6)	4.7	(7.9)	(6.1)
Total net assets	<u>\$ 64.2</u>	<u>\$ 70.0</u>	<u>\$ 10.4</u>	<u>\$ 15.4</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 increase from 4.0 mills to 4.15 mills. Total real estate assessed values increased by 1.6% for 2009. In 2009, property tax revenue increased by \$8,793,763 or 8.8%. Total expenditures exceeded revenues for fiscal year 2009.

Net assets of the County of York's governmental activities decreased by \$5.8 million or 8.3% (\$64.2 million compared to \$70.0 million). \$1.7 million of the decrease was due to unfunded annual required contribution (ARC) to the pension plan. \$2.5 million of the decrease related to the amount of the annual required contribution that was not funded for OPEB benefits in the current year. The remaining \$1.6 million of the decrease was due to various other items.

Governmental Activities unrestricted net assets—the part of net assets that can be used to finance the day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—changed from \$4.7 million at December 31, 2008 to \$(9.6) million at the end of this year.

The net assets of our business-type activities decreased by \$5.0 million or 32.5% (\$10.4 million compared to \$15.4 million). \$1.3 million of this decrease was due to the amount of the annual required contribution that was not funded for OPEB benefits in the current year. The remaining \$3.7 million was due to increased operating expenses over program services provided at the County Nursing Home due to the reconstruction efforts and increased depreciation expense related to the new 911 building. Unrestricted net assets of business-type activities further deteriorated from a negative \$6.1 million in 2008 to a negative \$7.9 million in 2009.

York County's total assets as of December 31, 2009 are \$410.1 million, a decrease of \$2.1 million. Capital assets increased \$4.7 million totaling \$297.2 million, which includes infrastructure. The increase is primarily due to purchases and reconstruction of Magisterial District Justice offices of \$2.4 million. The remaining \$2.2 million of the increase was related to various other capital asset additions. Long-term liabilities increased \$21.1 million totaling \$272.4 million. \$19.9 million of the increase was due to the issuance of new bonds for capital projects, \$3.8 million was due to current year OPEB cost in excess of payments made, and a decrease of \$3.6 million for payments made against the litigation liability.

*Changes in Net Assets*

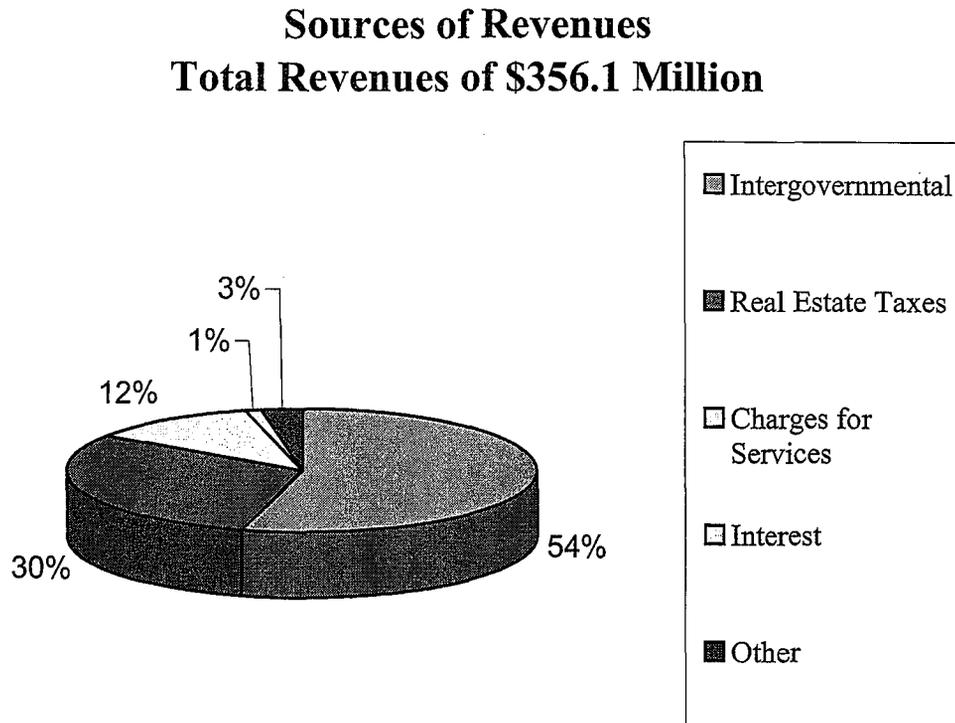
The following table presents the County's Changes in Net Assets for the Years ended December 31:

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<i>(\$ in millions)</i>			
<b>Revenue</b>				
Program revenues:				
Charges for services	\$ 41.5	\$ 40.2	\$ 36.2	\$ 36.2
Operating grants and contributions	192.8	195.5	-	-
General revenues:				
Real estate taxes	108.4	99.6	-	-
Other	8.9	1.9	-	-
Unrestricted investment earnings	3.2	5.5	-	-
Hotel taxes	1.3	1.5	-	-
<b>Total revenues</b>	<b>356.1</b>	<b>344.2</b>	<b>36.2</b>	<b>36.2</b>
<b>Expenses</b>				
General government	14.2	14.5	-	-
Public safety	79.2	73.7	-	-
Roads and bridges	1.4	1.5	-	-
Health, education and welfare	187.2	192.7	-	-
Judicial	40.7	38.7	-	-
Cultural and recreation	8.0	11.6	-	-
Community development	9.8	9.6	-	-
Other	-	5.5	-	-
Interest expense	8.8	8.0	-	-
Nursing home	-	-	40.3	38.9
911 operations	-	-	13.5	11.0
<b>Total expenses</b>	<b>349.3</b>	<b>355.8</b>	<b>53.8</b>	<b>49.9</b>
Increase (decrease) in net assets before				
transfers	6.8	(11.6)	(17.6)	(13.7)
Transfers	(12.6)	(11.5)	12.6	11.5
<b>Change in net assets</b>	<b>(5.8)</b>	<b>(23.1)</b>	<b>(5.0)</b>	<b>(2.2)</b>
Net assets – beginning	70.0	93.1	15.4	17.6
<b>Net assets – ending</b>	<b>\$ 64.2</b>	<b>\$ 70.0</b>	<b>\$ 10.4</b>	<b>\$ 15.4</b>

## 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, 2009:



Total government-wide revenues of \$356.1 million were derived primarily from intergovernmental grants, representing 54% of the total. Intergovernmental grants accounted for \$192.8 million. The second largest source of revenue came from real estate taxes of \$108.4 million, which comprised 30% of the total. Revenue to house INS detainees accounted for 43% of the \$41.5 million in charges for services, which represented 12% of total revenues, followed by interest revenues at \$3.2 million. Swap proceeds accounted for \$5.9 million of the \$10.2 million of other revenues.

Total revenues increased by \$11.9 million during 2009. The majority of the increase came from real estate taxes of \$8.8 million, due to both an increase in the millage rate and additional increase in properties. Also \$5.9 million of other revenues that received from swap proceeds.

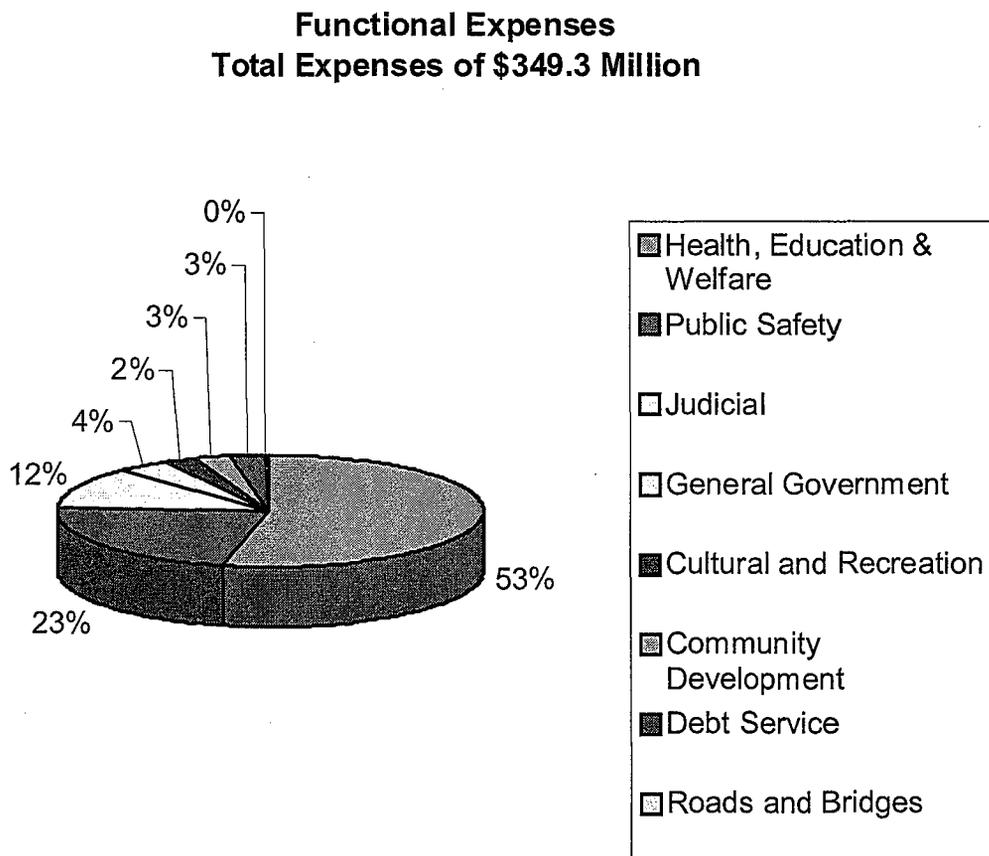
## Financial Analysis of the County as a Whole (Continued)

### *Business-Type Activities*

Total business-type revenues of \$36.2 million, which remained the same from 2008, were derived from charges for sales and services from the County Nursing Home of \$30.4 million and telephone surcharge revenues from 911 operations of \$5.8 million. The County Nursing Home revenues decreased by \$1.3 million from lower occupancy rates due to ongoing reconstruction efforts. 911 revenues increased by \$1.3 million of which \$1.1 million came from additional wireless funding.

### *Governmental Activities*

The following chart graphically depicts the functional expenses for the fiscal year ended December 31, 2009:



## **Financial Analysis of the County as a Whole (Continued)**

### *Governmental Activities (Continued)*

Total expenses in 2009 were \$349.3 million. The expenses cover a wide range of services, with health, education, and welfare being the largest at \$187.2 million comprising 53% of total expenses. Within health, education, and welfare; Human services, MH/MR, and Children and Youth had the largest expenses at \$96.4 million, \$51.9 million, and \$27.6 million, respectively. The second largest category is public safety at \$79.2 million comprising 23% of total expenses. The other categories are as follows: judicial at \$40.7 million, general government at \$14.2 million, cultural and recreation at \$8.0 million, community development at \$9.8 million, interest expense at \$8.8 million, and roads and bridges at \$1.4 million.

Expenditures decreased in 2009 by \$6.5 million. The major decrease was to health, education, and welfare by \$5.5 million. These expenditures decreased due to the state directly paying providers for medical assistance.

### *Business Type Activities*

Total expenses in 2009 were \$53.8 million, an increase of \$3.9 million from 2008. The County nursing home comprised 74.9% of the total, having total operating and administrative expenses of \$40.3 million, which included depreciation expense of \$0.6 million. The 911 operations incurred \$13.5 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 and an increase in depreciation expense for 911 operations of \$1.7 million.

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

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

### *Governmental Funds*

The following funds are considered the County's major governmental funds: the General Fund, York HealthChoices Management Fund, Mental Health/Mental Retardation Fund, Children and Youth Fund, Community Development Block Grant Fund, and Capital Projects Bond Account Fund. For the fiscal year ended December 31, 2009, the County of York governmental funds had a combined ending fund balance of \$42.5 million, an increase of \$12.1 million from fiscal year 2008.

The General Fund is the primary operating fund of the County of York. The General Fund had a fund balance of \$32.6 million, an increase of \$18.5 million. Revenues increased \$9.2 million compared to the decrease of expenditures of \$28.7 million. The General Fund had an excess of revenues over expenditures of \$15.5 million for 2009 before other financing sources/(uses).

## **Financial Analysis of the County's Funds (Continued)**

### *Governmental Funds (Continued)*

The expenditure decrease was primarily related to purchases of land in the amount of \$26.4 million for parks in 2008. The remaining decreases/increases were minimal and in combination accounted for a decrease of \$2.3 million.

The General Fund supplements the Children and Youth Fund and the Mental Health/Mental Retardation Fund through transfers for the amount of the fund's expenditures in excess of their revenues. The General Fund transfer to Children and Youth Services in 2009 was \$4.2 million. Mental Health/Mental Retardation Fund had contributions from the General Fund of \$1.4 million. The General Fund did not supplement the York HealthChoices Management Fund in 2009.

The Capital Projects Bond Account Fund had a fund balance at the end of December 31, 2009 of \$2.2 million. The Capital Projects Bond Account Fund had a decrease in fund balance by \$7.6 million. The fund balance decreased due to \$9.3 million expended on various capital projects including the 911 facility of \$6.5 million and construction of district justice's offices of \$2.7 million, which was offset by an additional \$2.4 million in borrowings (issuance of debt) and a \$1.4 million transfer of bond proceeds.

The fund balance for Other Nonmajor Funds increased by \$1.2 million from 2008 to 2009 totaling \$7.7 million. The largest increase was from the Prison Telephone Fund of \$0.8 million.

### *Enterprise Funds*

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

As of December 31, 2009, the net assets of the County's nursing home amounted to \$(3.4) million and those for 911 operations amounted to \$13.7 million. The nursing home's net assets decreased by \$3.3 million and the 911 operation's net assets decreased by \$1.8 million due to the programs not generating enough revenue to cover operating costs. Other factors concerning the finances of these two funds reflect those highlighted in the analysis of the County's business-type activities.

## Financial Analysis of the County's Funds (Continued)

### Capital Asset and Debt Administration

#### Capital Assets

The County's investment in capital assets, net of accumulated depreciation, amounted to \$297.1 million as of December 31, 2009. This represented an increase of \$4.5 million, or 1.5% over the previous year's total of \$292.6 million. Capital assets consist primarily of land; buildings and improvements; furniture, fixtures and equipment; construction in progress; easements; and infrastructure. Infrastructure consists of bridges, roads, and the rail trail. The following is a summary of capital assets as of December 31:

	Governmental Activities		Business-Type Activities		Balance as of December 31	
	2009	2008	2009	2008	2009	2008
Land	\$ 52,790,754	\$ 52,790,754	\$ 260,065	\$ 260,065	\$ 53,050,819	\$ 53,050,819
Construction in progress	26,594,487	22,417,065	34,640,055	29,345,874	61,234,542	51,762,939
Buildings and improvements	170,501,598	170,097,245	30,806,070	30,816,409	201,307,668	200,913,654
Leasehold assets	-	-	997,500	997,500	997,500	997,500
Furniture, Fixtures, and Equipment	12,281,100	11,805,941	19,671,764	23,700,048	31,952,864	35,505,989
Easements	17,709,554	14,721,618	-	-	17,709,554	14,721,618
Bridges, roads and rail trail	19,788,929	19,736,641	-	-	19,788,929	19,736,641
Less accumulated depreciation	(70,610,594)	(64,143,889)	(18,289,746)	(19,971,255)	(88,900,340)	(84,115,144)
Total capital assets, net	\$ 229,055,828	\$ 227,425,375	\$ 68,085,708	\$ 65,148,641	\$ 297,141,536	\$ 292,574,016

The County business-type activities decreased business furniture, fixtures, and equipment by \$4.0 million. The Nursing Home and 911 was reduced by \$1.8 million and \$2.2 million, respectively, due to write off of old assets that were for the most part fully depreciated. Easements increased by \$3.0 million due to the purchase of agricultural land easements. The County continues its plan to purchase Magisterial District offices. During 2009, three offices were purchased and renovated which accounted for \$2.4 million of the \$4.2 million increase in construction in progress for governmental activities. Business-type activities construction in progress increased \$5.3 million. The Nursing Home's reconstruction project added \$3.9 million with 911 adding \$1.4 million for the RMS project.

## Financial Analysis of the County's Funds (Continued)

### Long-Term Debt

As of December 31, 2009, the County had \$241,619,341 of general obligation debt outstanding. This was an increase of \$18.5 million, or 8.3% from the previous year. The following details activity related to general obligation bonds during 2009:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Beginning balance at January 1, 2009	\$ 172,580,594	\$ 50,536,704
Debt issued	30,057,043	-
Bonds refunded	(10,130,000)	-
Less principal payments	(1,279,243)	(145,757)
Transfers to Enterprise Funds	(1,399,175)	1,399,175
Ending balance at December 31, 2009	<u>\$ 189,829,219</u>	<u>\$ 51,790,122</u>

### Bond Rating

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

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

### General Fund Budgetary Highlights

The Board of Commissioners reviews statements of operations and budget reports on a monthly basis. The Board of Commissioners 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 2009 revenue budget. Actual revenue received totaled \$168.4 million or 97.7% of the final budget. Departmental revenues contributed to a majority of the variance in which prison revenue was budgeted at \$19.7 and actual revenue at \$16.1.

The County had a few minor amendments to the original 2009 expenditure budget. Actual expenditures totaled \$152.9 million or 95.4% of the final budget. A positive variance for debt service expenditures of \$10.0 million offset the negative variance for capital outlay of \$5.4 million which the does not budget for.

## **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 expenses will increase \$1.7 million.
- The rising wage and medical health care costs.
- The County budgeted \$8.0 million for the annual required contribution to the retirement fund.

The County's real estate revenues will increase only by approximately \$0.8 million due to an increase in collection efforts of back taxes and since the millage rate remained constant. The County's employee benefits are budgeted at \$30.9 million with 55 positions being eliminated. Health care costs still continue to increase but the County is trying to maintain an increased rate of only 9.4% for 2010. Government administration budgeted expenses decreased by \$0.7 million. The court system and public safety budgeted expenses decreased \$0.5 million, which includes court and court related functions, corrections, and public safety. The County's budget for 2010 reflects the annual required retirement contribution to be approximately \$8.0 million, which is \$2.0 million less than the ARC.

These factors were considered in preparing the County's 2010 budget. Amounts available for appropriation in the general fund budget are \$167.1 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, 2009

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Assets</b>				
Cash and cash equivalents	\$ 14,467,677	\$ 273,945	\$ 14,741,622	\$ 5,028,274
Receivables:				
Taxes, net	4,515,957	-	4,515,957	-
Accounts	13,469,216	3,598,587	17,067,803	18,650,992
Due from other governments	11,670,884	104,212	11,775,096	-
Loan and note	13,455,639	-	13,455,639	4,289,911
Internal balances	3,276,430	(3,276,430)	-	-
Investments	22,709,709	-	22,709,709	6,260,716
Bond issuance costs, net	880,133	480,916	1,361,049	-
Restricted cash	9,640,532	2,524,448	12,164,980	87,157,393
Restricted investments	10,213,855	2,378,245	12,592,100	59,991,286
Other assets	2,562,159	59,984	2,622,143	2,913,416
Project assets	-	-	-	82,838,500
Capital assets not being depreciated	79,385,241	34,900,120	114,285,361	13,672,991
Capital assets being depreciated, net of depreciation	149,670,587	33,185,588	182,856,175	56,789,605
<b>Total assets</b>	<b>\$ 335,918,019</b>	<b>\$ 74,229,615</b>	<b>\$ 410,147,634</b>	<b>\$ 337,593,084</b>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 23,366,169	\$ 3,072,457	\$ 26,438,626	\$ 1,866,708
Due to other governments	1,217,351	-	1,217,351	-
Deposits held in escrow	5,083,430	620,343	5,703,773	-
Accrued interest payable	768,222	201,220	969,442	-
Unearned revenue	28,531,158	83,690	28,614,848	13,109,031
Other liabilities	216,300	-	216,300	937,118
Long-term liabilities:				
Due within one year	61,839,708	3,031,205	64,870,913	7,283,090
Due in more than one year	150,652,956	56,833,675	207,486,631	121,413,946
<b>Total liabilities</b>	<b>271,675,294</b>	<b>63,842,590</b>	<b>335,517,884</b>	<b>144,609,893</b>
<b>Net assets (deficit)</b>				
Invested in capital assets, net of related debt	64,406,876	16,424,814	80,831,690	28,981,465
Restricted:				
Program purposes	7,658,505	1,904,105	9,562,610	-
Capital activity and debt service	1,054,127	-	1,054,127	133,978,849
Legal purposes	766,013	-	766,013	13,169,830
Unrestricted (Deficit)	(9,642,796)	(7,941,894)	(17,584,690)	16,853,047
<b>Total net assets</b>	<b>\$ 64,242,725</b>	<b>\$ 10,387,025</b>	<b>\$ 74,629,750</b>	<b>\$ 192,983,191</b>

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

County of York, Pennsylvania

Statement of Activities

Year ended December 31, 2009

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government			
				Governmental Activities	Business-Type Activities	Total	
<b>Primary government:</b>							
<b>Governmental activities:</b>							
General government	\$ 14,137,543	\$ 4,290,494	\$ 559,971	\$ (9,287,078)	\$ -	\$ (9,287,078)	\$ -
Public safety	79,233,907	25,057,041	3,840,805	(50,336,061)	-	(50,336,061)	-
Roads and bridges	1,414,983	-	792,344	(622,639)	-	(622,639)	-
<b>Health, education, and welfare:</b>							
Drug and alcohol	2,947,070	-	2,945,612	(1,458)	-	(1,458)	-
Mental health/mental retardation	51,919,099	-	50,473,731	(1,445,368)	-	(1,445,368)	-
Office of aging	8,347,994	195,862	7,243,462	(908,670)	-	(908,670)	-
Children and youth	27,564,479	602,514	22,772,135	(4,189,830)	-	(4,189,830)	-
Human services	96,436,544	-	90,524,236	(5,912,308)	-	(5,912,308)	-
Judicial	40,673,541	10,105,999	5,156,901	(25,410,641)	-	(25,410,641)	-
Cultural and recreation	8,015,683	796,590	615,200	(6,603,893)	-	(6,603,893)	-
Conservation and community development	9,812,529	446,313	7,871,503	(1,494,713)	-	(1,494,713)	-
Interest expense	8,752,020	-	-	(8,752,020)	-	(8,752,020)	-
<b>Total governmental activities</b>	<b>349,255,392</b>	<b>41,494,813</b>	<b>192,795,900</b>	<b>(114,964,679)</b>	<b>-</b>	<b>(114,964,679)</b>	<b>-</b>
<b>Business-type activities:</b>							
Nursing home	40,283,554	30,368,739	-	-	(9,914,815)	(9,914,815)	-
911 operations	13,574,231	5,811,237	-	-	(7,762,994)	(7,762,994)	-
<b>Total business-type activities</b>	<b>53,857,785</b>	<b>36,179,976</b>	<b>-</b>	<b>-</b>	<b>(17,677,809)</b>	<b>(17,677,809)</b>	<b>-</b>
<b>Total primary government</b>	<b>\$ 403,113,177</b>	<b>\$ 77,674,789</b>	<b>\$ 192,795,900</b>	<b>(114,964,679)</b>	<b>(17,677,809)</b>	<b>(132,642,488)</b>	<b>-</b>
<b>Component units:</b>							
York County Solid Waste and Refuse Authority	\$ 45,406,098	\$ 45,149,839	\$ -	-	-	-	(256,259)
York County Industrial Development Authority	1,285,128	37,775	340,049	-	-	-	(907,304)
York County Library System	5,236,268	82,385	5,005,195	-	-	-	(148,688)
York County Planning Commission	3,957,169	2,553,871	1,500,000	-	-	-	96,702
<b>Total component units</b>	<b>\$ 55,884,663</b>	<b>\$ 47,823,870</b>	<b>\$ 6,845,244</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,215,549)</b>
<b>General revenues:</b>							
Property taxes	-	-	-	108,377,613	-	108,377,613	-
Unrestricted investment earnings	-	-	-	3,243,451	17,777	3,261,228	322,313
Hotel tax	-	-	-	1,301,778	-	1,301,778	-
Other	-	-	-	3,046,577	-	3,046,577	-
Swap proceeds	-	-	-	5,850,000	-	5,850,000	-
Transfers	-	-	-	(12,604,620)	12,604,620	-	-
<b>Total general revenues and transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>109,214,799</b>	<b>12,622,397</b>	<b>121,837,196</b>	<b>322,313</b>
Change in net assets	-	-	-	(5,749,880)	(5,055,412)	(10,805,292)	(893,236)
Net assets – beginning	-	-	-	69,992,605	15,442,437	85,435,042	193,876,427
Net assets – ending	<b>\$ 64,242,725</b>	<b>\$ 10,387,025</b>	<b>\$ 74,629,750</b>	<b>\$ 192,983,191</b>	<b>\$ 192,983,191</b>	<b>\$ 192,983,191</b>	<b>\$ 192,983,191</b>

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

County of York, Pennsylvania

Balance Sheet – Governmental Funds

December 31, 2009

	General Fund	York HealthChoices Management Fund	Mental Health/Mental Retardation Fund	Children and Youth Fund	Community Development Block Grant Fund	Capital Projects Bond Account Fund	Other Nonmajor Funds	Total Governmental Funds
<b>Assets</b>								
Cash and cash equivalents	\$ 445,310	\$ 3,600,679	\$ 2,069,487	\$ 1,400	\$ 736,324	\$ -	\$ 7,614,477	\$ 14,467,677
Restricted cash	6,145,842	2,656,058	60,469	-	-	888	777,275	9,640,532
Investments	6,095,888	6,937,238	4,326,654	-	499,905	-	4,850,024	22,709,709
Restricted investments	-	8,568,268	-	-	-	632,537	1,013,050	10,213,855
Receivables:								
Taxes, net	4,515,957	-	-	-	-	-	-	4,515,957
Accounts	5,754,636	120	87,259	770	5,385,597	856,542	1,384,292	13,469,216
Due from other funds	8,929,493	5,013	93,701	76,775	-	997,569	790,823	10,893,374
Due from other governments	1,845,335	1,009,154	61,365	6,266,060	215,122	-	2,273,848	11,670,884
Loan and note	13,455,639	-	-	-	-	-	-	13,455,639
Other assets	389,734	-	72,687	-	-	-	-	462,421
<b>Total assets</b>	<b>\$ 47,577,834</b>	<b>\$ 22,776,530</b>	<b>\$ 6,771,622</b>	<b>\$ 6,345,005</b>	<b>\$ 6,836,948</b>	<b>\$ 2,487,536</b>	<b>\$ 18,703,789</b>	<b>\$ 111,499,264</b>
<b>Liabilities and fund balances</b>								
<b>Liabilities:</b>								
Accounts payable and accrued liabilities	\$ 6,697,489	\$ 9,425,171	\$ 2,147,237	\$ 1,456,496	\$ 284,953	\$ 287,553	\$ 3,067,270	\$ 23,366,169
Due to other funds	1,604,564	436,262	625,258	4,724,614	77	3,664	222,505	7,616,944
Deposits held in escrow	3,439,593	1,533,783	-	-	-	-	110,054	5,083,430
Due to other governments	-	1,015,714	-	-	-	-	201,637	1,217,351
Deferred revenue	3,208,550	10,365,600	3,999,127	163,895	6,551,918	-	7,443,818	31,732,908
<b>Total liabilities</b>	<b>14,950,196</b>	<b>22,776,530</b>	<b>6,771,622</b>	<b>6,345,005</b>	<b>6,836,948</b>	<b>291,217</b>	<b>11,045,284</b>	<b>69,016,802</b>
<b>Fund balances:</b>								
Reserved for legal purposes	766,013	-	-	-	-	-	-	766,013
Reserved for loans receivable	13,455,639	-	-	-	-	-	-	13,455,639
Reserved for debt service	1,054,127	-	-	-	-	-	-	1,054,127
Reserved for capital projects	-	-	-	-	-	2,196,319	-	2,196,319
Reserved for county nursing home	7,222,744	-	-	-	-	-	-	7,222,744
Reserved for 911	719,150	-	-	-	-	-	-	719,150
Reserved for program purposes	-	-	-	-	-	-	7,658,505	7,658,505
Unreserved:								
Designated for specific purposes	1,403,400	-	-	-	-	-	-	1,403,400
Undesignated	8,006,565	-	-	-	-	-	-	8,006,565
<b>Total fund balances</b>	<b>32,627,638</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,196,319</b>	<b>7,658,505</b>	<b>42,482,462</b>
<b>Total liabilities and fund balances</b>	<b>\$ 47,577,834</b>	<b>\$ 22,776,530</b>	<b>\$ 6,771,622</b>	<b>\$ 6,345,005</b>	<b>\$ 6,836,948</b>	<b>\$ 2,487,536</b>	<b>\$ 18,703,789</b>	<b>\$ 111,499,264</b>

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, 2009

Total Fund Balances of Governmental Funds: \$ 42,482,462

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. 229,055,828

The funds record only the tax revenue received through a period of 60 days subsequent to year-end. The statement of net assets includes a receivable for the County's anticipated collections on the levy. 3,201,750

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. 880,133

Assets not available to pay for current period's expenditures and therefore not reported in the funds.  
Other assets 115,075

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	(189,829,219)
Litigation liability	(6,437,560)
Unamortized premium	(1,344,190)
Deferred refunding loss	1,984,663
Accrued interest payable	(768,222)
Workers compensation claims liability	(1,562,820)
Accrued compensated absences	(3,630,650)
Liability for pension benefits	(1,718,884)
Liability for other postemployment benefits	(7,969,341)
Claims and judgments	(216,300)

Total Net Assets of Governmental Activities \$ 64,242,725

*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, 2009

	General Fund	York HealthChoices Management Fund	Mental Health/Mental Retardation Fund	Children & Youth Fund	Community Development Block Grant Fund	Capital Projects Bond Account Fund	Other Nonmajor Funds	Total Governmental Funds
<b>Revenues</b>								
Real estate taxes	\$ 108,695,090	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 108,695,090
Intergovernmental	16,011,949	67,033,814	50,473,731	22,772,135	3,396,841	-	33,107,430	192,795,900
Departmental	33,934,381	-	-	602,514	29,683	-	1,591,457	36,158,035
Fines and costs	5,336,778	-	-	-	-	-	-	5,336,778
Hotel tax	1,301,778	-	-	-	-	-	-	1,301,778
Investment	3,087,567	20,863	48,584	-	3,663	35,974	46,800	3,243,451
Other	-	-	32,824	-	638,477	928,759	1,446,517	3,046,577
<b>Total revenues</b>	<b>168,367,543</b>	<b>67,054,677</b>	<b>50,555,139</b>	<b>23,374,649</b>	<b>4,068,664</b>	<b>964,733</b>	<b>36,192,204</b>	<b>350,577,609</b>
<b>Expenditures</b>								
<b>Current:</b>								
General government	11,497,949	-	-	-	-	-	-	11,497,949
Public safety	71,345,160	-	-	-	-	6,500,308	1,039,076	78,884,544
Roads and bridges	-	-	-	-	-	-	907,161	907,161
Health, education, and welfare:								
Drug and alcohol	-	-	-	-	-	-	2,947,070	2,947,070
Mental health/mental retardation	-	-	51,919,099	-	-	-	-	51,919,099
Office of aging	-	-	-	-	-	-	8,347,994	8,347,994
Children and youth	-	-	-	27,564,479	-	-	-	27,564,479
Human services	9,565,006	66,681,845	-	-	-	-	18,025,807	94,272,658
Judicial	31,934,119	-	-	-	-	-	5,525,361	37,459,480
Cultural and recreation	8,329,190	-	-	-	-	-	1,245	8,330,435
Conservation and community development	4,637,764	-	-	-	4,068,664	-	1,049,521	9,755,949
Capital outlay	5,367,718	-	-	-	-	2,747,440	-	8,115,158
Debt service:								
Principal retirement	1,279,243	-	-	-	-	-	-	1,279,243
Interest and fiscal charges	8,961,225	-	-	-	-	-	-	8,961,225
<b>Total expenditures</b>	<b>152,917,374</b>	<b>66,681,845</b>	<b>51,919,099</b>	<b>27,564,479</b>	<b>4,068,664</b>	<b>9,247,748</b>	<b>37,843,235</b>	<b>350,242,444</b>
Excess (deficiency) of revenues over (under) expenditures	15,450,169	372,832	(1,363,960)	(4,189,830)	-	(8,283,015)	(1,651,031)	335,165
<b>Other financing sources (uses)</b>								
Transfers in	49,891	-	1,363,960	4,189,830	-	-	2,865,549	8,469,230
Transfers out	(20,359,222)	(372,832)	-	-	-	(291,905)	(49,891)	(21,073,850)
Transfers of bond proceeds	-	-	-	-	-	(1,399,175)	-	(1,399,175)
Swap proceeds	5,850,000	-	-	-	-	-	-	5,850,000
Payments to redeem bonds and notes	(10,130,000)	-	-	-	-	-	-	(10,130,000)
Issuance of refunding notes	10,130,000	-	-	-	-	-	-	10,130,000
Issuance of debt	17,505,901	-	-	-	-	2,421,142	-	19,927,043
<b>Total other financing sources (uses)</b>	<b>3,046,570</b>	<b>(372,832)</b>	<b>1,363,960</b>	<b>4,189,830</b>	<b>-</b>	<b>730,062</b>	<b>2,815,658</b>	<b>11,773,248</b>
Net change in fund balances	18,496,739	-	-	-	-	(7,552,953)	1,164,627	12,108,413
Fund balances, January 1	14,130,899	-	-	-	-	9,749,272	6,493,878	30,374,049
<b>Fund balances, December 31</b>	<b>\$ 32,627,638</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,196,319</b>	<b>\$ 7,658,505</b>	<b>\$ 42,482,462</b>

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, 2009

Net change in fund balances - total governmental funds \$ 12,108,413

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 (\$8,115,158), and depreciation expense (\$6,484,705) is a reconciling item.	1,630,453
Additional tax revenue recorded on statement of activities. The funds report only receipts through 60 days of subsequent period. Statement of Activities includes full amount of levy deemed collectible by the County.	(317,477)
Net pension asset reported in the statement of activities does not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	(477,670)
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:	
Payments for litigation liability	3,561,002
Payments to redeem bonds and notes	10,130,000
Proceeds from refunding bonds and notes issuance	(10,130,000)
Proceeds from bonds and notes issuance	(19,927,043)
Transfer of principal to business type activities	1,399,175
Principal repayments on general obligation bonds	1,279,243

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

Compensated absence expense	(409,402)
Workers compensation expense	(154,892)
Other postemployment benefit expense	(2,518,414)
Pension expense	(1,718,884)
Accrual of interest on long-term debt	(89,428)
Amortization of bond premium	298,633
Amortization of issuance costs	(295,228)
Amortization of deferred refunding loss	(118,361)

Change in net assets of governmental activities \$ (5,749,880)

*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, 2009

	County Nursing Home		
	Fund	911 Fund	Total
<b>Assets</b>			
<b>Current assets:</b>			
Cash	\$ 1,165	\$ 272,780	\$ 273,945
Accounts receivable	3,271,357	327,230	3,598,587
Due from other governments	68,637	35,575	104,212
Due from other funds	-	114,233	114,233
Bond issuance costs, net	-	480,916	480,916
Restricted cash	620,343	1,904,105	2,524,448
Restricted investments	2,016,477	361,768	2,378,245
Other assets	59,984	-	59,984
<b>Total current assets</b>	<b>6,037,963</b>	<b>3,496,607</b>	<b>9,534,570</b>
<b>Noncurrent assets:</b>			
Capital assets not being depreciated	6,094,086	28,806,034	34,900,120
Capital assets being depreciated, net of depreciation	3,803,384	29,382,204	33,185,588
<b>Total noncurrent assets</b>	<b>9,897,470</b>	<b>58,188,238</b>	<b>68,085,708</b>
<b>Total assets</b>	<b>\$ 15,935,433</b>	<b>\$ 61,684,845</b>	<b>\$ 77,620,278</b>
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Accounts payable and accrued liabilities	\$ 2,129,949	\$ 942,508	\$ 3,072,457
Due to other funds	2,972,990	417,673	3,390,663
Deposits held in escrow	620,343	-	620,343
Accrued interest payable	31,048	170,172	201,220
Unearned revenue	83,690	-	83,690
<b>Total current liabilities</b>	<b>5,838,020</b>	<b>1,530,353</b>	<b>7,368,373</b>
<b>Noncurrent liabilities:</b>			
<b>Due within one year:</b>			
Compensated absences	451,843	108,557	560,400
Capital lease obligation	-	199,676	199,676
Liability for pension benefits	462,913	56,012	518,925
Liability for workers' compensation self-insurance	140,654	-	140,654
General obligation debt	233,859	1,377,691	1,611,550
<b>Total due within one year</b>	<b>1,289,269</b>	<b>1,741,936</b>	<b>3,031,205</b>
<b>Due in more than one year:</b>			
Compensated absences	200,920	48,272	249,192
Capital lease obligation	-	207,962	207,962
Liability for other postemployment benefits	3,282,040	474,900	3,756,940
Liability for workers' compensation self-insurance	1,138,017	-	1,138,017
General obligation debt	7,543,645	43,937,919	51,481,564
<b>Total due in more than one year</b>	<b>12,164,622</b>	<b>44,669,053</b>	<b>56,833,675</b>
<b>Total noncurrent liabilities</b>	<b>13,453,891</b>	<b>46,410,989</b>	<b>59,864,880</b>
<b>Total liabilities</b>	<b>19,291,911</b>	<b>47,941,342</b>	<b>67,233,253</b>
<b>Net assets (deficit)</b>			
Invested in capital assets, net of related debt	3,866,266	12,558,548	16,424,814
Restricted for program purposes	-	1,904,105	1,904,105
Unrestricted (deficit)	(7,222,744)	(719,150)	(7,941,894)
<b>Total net assets (deficit)</b>	<b>\$ (3,356,478)</b>	<b>\$ 13,743,503</b>	<b>\$ 10,387,025</b>

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, 2009

	County Nursing Home Fund	911 Fund	Total
Operating revenues:			
Charges for sales and services:			
Charges for services	\$ 30,368,739	\$ -	\$ 30,368,739
Telephone surcharge revenue	-	5,811,237	5,811,237
Total operating revenues	30,368,739	5,811,237	36,179,976
Operating expenses:			
Operating/administrative	39,340,995	9,473,718	48,814,713
Depreciation	568,241	2,090,367	2,658,608
Total operating expenses	39,909,236	11,564,085	51,473,321
Operating loss	(9,540,497)	(5,752,848)	(15,293,345)
Nonoperating revenue (expense)			
Investment income	318	17,459	17,777
Bond interest	(374,318)	(2,010,146)	(2,384,464)
Total nonoperating expense	(374,000)	(1,992,687)	(2,366,687)
Loss before transfers	(9,914,497)	(7,745,535)	(17,660,032)
Transfers in	6,683,032	5,921,588	12,604,620
Change in net assets (deficit)	(3,231,465)	(1,823,947)	(5,055,412)
Total net assets (deficit), January 1	(125,013)	15,567,450	15,442,437
Total net assets (deficit), December 31	\$ (3,356,478)	\$ 13,743,503	\$ 10,387,025

*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, 2009

	County Nursing Home		
	Fund	911 Fund	Total
<b>Cash flows from operating activities</b>			
Cash received on patient accounts	\$ 32,302,344	\$ -	\$ 32,302,344
Cash received from telephone surcharge revenue	-	5,795,264	5,795,264
Cash payments for material and supplies	(4,222,159)	(56,899)	(4,279,058)
Cash payments for patient services	(8,267,334)	-	(8,267,334)
Cash payments for program services	-	(2,396,697)	(2,396,697)
Cash payments for salaries and employee benefits	(25,980,915)	(6,529,198)	(32,510,113)
Net cash used in operating activities	<u>(6,168,064)</u>	<u>(3,187,530)</u>	<u>(9,355,594)</u>
<b>Cash flows from investing activities</b>			
Investment income	318	17,459	17,777
Investment purchases	(13,321)	(2,286)	(15,607)
Investment redemptions	4,255,686	-	4,255,686
Net cash provided by investing activities	<u>4,242,683</u>	<u>15,173</u>	<u>4,257,856</u>
<b>Cash flows from noncapital financing activities</b>			
Transfers from other funds	6,683,032	5,921,588	12,604,620
Net cash provided by noncapital financing activities	<u>6,683,032</u>	<u>5,921,588</u>	<u>12,604,620</u>
<b>Cash flows from capital and related financing activities</b>			
Transfer of bond proceeds from capital projects account fund	-	1,399,175	1,399,175
Interest expense	(373,008)	(2,044,266)	(2,417,274)
Payments on capital lease	-	(191,179)	(191,179)
Principal payments on bonds	(22,496)	(123,261)	(145,757)
Purchases of capital assets	(4,326,237)	(1,821,519)	(6,147,756)
Net cash used in capital and related financing activities	<u>(4,721,741)</u>	<u>(2,781,050)</u>	<u>(7,502,791)</u>
Net increase/(decrease) in cash and cash equivalents	35,910	(31,819)	4,091
Cash and cash equivalents, January 1	585,598	2,208,704	2,794,302
Cash and cash equivalents, December 31	<u>\$ 621,508</u>	<u>\$ 2,176,885</u>	<u>\$ 2,798,393</u>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>			
Operating loss	\$ (9,540,497)	\$ (5,752,848)	\$ (15,293,345)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation	568,241	2,090,367	2,658,608
Loss on disposal of fixed assets	64,890	14,297	79,187
Changes in assets and liabilities in:			
Accounts receivable	2,002,242	19,602	2,021,844
Due from other funds	-	(82,519)	(82,519)
Due from other governments	(68,637)	(35,575)	(104,212)
Other assets	2,245	-	2,245
Accounts payable	(135,603)	389,324	253,721
Due to other funds	(743,248)	(56,561)	(799,809)
Deposits held in escrow	35,910	-	35,910
Vacation payable	6,748	(5,987)	761
Liability for other postemployment benefits	1,097,407	176,358	1,273,765
Liability for pension benefits	462,913	56,012	518,925
Liability for workers' compensation self-insurance	79,325	-	79,325
Total adjustments	<u>3,372,433</u>	<u>2,565,318</u>	<u>5,937,751</u>
Net cash used in operating activities	<u>\$ (6,168,064)</u>	<u>\$ (3,187,530)</u>	<u>\$ (9,355,594)</u>
<b>Noncash financing activities:</b>			
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>

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, 2009

	<b>Pension Trust</b>		<b>Agency Funds</b>
	<b>Fund</b>		
<b>Assets</b>			
Cash and cash equivalents	\$ 5,664,165	\$	11,093,417
Investments:			
U.S. treasuries	18,729,666		-
U.S. government obligations	17,091,851		2,711,836
Corporate bonds	22,047,768		-
Municipal bonds	-		250,000
Stocks	61,570,795		-
Fixed income mutual funds	-		3,157,621
International equity mutual funds	34,960,879		-
Equity mutual funds	30,237,148		-
Other	628,495		1,679
Receivables:			
Delinquent taxes on behalf of other governments	-		11,126,445
Other	789		139,397
Total assets	<u>\$ 190,931,556</u>	\$	<u>28,480,395</u>
<b>Liabilities</b>			
Liabilities:			
Due to other governments	\$ -	\$	5,430,791
Other liabilities	-		23,049,604
Total liabilities	<u>-</u>	\$	<u>28,480,395</u>
<b>Net assets</b>			
Net assets held in trust for pension benefits	<u>190,931,556</u>		
Total net assets	<u>\$ 190,931,556</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, 2009

Additions:	
Employer contributions	\$ 6,640,000
Employee contributions	<u>4,962,683</u>
Total contributions	11,602,683
Investment income:	
Net appreciation in fair value of investments	35,828,251
Interest	1,402,739
Dividends	<u>2,916,024</u>
Total investment income	<u>40,147,014</u>
Total additions	<u>51,749,697</u>
Deductions:	
Benefit payments	9,664,194
Refunds of contributions	<u>755,609</u>
Total deductions	<u>10,419,803</u>
Net increase	41,329,894
Net assets held in trust for pension benefits, beginning of year	<u>149,601,662</u>
Net assets held in trust for pension benefits, end of year	<u>\$ 190,931,556</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, 2009

	Solid Waste and Refuse Authority	Industrial Development Authority	Library System	Planning Commission	Total
<b>Assets</b>					
Cash and cash equivalents	\$ 2,172,192	\$ 122,150	\$ 1,793,346	\$ 940,586	\$ 5,028,274
Accounts receivable	17,875,223	255,031	141,284	379,454	18,650,992
Notes receivable	-	4,289,911	-	-	4,289,911
Investments	-	5,090,621	1,170,095	-	6,260,716
Restricted cash	87,157,393	-	-	-	87,157,393
Restricted investments	59,991,286	-	-	-	59,991,286
Other assets	2,210,984	-	389,531	312,901	2,913,416
Project assets	-	82,838,500	-	-	82,838,500
Capital assets not being depreciated	8,947,387	4,725,604	-	-	13,672,991
Capital assets being depreciated, net of depreciation	28,582,268	27,364,069	738,934	104,334	56,789,605
<b>Total assets</b>	<b>\$ 206,936,733</b>	<b>\$ 124,685,886</b>	<b>\$ 4,233,190</b>	<b>\$ 1,737,275</b>	<b>\$ 337,593,084</b>
<b>Liabilities and net assets</b>					
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	\$ 1,642,048	\$ 32,582	\$ 48,747	\$ 143,331	\$ 1,866,708
Unearned revenue	11,668,954	-	1,440,077	-	13,109,031
Other liabilities	937,118	-	-	-	937,118
<b>Long-term liabilities:</b>					
Due within one year	7,280,000	3,090	-	-	7,283,090
Due in more than one year	34,521,942	86,838,500	36,139	17,365	121,413,946
<b>Total liabilities</b>	<b>56,050,062</b>	<b>86,874,172</b>	<b>1,524,963</b>	<b>160,696</b>	<b>144,609,893</b>
<b>Net assets:</b>					
Invested in capital assets, net of related debt	(4,272,287)	32,410,484	738,934	104,334	28,981,465
<b>Restricted</b>					
Capital activity and debt service	133,978,849	-	-	-	133,978,849
Legal purposes	13,169,830	-	-	-	13,169,830
Unrestricted	8,010,279	5,401,230	1,969,293	1,472,245	16,853,047
<b>Total net assets</b>	<b>\$ 150,886,671</b>	<b>\$ 37,811,714</b>	<b>\$ 2,708,227</b>	<b>\$ 1,576,579</b>	<b>\$ 192,983,191</b>

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, 2009

	Solid Waste and Refuse Authority	Industrial Development Authority	Library System	Planning Commission	Total
Program revenues:					
Charges for goods and services	\$ 45,149,839	\$ 37,775	\$ 82,385	\$ 2,553,871	\$ 47,823,870
Operating grants and contributions	-	340,049	5,005,195	1,500,000	6,845,244
Total program revenues	45,149,839	377,824	5,087,580	4,053,871	54,669,114
General revenues:					
Unrestricted investment earnings (loss)	-	78,435	240,064	3,814	322,313
Total revenue	45,149,839	456,259	5,327,644	4,057,685	54,991,427
Expenses	45,406,098	1,285,128	5,236,268	3,957,169	55,884,663
Change in net assets	(256,259)	(828,869)	91,376	100,516	(893,236)
Net assets, January 1	151,142,930	38,640,583	2,616,851	1,476,063	193,876,427
Net assets, December 31	\$ 150,886,671	\$ 37,811,714	\$ 2,708,227	\$ 1,576,579	\$ 192,983,191

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

County of York, Pennsylvania

Notes to Financial Statements

December 31, 2009

**(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 and the County has an ongoing liability for two of these bond issues (See note 14). 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 2009 as a library tax, which constitutes a significant portion of the Library System's revenues. The Library System cannot issue bonded debt without substantive approval by the County, which makes the Library System fiscally dependent on the County.

##### *York County Planning Commission*

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

##### **Related Organization**

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

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(1) Summary of Significant Accounting Policies (Continued)**

##### **Jointly Governed Organization**

###### *York/Adams HealthChoices*

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

##### **Basis of Presentation**

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

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

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

###### *Government-Wide Financial Statements*

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

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(1) Summary of Significant Accounting Policies (Continued)**

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

###### *Government-Wide Financial Statements (Continued)*

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

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

###### *Fund Financial Statements*

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

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(1) Summary of Significant Accounting Policies (Continued)**

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

###### *Fund Financial Statements (Continued)*

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

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

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

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

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(1) Summary of Significant Accounting Policies (Continued)**

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

###### *Fund Financial Statements (Continued)*

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

The following major funds are used by the County:

###### Governmental Funds

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

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

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

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

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

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

**(1) Summary of Significant Accounting Policies (Continued)**

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

*Fund Financial Statements (Continued)*

Governmental Funds (Continued)

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

Enterprise Funds

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

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

Fiduciary Funds

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

Fiduciary Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include the Pension Trust Fund and Agency Funds. The Pension Trust Fund is accounted for in essentially the same manner as the proprietary funds since capital maintenance is critical. The Pension Trust Fund's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(1) Summary of Significant Accounting Policies (Continued)**

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

*Fund Financial Statements (Continued)*

accordance with the terms of the plan. Agency Funds are custodial in nature and do not involve measurement of results of operations.

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

**Pooled Cash and Temporary Investments**

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

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(1) Summary of Significant Accounting Policies (Continued)**

##### **Cash Equivalents**

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

##### **Investments**

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

##### **Bond Issuance Costs**

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

##### **Easements**

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

##### **Capital Assets**

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

## 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.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenses that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations. In accordance with GASB Statement No. 34, the County's infrastructure has been capitalized retroactively to 1980.

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

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

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

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 \$785,621 and \$501,773, respectively as of December 31, 2009.

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

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(1) Summary of Significant Accounting Policies (Continued)**

##### **Net Assets/Fund Balance**

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

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

##### **Leases**

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

##### **Intergovernmental Revenues**

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

##### **Hotel Room Rental Tax**

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

##### **Net Patient Service Revenue**

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(1) Summary of Significant Accounting Policies (Continued)**

**Adoption of Governmental Accounting Standards Board Statements**

The County adopted the requirements of GASB statement No. 52, "*Land and Other Real Estate Held as Investments by Endowments*". The adoption of this statement had no effect on previously reported amounts.

**Pending Changes in Accounting Principles**

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

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

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

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

In December 2009, the GASB issued Statement No. 58 "*Accounting and Financial Reporting for Chapter 9 Bankruptcies*". The County is required to adopt statement No. 58 for its calendar year 2010 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, 2009, the County had the following debt investments and maturities within its excess operating fund accounts:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Fixed Income Mutual Funds	\$ 3,157,621	\$ -	\$ 2,052,646	\$ 1,104,975	\$ -
U.S. Government Treasuries	1,197,242	1,197,242	-	-	-
U.S. Government Agencies	22,232,980	19,216,549	3,016,431	-	-
Municipal Bonds	11,216,412	435,325	2,041,087	2,875,000	5,865,000
Total	<u>\$ 37,804,255</u>	<u>\$ 20,849,116</u>	<u>\$ 7,110,164</u>	<u>\$ 3,979,975</u>	<u>\$ 5,865,000</u>

As of December 31, 2009, 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	\$ 18,729,666	\$ 4,920,473	\$ 8,599,582	\$ 5,209,611	\$ -
U.S. Government Agencies	17,091,851	-	4,423,251	6,817,201	5,851,399
Corporate Bonds	22,047,768	-	11,777,706	8,766,215	1,503,847
Total	<u>\$ 57,869,285</u>	<u>\$ 4,920,473</u>	<u>\$ 24,800,539</u>	<u>\$ 20,793,027</u>	<u>\$ 7,355,246</u>

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

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

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

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(2) Deposit and Investment Risk (Continued)**

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

As of December 31, 2009, the County's operating investments in cash equivalents, fixed income mutual funds and U.S. Government Agencies were rated AAA by Standard & Poor's. \$291,087 (3%) and \$10,925,325 (97%) of the County's operating investments in municipal bonds as of December 31, 2009 were rated AAA and A respectively, by Standard & Poor's.

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

As of December 31, 2009, all of the County's retirement investments in cash equivalents and U.S. Government Agencies were rated AAA by Standard & Poor's. \$1,741,822 (8%), \$7,578,792 (34%), and \$12,727,154 (58%) of the County's retirement investments in corporate bonds as of December 31, 2009 were rated AAA, AA, and A respectively, by Standard & Poor's.

*Custodial Credit Risk.* For deposits and investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2009, \$33,877,988 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, 2009. The County does not have a written policy to limit its exposure to custodial credit risk.

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(2) Deposit and Investment Risk (Continued)**

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

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

More than 5% of the County's government activities investments are in the Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, and Pennsylvania Economic Development. These investments are 14%, 32%, 13%, and 22%, respectively, of the County's government activities investments.

More than 5% of the County's general fund investments are in Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, the City of Philadelphia PA, and Washington County PA. These investments are 33%, 33%, 8%, and 12% of the County's general fund investments. More than 5% of the County's mental health/mental retardation fund investments are in Derry Township, Pennsylvania Economic Development, Washington County PA, and Westmoreland County. These investments are 12%, 24%, 12%, and 6%, respectively, of the County's mental health/mental retardation fund investments.

More than 5% of the County's health choices management fund investments are in Federal Home Loan Mortgage Corporation, Federal National Mortgage Association and Pennsylvania Economic Development. These investments total 38% and 14%, and 30%, respectively, of the County's health choices management fund investments. More than 5% of the County's community development block grant fund investments are in Federal Home Loan Mortgage Corporation and Federal National Mortgage Association. These investments total 40% and 60%, respectively, of the County's community development block grant fund investments. More than 5% of the County's nonmajor funds investments are in the Federal National Mortgage Association and Pennsylvania Economic Development. These investments are 32% and 26%, respectively, of the County's nonmajor funds investments.

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

**York County Solid Waste and Refuse Authority**

All deposits and investments are carried at fair value, which are separated and detailed in this note. 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, 2009 the carrying values of the YCSWRA's cash deposits amounted to \$137,347 and the bank balances amounted to \$262,485. 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, 2009:

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	12,485
	<u>\$ 262,485</u>

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

Short-term investments consist of the following as of December 31, 2009:

Securities held by the pledging financial institution's trust department but in the YCSWRA's name	<u>\$ 2,034,845</u>
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Indentured Trust Funds

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

**York County Solid Waste and Refuse Authority (Continued)**

Indentured Trust Funds (Continued)

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

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

Indentured Trust Funds consist of the following at December 31, 2009:

At fair value:		
Cash equivalents	\$	87,151,800
U.S. Government and Agency investments		38,429,662
County of York, PA - general obligation note		11,700,000
		<u>\$ 137,281,462</u>
Current portion	\$	128,184,506
Non-current portion		9,096,956
		<u>\$ 137,281,462</u>

Closure Funds

Section 1109 Trust Fund

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

**York County Solid Waste and Refuse Authority (Continued)**

Collateral Bond

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

Closure funds consist of the following as of December 31, 2009:

At fair value:

Section 1109 trust Fund	\$ 6,079,499
Collateral Bond	443,681
	<u>\$ 6,523,180</u>

Self-Insurance Trust Fund

Section 1107 of Act 101 requires municipal authorities to provide financial assurances for satisfying claims of bodily injury and property damage resulting from pollution occurrences arising from the operation of a landfill or resource recovery facility. Municipal authorities may self-insure against such claims. The YCSWA 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 YCSWA's name.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

**York County Solid Waste and Refuse Authority (Continued)**

Self-Insurance Trust Fund (Continued)

The self-insurance trust fund consists of the following as of December 31, 2009:

At fair value:

Cash equivalents	\$ 5,593
U.S. Government and Agency Investments	851,959
Fixed income funds	1,690,703
	<u>\$ 2,548,255</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 Authority ceases to exist, the Authority 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 Authority purchases an insurance policy in terms, conditions, and amounts acceptable to and for the benefit of the Borough. At that time, the Trust Fund may be terminated and the monies returned to the YCSWRA. All monies are held by M&T Investment Group, as Trustee.

The Landfill Trust Fund consists of the following as of December 31, 2009:

At fair value:

Stewartstown Borough Trust Fund	\$ 795,782
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County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Solid Waste and Refuse Authority (Continued)

Interest Rate Risk

The YCSWRA's investments consist of the following as of December 31, 2009:

Investment Type	Maturity Date	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Cash Equivalents:					
U.S. Government Money Market Inst II Fund #904		\$ 4,720,411	\$ -	\$ -	\$ -
Federated Treasury Obligation MMF #395		409,998	-	-	-
Money Market Inst I Fund #420		801,375	-	-	-
United States Treasury Bills	7/2010	24,967,750			
United States Treasury Bills	11/2010	25,150,903			
United States Treasury Bills	12/2010	32,312,737			
Equity Securities					
Harbor Capital Appreciation Fd # 12		202,907	-	-	-
LSV Value Equity Fund		146,617	-	-	-
Vanguard Institutional Index FD #94		387,964	-	-	-
MTB Large Cap Value- Institutional I Fund #327		152,198	-	-	-
T Rowe Price Institutional Large- Cap Growth Fund		209,716	-	-	-
Debt Securities:					
Federal National Mortgage Association	8/2010	2,581,381			
Federal National Mortgage Association	8/2010	8,847,596			
Federal National Mortgage Association	8/2010	2,890,947			
Federal National Mortgage Association	8/2010	8,747,736			
Federal National Mortgage Association	3/2011	-	200,562		
Federal National Mortgage Association	4/2011	-	200,626		
Federal Home Loan Bank	2/2010	5,211,000			
Federal Home Loan Bank	2/2010	10,151,000			
Federated Total Return Bond Fund		300,430			
FNMA	1/2010	-	250,158		
MTB Intermediate Term - Institutional I Fund #220		489,077			
Vanguard Intermediate Term Corporate Bond Fund		145,935			
Short Duration Government Bond Inst I Fund #120		1,451,990			
Treasury Inflationary Protected Securities Series IX	7/2013		247,919		

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Solid Waste and Refuse Authority (Continued)

Interest Rate Risk (Continued)

Investment Type	Maturity Date	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Debt Securities (Continued):					
United States Treasury Note	07/2010	202,852	-	-	-
FFCB	1/2012	-	250,078	-	-
FFCB	1/2013	-	250,313	-	-
FFCB	2/2013	-	250,860	-	-
FHLB	7/2011	-	250,158	-	-
FHLB	10/2011	-	250,158	-	-
FHLB	1/2012	-	253,906	-	-
FHLB	1/2012	-	252,696	-	-
FHLB	7/2012	-	252,656	-	-
FHLB	3/2014	-	250,899	-	-
GS Short Dur Gov In (447)		1,188,439	-	-	-
MTB PA Municipal Bond - Inst I Fund #476		238,714	-	-	-
United States Treasury Note	9/2010	443,681	-	-	-
Vanguard Intermd Treas Admrl (535)		1,104,975	-	-	-
Vanguard Short-term Treas-Adm #532		864,206	-	-	-
County of York, PA General Obligation Note	11/2029	370,000	2,130,000	2,660,000	6,540,000
		<u>\$ 134,692,535</u>	<u>\$ 5,290,989</u>	<u>\$ 2,660,000</u>	<u>\$ 6,540,000</u>

Credit Risk

As of December 31, 2009, all of the YCSWRA's rated investments in debt securities were rated Aaa by Moody's and AAA by Standard & Poor's.

Custodial Credit Risk

For deposits and investments, custodial risk is the risk that in the event of the failure of the counterparty, the YCSWRA will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. As of December 31, 2009, \$2,047,330 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 Industrial Development Authority

Concentration of Credit Risk

The YCSWRA places no limit on the amount that may be invested in any one issuer. More than 5% of the YCSWRA's investments are in the Federal National Mortgage Association, Federal Home Loan Bank, and the County of York, PA General Obligation Note. These investments are 15.90%, 11.31%, and 7.84%, respectively, of the YCSWRA's total investments.

All cash and investments are held in the Authority's name. The Authority's investment policy specifies the targeted composition of its portfolio, including by the maximum amounts by type and also the range of maturity dates. Debt securities are collateralized by the full faith and credit of the U.S. Government. The cost, gross unrealized gains and losses, and fair value for cash and investments consist of the following as of December 31, 2009:

	Cost	Gross Unrealized		Fair Value
		Gains	Losses	
Cash:				
Checking accounts - interest bearing	\$ 122,150	\$ -	\$ -	\$ 122,150
	122,150	-	-	122,150
Investments:				
Money market accounts	40,444	-	-	40,444
Certificates of deposit; interest rate of 2.96% matures May, 2014	125,000	-	-	125,000
Certificates of deposit; interest rate of 2.716% matures August, 2014	55,000	-	-	55,000
Certificates of deposit; interest rate of 3.93% matures November, 2010	80,000	-	-	80,000
Certificate of deposit; interest rate of 3.54% matures March, 2010	317,000	-	-	317,000
Certificates of deposit; interest rate of 2.716% matures October, 2014	60,000	-	-	60,000
Debt Securities:				
Federal Agency notes; interest rates ranging from 0.73% through 5.00%, matures from January, 2010 to December, 2014	4,390,706	32,664	(10,193)	4,413,177
	5,068,150	32,664	(10,193)	5,090,621
Note receivable:				
Note receivable - YCEDC, collateralized by Trust Indenture	4,000,000	-	-	4,000,000
	\$ 9,190,300	\$ 32,664	\$ (10,193)	\$ 9,212,771

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Industrial Development Authority (Continued)

Interest Rate Risk

The Authority's investments consist of the following as of December 31, 2009:

Investment Type	Maturity Date	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Money Market Accounts:					
Blackrock Liquidity Funds	1/2010	\$ 40,444	\$ -	\$ -	\$ -
Certificates of Deposit:					
Non-Negotiable Graystone Bank	8/2014	-	55,000	-	-
Non-Negotiable Graystone Bank	10/2014	-	60,000	-	-
Non-Negotiable Susquehanna Bank	11/2010	80,000	-	-	-
Non-Negotiable PeoplesBank	3/2010	317,000	-	-	-
Non-Negotiable PeoplesBank	5/2014	-	125,000	-	-
Debt Securities:					
Federal Home Loan Mortgage Corporation	1/2010	\$ 100,343	\$ -	\$ -	\$ -
Federal Home Loan Mortgage Corporation	8/2012	-	100,424	-	-
Federal Home Loan Mortgage Corporation	9/2012	-	99,915	-	-
Federal Home Loan Mortgage Corporation	11/2012	-	99,798	-	-
Federal Home Loan Mortgage Corporation	9/2012	-	100,970	-	-
Federal Home Loan Mortgage Corporation	12/2010	-	99,848	-	-
Federal Home Loan Mortgage Corporation	1/2013	-	98,334	-	-
Federal Home Loan Bank	3/2010	201,798	-	-	-
Federal Home Loan Bank	6/2012	-	269,955	-	-
Federal Home Loan Bank	10/2010	151,023	-	-	-
Federal Home Loan Bank	4/2010	75,152	-	-	-
Federal Home Loan Bank	7/2012	-	100,058	-	-

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

York County Industrial Development Authority (Continued)

Interest Rate Risk (Continued)

Investment Type	Maturity Date	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Federal Home Loan Bank	8/2012	-	100,110	-	-
Federal Home Loan Bank	8/2012	-	100,120	-	-
Federal Farm Credit Bank	1/2011	-	100,983	-	-
Federal Farm Credit Bank	6/2011	-	99,506	-	-
Federal Farm Credit Bank	12/2014	-	74,122	-	-
Federal National Mortgage Association	3/2014	-	100,423	-	-
Federal National Mortgage Association	3/2012	-	101,537	-	-
Federal National Mortgage Association	5/2011	-	130,474	-	-
Federal National Mortgage Association	3/2011	-	101,023	-	-
Federal National Mortgage Association	9/2014	-	99,625	-	-
Federal National Mortgage Association	9/2011	-	74,845	-	-
US Treasury Note	8/2013	-	269,843	-	-
US Treasury Note	5/2012	-	270,000	-	-
US Treasury Note	11/2013	-	99,484	-	-
US Treasury Note	12/2010	100,359	-	-	-
US Treasury Note	12/2011	-	100,031	-	-
US Treasury Note	1/2012	-	99,906	-	-
US Treasury Note	2/2014	-	98,375	-	-
US Treasury Note	3/2014	-	97,640	-	-
US Treasury Note	4/2012	-	100,109	-	-
US Treasury Note	4/2011	-	100,125	-	-
US Treasury Note	4/2014	-	97,953	-	-
US Treasury Note	6/2012	-	101,093	-	-
US Treasury Note	7/2011	-	100,140	-	-
US Treasury Note	11/2012	-	99,312	-	-
US Treasury Note	12/2012	-	98,421	-	-
Note Receivable:					
Note Receivable - YCEDC	Various		1,000,000		3,000,000
		<u>\$ 1,066,119</u>	<u>\$ 5,024,502</u>	<u>\$ -</u>	<u>\$ 3,000,000</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

**York County Industrial Development Authority (Continued)**

Credit Risk

As of December 31, 2009, all of the Authority's investments in debt securities were rated Aaa by Moody's and AAA by Standard & Poor's.

Custodial Credit Risk

For deposits and investments, custodial risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. As of December 31, 2009, \$0 of the Authority's deposits and \$192,000 of the Authority's investments were exposed to custodial credit risk.

Concentration of Credit Risk

The Authority's investment policy limits the amount that may be invested in any one issuer. More than 5% of the Authority's investments are in Federal Home Loan Bank and note receivable - YCEDC. These investments are 10.98% and 44.00% respectively, of the Authority's total investments.

**York County Library System**

As of December 31, 2009, the Library System had the following cash and cash equivalents and debt investment with their respective maturities:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1-5	6-10
Cash Equivalents	\$ 43,571	\$ 43,571	\$ -	\$ -
U.S. Government Agencies	68,118	41,430	26,688	-
Corporate Bonds	47,569	-	47,569	-
Fixed Income Mutual Funds	275,344	-	161,665	113,679
Mutual Funds	779,064	N/A	N/A	N/A
Total	<u>\$ 1,213,666</u>	<u>\$ 85,001</u>	<u>\$ 235,922</u>	<u>\$ 113,679</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

**York County Library System (Continued)**

In addition to cash equivalents and investments, an additional cash balance of \$1,749,775 is reported on the balance sheet. Total cash equivalents and investments are reported as follows:

Cash and Cash Equivalents	\$ 1,793,346
Investments	<u>1,170,095</u>
	<u>\$ 2,963,441</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.

As of December 31, 2009, the Library System's investments had credit quality ratings by Standard and Poor's as follows:

<u>Investment Type</u>	<u>Credit Quality Rating</u>	<u>Percent of Investment Type</u>
U.S. Government Agencies	AAA	100%
Corporate Bonds	A	54%
Corporate Bonds	BB+	46%
Fixed Income Mutual Funds	AAA	11%
Fixed Income Mutual Funds	AA	46%
Fixed Income Mutual Funds	A	18%
Fixed Income Mutual Funds	BBB	8%
Fixed Income Mutual Funds	B	17%

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

**York County Library System (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 Library System will be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library System has no formal policy pertaining to custodial credit risk. As of December 31, 2009, \$1,327,354 of the Library System's cash in bank of \$1,793,790 was collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the Library System's name. The cash equivalents, which are money market funds, are not categorized.

Concentration of Credit Risk

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

**York County Planning Commission**

Cash and temporary investments include the following as of December 31, 2009:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Cash	\$ 251,846	\$ 386,731
PLGIT	688,740	688,740
	<u>\$ 940,586</u>	<u>\$ 1,075,471</u>

Concentration of Credit Risk

The commission places no limit on the amount the Commission may invest in any one issuer. All of the Commission's temporary investments consist of temporary investments with PLGIT (73.22%).

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

**York County Planning Commission (Continued)**

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, 2009, the Commission's book balance was \$940,586 and the bank balance was \$1,075,471. Of the bank balance, \$250,000 was covered by federal depository insurance and \$136,731 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. The remaining bank balance of \$688,740 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, 2009, PLGIT carried an AAA rating and had an average maturity of less than one year.

**(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 2009 was 4.15 mills with .1 mill pertaining to a dedicated library tax.

The County recorded an allowance for uncollectible taxes of \$501,773 as of December 31, 2009. This represents the County's estimate of taxes earned but ultimately expected not to be collected.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(5) Capital Assets**

A summary of changes in the capital assets for the year ended December 31, 2009 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<b>Governmental activities</b>				
Capital assets not being depreciated (cost):				
Land	\$ 52,790,754	\$ -	\$ -	\$ 52,790,754
Construction in progress	22,417,065	4,283,101	105,679	26,594,487
Total capital assets not being depreciated	<u>75,207,819</u>	<u>4,283,101</u>	<u>105,679</u>	<u>79,385,241</u>
Capital assets being depreciated (cost):				
Buildings and improvements	170,097,245	404,353	-	170,501,598
Furniture, fixtures, and equipment	11,805,941	493,159	18,000	12,281,100
Easements	14,721,618	2,987,936	-	17,709,554
Bridges, roads, and rail trail	19,736,641	52,288	-	19,788,929
Total capital assets being depreciated	<u>216,361,445</u>	<u>3,937,736</u>	<u>18,000</u>	<u>220,281,181</u>
Less accumulated depreciation for:				
Buildings and improvements	41,572,607	4,080,644	-	45,653,251
Furniture, fixtures, and equipment	7,622,260	1,518,629	18,000	9,122,889
Easements	2,072,511	405,092	-	2,477,603
Bridges, roads, and rail trail	12,876,511	480,340	-	13,356,851
Total accumulated depreciation	<u>64,143,889</u>	<u>6,484,705</u>	<u>18,000</u>	<u>70,610,594</u>
Total capital assets being depreciated, net	<u>152,217,556</u>	<u>(2,546,969)</u>	<u>-</u>	<u>149,670,587</u>
Total capital assets, governmental activities	<u>\$ 227,425,375</u>	<u>\$ 1,736,132</u>	<u>\$ 105,679</u>	<u>\$ 229,055,828</u>
<b>Business-type activities</b>				
Capital assets not being depreciated (cost):				
Land	\$ 260,065	\$ -	\$ -	\$ 260,065
Construction in Progress	29,345,874	5,373,856	79,675	34,640,055
Total capital assets not being depreciated	<u>29,605,939</u>	<u>5,373,856</u>	<u>79,675</u>	<u>34,900,120</u>
Capital assets being depreciated (cost):				
Buildings and improvements	30,816,409	2,868	13,207	30,806,070
Leasehold assets	997,500	-	-	997,500
Furniture, fixtures, and equipment	23,700,048	377,813	4,406,097	19,671,764
Total capital assets being depreciated	<u>55,513,957</u>	<u>380,681</u>	<u>4,419,304</u>	<u>51,475,334</u>
Less accumulated depreciation for:				
Buildings and improvements	5,879,397	811,427	8,441	6,682,383
Leasehold assets	365,750	199,500	-	565,250
Furniture, fixtures, and equipment	13,726,108	1,647,681	4,331,676	11,042,113
Total accumulated depreciation	<u>19,971,255</u>	<u>2,658,608</u>	<u>4,340,117</u>	<u>18,289,746</u>
Total capital assets being depreciated, net	<u>35,542,702</u>	<u>(2,277,927)</u>	<u>79,187</u>	<u>33,185,588</u>
Total capital assets, business-type activities	<u>\$ 65,148,641</u>	<u>\$ 3,095,929</u>	<u>\$ 158,862</u>	<u>\$ 68,085,708</u>

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

**(5) Capital Assets (Continued)**

	Beginning Balance	Additions	Reductions	Reclassification	Ending Balance
<b>Component units</b>					
Capital assets not being depreciated (cost):					
Land	\$ 7,526,313	\$ 1,320,357	\$ -	\$ (1,205,270)	\$ 7,641,400
Construction in progress	3,717,870	2,235,928	1,127,477	1,205,270	6,031,591
Total capital assets not being depreciated	<u>11,244,183</u>	<u>3,556,285</u>	<u>1,127,477</u>	<u>-</u>	<u>13,672,991</u>
Capital assets being depreciated (cost):					
Buildings and improvements	159,028,945	231,967	-	-	159,260,912
Furniture, fixtures, and equipment	6,925,638	316,517	25,989	-	7,216,166
Total capital assets being depreciated	<u>165,954,583</u>	<u>548,484</u>	<u>25,989</u>	<u>-</u>	<u>166,477,078</u>
Less accumulated depreciation for:					
Buildings and improvements	99,671,146	5,982,993	-	-	105,654,139
Furniture, fixtures, and equipment	3,254,491	804,832	25,989	-	4,033,334
Total accumulated depreciation	<u>102,925,637</u>	<u>6,787,825</u>	<u>25,989</u>	<u>-</u>	<u>109,687,473</u>
Total capital assets being depreciated, net	<u>63,028,946</u>	<u>(6,239,341)</u>	<u>-</u>	<u>-</u>	<u>56,789,605</u>
Total capital assets, business-type activities	<u>\$ 74,273,129</u>	<u>\$ (2,683,056)</u>	<u>\$ 1,127,477</u>	<u>\$ -</u>	<u>\$ 70,462,596</u>

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

<b>Governmental activities</b>	
Public safety	\$ 1,415,104
General government	1,331,497
Judicial	2,139,090
Health, education, and welfare	458,480
Road and bridges	507,822
Cultural and recreation	632,712
Total depreciation expense – governmental activities	<u>\$ 6,484,705</u>
<b>Business-type activities</b>	
County Nursing Home Fund	\$ 2,090,367
911 Fund	568,241
Total depreciation expense	<u>\$ 2,658,608</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(6) Long-Term Liabilities**

The following is a summary of changes in long-term liabilities for the year ended December 31, 2009:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
General obligation debt	\$ 172,580,594	\$ 30,057,043	\$ 12,808,418	\$ 189,829,219	\$ 54,442,084
Litigation liability	9,998,562	-	3,561,002	6,437,560	2,937,560
Unamortized bond premium	1,642,823	-	298,633	1,344,190	56,134
Liability for workers' compensation self-insurance	1,407,928	498,210	343,318	1,562,820	171,910
Compensated absences	3,221,248	2,963,098	2,553,696	3,630,650	2,513,136
Liability for other postemployment benefits	5,450,927	6,808,306	4,289,892	7,969,341	-
Liability for pension benefits	-	1,718,884	-	1,718,884	1,718,884
	<u>\$ 194,302,082</u>	<u>\$ 42,045,541</u>	<u>\$ 23,854,959</u>	<u>\$ 212,492,664</u>	<u>\$ 61,839,708</u>
<b>Business-type activities</b>					
General obligation debt	\$ 50,536,704	\$ 1,399,175	\$ 145,757	\$ 51,790,122	\$ 1,557,257
Unamortized bond premium	1,357,283	-	54,291	1,302,992	54,293
Liability for workers' compensation self-insurance	1,199,346	360,221	280,896	1,278,671	140,654
Compensated absences	808,831	561,328	560,567	809,592	560,400
Liability for other postemployment benefits	2,483,175	3,292,538	2,018,773	3,756,940	-
Liability for pension benefits	-	518,925	-	518,925	518,925
Capital lease	599,357	-	191,719	407,638	199,676
	<u>\$ 56,984,696</u>	<u>\$ 6,132,187</u>	<u>\$ 3,252,003</u>	<u>\$ 59,864,880</u>	<u>\$ 3,031,205</u>

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

During 2009, there was a transfer of General Obligation Debt in the amount of \$1,399,175 from the Governmental Activities to the Business-Type Activities which related to the transfer of bond proceeds of the Series of 2006 General Obligation Bonds discussed in Note 16.

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### (6) Long-Term Liabilities (Continued)

Governmental activities general obligation debt consisted of the following individual issues at December 31, 2009 (Payable from General Fund Tax Revenues):

<p>\$1,755,000 Series of 2000 – general obligation bonds with interest due semiannually June 1 and December 1 at various annual rates from 4.30% to 4.85%. Principal due in annual installments on June 1, increasing from \$140,000 in 2001 to \$215,000 in 2010.</p>	<p>\$ 215,000</p>
<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>22,515,000</p>
<p>\$74,890,000 Series of 2006 – general obligation bonds (\$22,539,878 for Governmental Activities and \$51,790,122 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>22,539,878</p>
<p>\$19,090,000 Series A of 2008 – general obligation bonds with interest due semiannually June 1 and December 1 at a rate of 70% of 1-month LIBOR plus 250 basis points. Principal due in annual installments on June 1, increasing from \$560,000 in 2009 to \$1,265,000 in 2030.</p>	<p>18,530,000</p>
<p>\$30,645,000 Series B of 2008 – general obligation bonds with interest due semiannually June 1 and December 1 at a rate of 65% of 1-Month LIBOR plus 189 basis points. Principal due in annual installments on June 1, increasing from \$435,000 in 2009 to \$3,565,000 in 2031.</p>	<p>30,210,000</p>
<p>\$33,375,000 Series C of 2008 – general obligation bonds with interest due semiannually June 1 and December 1 at a rate of 65% of 1-month LIBOR plus 221 basis points. Principal due in annual installments on June 1, increasing from \$5,000 in 2009 to \$6,075,000 in 2033.</p>	<p>33,370,000</p>
<p>\$25,000,000 Series of 2008 – general obligation note with interest on the outstanding balance due quarterly on March 1, June 1, September 1, and December 1 at a fixed rate of 4.15%. Principal due upon maturity on September 1, 2010.</p>	<p>22,230,474</p>
<p>\$17,000,000 Series of 2008 – general obligation note with interest on the outstanding balance due quarterly on March 1, June 1, September 1, and December 1 at a variable rate equal to 80% of the Wall Street Prime Rate, not to exceed 6.0% or be less than 3.60%. Principal due upon maturity on December 1, 2010.</p>	<p>15,968,867</p>
<p>\$12,550,000 Series of 2009 – general obligation note with interest on the outstanding balance due semi-annually on April 1 and October 1 at a fixed rate equal to 1.25%. Principal due upon maturity on October 1, 2010.</p>	<p>12,550,000</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 upon maturity on November 1, 2029.</p>	<p>11,700,000</p>
<p>Total general obligation debt</p>	<p><u>\$ 189,829,219</u></p>

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(6) Long-Term Liabilities (Continued)**

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

In September 2009, the County issued General Obligation Notes, Series of 2009, in the amount of \$12,550,000. The principal of this note is payable in full, upon maturity, on October 1, 2010. Interest payments on the outstanding principal shall be due semi-annually, on April 1, 2010 and October 1, 2010. The interest rate on the Series of 2009 notes is a fixed rate equal to 1.25%. The proceeds of the note are being used to currently refund the outstanding principal of the Series of 2002 General Obligation Bonds, to pay the interest due on the County's outstanding General Obligation Bonds Series of 2003, to pay the interest due on the County's outstanding General Obligation Bonds, Series of 2006, currently refund the Series of 2007 General Obligation Note, and to pay the costs of issuing and insuring the notes. The notes increased debt service payments for the County by \$149,095 and resulted in an economic loss of \$176,391. The principal balance outstanding on the note at December 31, 2009 was \$12,550,000.

In October 2009, the County issued General Obligation Notes, Series A of 2009, in the amount of \$11,700,000. The principal of this note is payable in annual installments increasing from \$370,000 in 2010 to \$825,000 in 2029. Interest payments on the outstanding principal shall be due semiannually, on May 1 and November 1 of each year, beginning on May 1, 2010. The interest rate on the Series A of 2009 notes 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 proceeds of the note are being used to refund the indebtedness of the York County Agricultural Society in connection with York Expo Center, and to pay issuance costs of \$53,286. The principal balance outstanding on the note at December 31, 2009 was \$11,700,000. Concurrently, the County entered into a loan and security agreement, a mortgage agreement, and a promissory note with the York County Agricultural Society. See Note 25 for more detail.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(6) Long-Term Liabilities (Continued)**

The annual requirements to amortize Governmental Activities general obligation bonds outstanding (including the effect of the swap transactions described in Note 8) for the year ended December 31, 2009 are as follows, *assuming current interest rates remain the same*:

	<b>Principal</b>	<b>Interest and Remarketing Costs</b>	<b>Total</b>
2010	\$ 54,442,084	\$ 9,006,306	\$ 63,448,390
2011	3,846,551	7,638,937	11,485,488
2012	3,994,907	7,443,688	11,438,595
2013	4,159,780	7,195,070	11,354,850
2014	4,340,717	7,012,018	11,352,735
2015-2019	24,858,494	32,726,843	57,585,337
2020-2024	28,866,457	24,703,042	53,569,499
2025-2029	34,648,204	14,952,940	49,601,144
2030-2033	30,672,025	3,777,146	34,449,171
	<u>\$ 189,829,219</u>	<u>\$ 114,455,990</u>	<u>\$ 304,285,209</u>

Business-Type Activities general obligation debt consisted of the following individual issues at December 31, 2009:

	<b>General Obligation Debt</b>
\$74,890,000 Series of 2006 – general obligation bonds (\$22,539,878 for Governmental Activities and \$51,790,122 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>\$ 51,790,122</u>
Total general obligation debt	<u>\$ 51,790,122</u>

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(6) Long-Term Liabilities (Continued)**

The annual requirements to amortize Business-Type Activities general obligation bonds outstanding (including the effect of the swap transactions described in Note 8) for the year ended December 31, 2009 are as follows, *assuming current interest rates remain the same*:

	<b>Principal</b>	<b>Interest and Remarketing Costs</b>	<b>Total</b>
2010	\$ 1,557,257	\$ 2,622,386	\$ 4,179,643
2011	1,623,449	2,557,417	4,180,866
2012	1,700,093	2,485,464	4,185,557
2013	1,780,220	2,407,891	4,188,111
2014	1,874,283	2,317,175	4,191,458
2015-2019	11,071,506	9,961,014	21,032,520
2020-2024	9,343,542	7,124,118	16,467,660
2025-2029	11,116,796	4,619,772	15,736,568
2030-2033	11,722,976	1,299,700	13,022,676
	<u>\$ 51,790,122</u>	<u>\$ 35,394,937</u>	<u>\$ 87,185,059</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, 2009 was \$1,035,449,484 compared to \$241,619,341 of related outstanding debt.

The County is subject to federal arbitrage laws governing the use of proceeds of tax exempt debt. At December 31, 2009, there is an arbitrage liability of \$253,013 recorded as a restricted investment in the Capital Projects Fund and \$361,768 recorded as a restricted investment in the 911 Fund.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(6) Long-Term Liabilities (Continued)**

Total debt of the component units consisted of the following individual issues as of December 31, 2009:

	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.	\$ 41,385,000	\$ -	\$ 41,385,000
Note payable for the rehabilitation of the Industrial Plaza of York; collateralized by a third lien on the Industrial Plaza of York; due 1998 through 2010.	-	3,090	3,090
Series 2003A and Series 2003B collateralized by a note receivable from York County Industrial Development Corporation; due 2012 and 2028.	-	4,000,000	4,000,000
	41,385,000	4,003,090	45,388,090
Plus: unamortized premium	416,942	-	416,942
Less: current portion	7,280,000	3,090	7,283,090
Project lessee debt	-	82,838,500	82,838,500
	\$ 34,521,942	\$ 86,838,500	\$ 121,360,442

The following is a summary of changes in component unit long-term debt excluding the project lessee long-term debt discussed below for the year ended December 31, 2009:

Balance at January 1, 2009	\$ 58,889,414
Reductions	(13,501,324)
Balance at December 31, 2009	\$ 45,388,090

The Authority also has \$82,838,500 of additional long-term debt relating to project leases. The Authority acts as a conduit for the purpose of providing capital financing for a specific third party that is not part of the Authority's financial reporting entity. While the Authority holds legal title to the land, buildings, and equipment leased to project lessees, it is not legally entitled to receive rental payments from the project lessees, and it is not legally obligated for the repayment of the related long-term debt collateralized by those assets.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(6) Long-Term Liabilities (Continued)**

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

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

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

The annual requirements to amortize maturities of component unit long-term debt outstanding for the year ended December 31, 2009, assuming no change in current terms, are as follows:

	<u>Principal</u>
2010	\$ 7,283,090
2011	7,750,000
2012	9,245,000
2013	8,750,000
2014	9,360,000
2015-2019	-
2020-2024	-
2025-2028	3,000,000
	<u>\$ 45,388,090</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(7) Capital Lease**

In February of 2007, the County's 911 Fund leased 190 mobile data computers in the amount of \$997,500 bearing an interest rate of 4.2% and expiring in February 2011. The following is a schedule of future minimum lease payments under the capital lease agreement together with the present value of the net minimum lease payments as of December 31, 2009:

Total Minimum Lease Payments	\$ 433,186
Less: Amount Representing Interest	<u>(25,548)</u>
Total Present Value of Net Minimum Lease Payments	407,638
Less: Amounts Due within One Year	<u>199,676</u>
Long Term Capital Lease Payable	<u><u>\$ 207,962</u></u>

Future minimum capital lease payments as of December 31, 2009:

2010	\$ 199,676
2011	<u>207,962</u>
Total Future Minimum Lease Payments	<u><u>\$ 407,638</u></u>

At December 31, 2009, the County has leased equipment disclosed as leasehold assets in Note 5 in the amount of \$997,500 with an accumulated depreciation of \$565,250.

**(8) Interest Rate Swaps**

**2003 Swap**

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(8) Interest Rate Swaps (Continued)**

**2003 Swap (Continued)**

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

The terms, fair values, and credit ratings of the outstanding swap as of December 31, 2009, were as follows. The notional amounts of the swap match the principal amounts of the 2008 Series B Bonds outstanding as of the effective date.

<u>Associated Bond Issue</u>	<u>Notional Amounts</u>	<u>Amended Effective Date</u>	<u>Variable Rate Received</u>	<u>Fixed Rate Paid</u>	<u>Fair Values</u>	<u>Swap Termination Date</u>	<u>Counterparty Credit Rating</u>
Series B of 2008 GOB	\$ 30,645,000	December 2, 2008	SIFMA	4.06%	\$ (2,622,499)	June 2, 2031	Aaa / AA-
Total	<u>\$ 30,645,000</u>				<u>\$ (2,622,499)</u>		

*Fair value.* The swap had a negative fair value as of December 31, 2009. The fair values were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

*Credit risk.* As of December 31, 2009, the County was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the County would be exposed to credit risk in the amount of the derivatives fair value. As of December 31, 2009, the counterparty was rated Aaa by Moody's Investors Service, and AA- by Standard & Poor's.

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(8) Interest Rate Swaps (Continued)**

**2003 Swap (Continued)**

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

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

**2005 Swap**

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

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

The terms, fair values, and credit ratings of the 2005 outstanding swaps as of December 31, 2009, were as follows. The notional amounts of the swap match the principal amounts of the 2008 Series A and Series C Bonds outstanding as of the effective date.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps (Continued)

2005 Swap (Continued)

<u>Associated Bond Issue</u>	<u>Notional Amounts</u>	<u>Ammended Effective Date</u>	<u>Variable Rate Received</u>	<u>Fixed Rate Paid</u>	<u>Fair Values</u>	<u>Swap Termination Date</u>	<u>Counterparty Credit Rating</u>
Series A of 2008 GOB	\$ 19,090,000	December 1, 2008	SIFMA	4.34%	\$ (2,048,115)	June 1, 2030	Aaa / AA-
Series C of 2008 GOB	33,375,000	December 1, 2008	SIFMA	4.43%	(4,318,664)	June 1, 2033	Aaa/ AA-
Total	<u>\$ 52,465,000</u>				<u>\$ (6,366,779)</u>		

*Fair value.* The swaps had a negative fair value as of December 31, 2009. The fair values were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

*Credit risk.* As of December 31, 2009, the County was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the County would be exposed to credit risk in the amount of the derivatives fair value. As of December 31, 2009, the counterparty was rated Aaa by Moody's Investors Service, and AA- by Standard & Poor's.

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

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

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(8) Interest Rate Swaps (Continued)**

**2006 Basis Swap**

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

The terms, fair values, and credit ratings of the 2006 basis swap as of December 31, 2009, were as follows. The notional amount of the swap matches the principal amount of the 2006 Series Bonds outstanding as of the effective date.

<u>Associated Bond Issue</u>	<u>Notional Amounts</u>	<u>Effective Date</u>	<u>Variable Rate Received</u>	<u>Variable Rate Paid</u>	<u>Fair Values</u>	<u>Swap Termination Date</u>	<u>Counterparty Credit Rating</u>
Series of 2006 GOB	\$ 74,890,000	February 22, 2006	67% of LIBOR plus 42.39 basis points	BMA	\$ (104,607)	June 1, 2033	Aaa/ AA-
Total	<u>\$ 74,890,000</u>				<u>\$ (104,607)</u>		

*Fair value.* The swap had a negative fair value as of December 31, 2009. The fair value was estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

*Credit risk.* As of December 31, 2009, the County was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the County would be exposed to credit risk in the amount of the derivatives fair value. As of December 31, 2009, the counterparty was rated Aaa by Moody’s Investors Service, and AA- by Standard & Poor’s.

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(8) Interest Rate Swaps (Continued)**

##### **2006 Basis Swap (Continued)**

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

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

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

##### **2006 Constant Maturity Swap**

In February 2009, the County entered into an agreement with the Royal Bank of Canada to suspend the effective date of the 2006 Constant Maturity Swap to December 1, 2011. The County received \$2,200,000, net of transaction fees, from the suspension of this Swap which is reflected as Swap Proceeds in the County's General Fund Statement of Revenues, Expenditures and Changes in Fund Balance and the Governmental Activities Statement of Activities.

In December 2009, the County terminated the 2006 Constant Maturity Swap with the Royal Bank of Canada. The County received \$1,870,000, net of transaction fees, from the termination of this Swap which is reflected as Swap Proceeds in the County's General Fund Statement of Revenues, Expenditures and Changes in Fund Balance and the Governmental Activities Statement of Activities.

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(8) Interest Rate Swaps (Continued)**

##### **2009 Basis Swap**

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

In July 2009, the County terminated the 2009 Basis Swap with the Royal Bank of Canada. The County received \$1,780,000, net of transaction fees, from the termination of this Swap which is reflected as Swap Proceeds in the County's General Fund Statement of Revenues, Expenditures and Changes in Fund Balance and the Governmental Activities Statement of Activities.

#### **(9) Short-Term Debt**

During 2009, the County issued Tax and Revenue Anticipation Notes in the amount of \$19,930,000 for cash flow purposes until the County began receiving tax receipts from the 2009 property tax. During 2009, the County repaid \$19,930,000 related to these Tax and Revenue Anticipation Notes. There was no outstanding balance at December 31, 2009 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 2009, the County's contribution to the plan for current premiums was \$6,308,665, using the implicit rate subsidy.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

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

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation to the Plan:

	Governmental Activities	County Nursing Home	911 Fund	Total Primary Government
Annual required contribution (ARC)	\$ 6,893,626	\$ 2,897,897	\$ 433,329	\$ 10,224,852
Interest on net OPEB obligation	191,333	76,389	10,371	278,093
Adjustment to ARC	<u>(276,653)</u>	<u>(110,453)</u>	<u>(14,995)</u>	<u>(402,101)</u>
Annual OPEB costs (expense)	6,808,306	2,863,833	428,705	10,100,844
Contributions made	<u>(4,289,892)</u>	<u>(1,766,426)</u>	<u>(252,347)</u>	<u>(6,308,665)</u>
Increase in net OPEB obligation	2,518,414	1,097,407	176,358	3,792,179
Net OPEB obligation - beginning of year	<u>5,450,927</u>	<u>2,184,633</u>	<u>298,542</u>	<u>7,934,102</u>
Net OPEB obligation - end of year	<u>\$ 7,969,341</u>	<u>\$ 3,282,040</u>	<u>\$ 474,900</u>	<u>\$ 11,726,281</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2007, 2008, and 2009 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/07	\$ 8,013,384	48.6%	\$ 4,120,625
12/31/08	\$ 7,956,424	52.1%	\$ 7,934,102
12/31/09	\$10,100,844	52.7%	\$11,726,281

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

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

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

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

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

In the January 1, 2009 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.0% investment rate of return, which is the expected long-term investment yield on the investments that are expected to be used to finance the payments of benefits, a health care cost trend rate of 10% initially, reduced by decrements to an ultimate rate of 5% after 5 years. The actuarial assumptions also include a dental cost trend rate of 3% and a vision cost trend rate of 1.5%. The UAAL is being amortized using the level dollar method over a period of 30 years on an open basis.

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 Cost	Employee Share of Cost
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, 2009, the Commission contributed \$0 to the OPEB plan.

The Commission opted to not fully fund 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 effect of short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

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	11/1/2009
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 2009 health and dental insurance premiums
Health care cost trend rates	

	Health	Pharmacy	Dental	Vision
2009	9.0%	9.0%	4.0%	3.0%
2010	8.0%	8.0%	3.5%	3.0%
2011	7.0%	7.0%	3.0%	3.0%
2012	6.0%	6.0%	3.0%	3.0%
2013	5.8%	5.8%	3.0%	3.0%
2014	5.6%	5.6%	3.0%	3.0%
2015	5.6%	5.6%	3.0%	3.0%
2016	5.5%	5.5%	3.0%	3.0%
2017	5.5%	5.5%	3.0%	3.0%
2018+	4.7%	4.7%	3.0%	3.0%

Amortization period	30 years 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 (Asset)
2009	\$ 17,365	0.00%	\$ 17,365
2008	NA	NA	NA
2007	NA	NA	NA

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, 2009 were as follows:

Annual required contribution	\$ 17,365
Interest on net OPEB obligation	-
Adjustment on ARC	-
Annual OPEB cost	<u>17,365</u>
Contribution made	-
Change in Net OPEB Obligation	<u>17,365</u>
Net OPEB Obligation, beginning	-
Net OPEB Obligation, ending	<u><u>\$ 17,365</u></u>

Funded Status and Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL As a Percentage of Covered Payroll (b-a/c)
11/1/2009	\$ -	\$ 160,788	\$ 160,788	0%	N/A	N/A

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

Summary of Employer Contributions

Year Ending	Annual Required Contribution	Actual Contribution	Percentage Contributed
12/31/2009	\$ 17,365	\$ -	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) covering substantially all County employees. The Plan is considered part of the County's financial reporting entity and is included in the County's financial statements as a Pension Trust Fund. The Plan follows the accounting and reporting requirements of GASB Statement No. 25 and GASB 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, 2009, the Plan's membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	858
Terminated employees entitled to benefits, but not yet receiving benefits	163
Active plan members	<u>2,333</u>
Total members	<u><u>3,354</u></u>

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

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

Covered employees are required by the Act to contribute to the Plan at a rate of 5% of their gross pay. Employees may contribute up to an additional 10% of gross pay, at their option. The contributions are recorded in an individually identified account that is also credited with interest, calculated to yield 5.5% compounded annually. Accumulated employee contributions and credited interest, which amounted to \$51,698,838 as of December 31, 2009, 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, 2009, the most recent actuarial valuation date, the plan was 78.1 percent funded. The actuarial accrued liability for benefits was \$269.4 million, and the actuarial value of assets was \$210.3 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$59.1 million. The actuarial value of assets as a percentage of the actuarial accrued liability was 78.1%. The covered payroll was \$95.0 million, and the ratio of the UAAL to the covered payroll was 62.2%.

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

**Actuarial Methods and Assumptions**

In the December 31, 2009 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 Commonwealth of Pennsylvania under Act 44 Section 210A(1). The actuarial value of assets will be limited to a maximum of 130% and a minimum of 70% 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, 2009 was 29 years for the plan's initial unfunded liability, 15 years for experience loss, and 20 years for change in the asset valuation assumption.

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
2007	\$ 7,199,423	\$ (39,523)	\$ (64,685)	\$ 7,224,585	\$ 7,199,423	99.65%	\$ 25,162	\$ (501,809)
2008	7,383,314	(37,636)	(61,775)	7,407,453	7,383,314	99.67%	24,139	(477,670)
2009	9,332,399	(35,825)	(58,905)	9,355,479	6,640,000	70.97%	2,715,479	2,237,809

During 2009, the County did not fully fund their annual required contribution in the amount of \$2,692,399. At December 31, 2009, the County has recorded a pension liability of \$1,718,884 and \$518,925 in the statement of nets assets for governmental and business-type activities, respectively.

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

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

##### **Legally Required Reserves**

At December 31, 2009, the County has a balance of \$51,698,838 in the Members' Annuity Reserve Account. This account is the total of the contributions deducted from the salaries of the active and terminated vested member of the retirement system and the IRC 414(h)(2) pickup contributions together with the interest additions as of December 31, 2009. Since those accumulations represent the present value as of December 31, 2009 of future benefits, the reserve balance and liability are equal and this reserve is fully funded.

The County has a balance of \$56,010,999 in the County Annuity Reserve Account as of December 31, 2009. 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 \$85,476,190 as of December 31, 2009.

#### **(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, 2009 amounted to \$117,484.

During the year ended December 31, 1999, the Authority adopted an Eligible Deferred Compensation Plan, under the provisions of Section 457 of the Internal Revenue Code of 1986. Under the plan, contributions by the YCSWRA on behalf of the employees are at management's discretion. No contributions were made to the plan by the YCSWRA during the year ended December 31, 2009.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(13) Component Unit Employee Retirement Plans (Continued)**

**York County Solid Waste and Refuse Authority (Continued)**

All amounts deferred under both plans are held in trust for the exclusive benefit of the participating employees and are not accessible by the YCSWRA or its creditors.

**York County Library System**

Description of the plan

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

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

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(13) Component Unit Employee Retirement Plans (Continued)**

**York County Library System (Continued)**

Description of the plan (Continued)

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

The System's contributions are determined on the basis of actuarial principles by an enrolled actuary with any additional contributions determined through the budgeting process of the Board of Directors. On May 22, 2009 The System's Board passed a resolution calling for the freezing of benefits and the cessation of benefit accruals.

Valuation of investments

The Pension Fund investments are presented at fair market value.

Membership

As of January 1, 2010, employee membership data related to the pension plan was as follows:

Retirees and Beneficiaries Currently Receiving Benefits	23
Inactive	1
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	14
Active Plan Members	75
	<u>113</u>

Three year trend information for the plan is as follows:

	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
2007	\$ 106,351	109.86%	\$ (330,745)
2008	\$ 103,467	134.23%	\$ (366,164)
2009	\$ 99,433	84.06%	\$ (350,310)

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(13) Component Unit Employee Retirement Plans (Continued)**

**York County Library System (Continued)**

Actuarial methods and assumptions

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

Actuarial Cost Method:	Projected Accrued Benefit Cost
Asset Valuation Method:	Entry Age
Actuarial Assumptions:	
Interest Rate	7.0%
Annual Salary Increase	None Assumed in 2009
Mortality Table	1984 Unisex Pension (UP-84)
Amortization Method:	15 year Annual Rate of Return
Remaining Amortization Period:	15 Years

Annual pension cost and net pension asset

The System's Annual Required Contribution to the pension plan for 2009, was determine as part of an actuarial valuation performed as of January 1, 2009. The System's annual pension cost and net pension obligation to the pension plan for 2009, were as follows:

Annual Required Contribution	\$ 83,702
Interest on Net Pension Obligation	(21,970)
Adjustment to Annual Required Contribution	<u>37,701</u>
Annual Pension Cost	99,433
Contribution Made	<u>83,579</u>
Change in Net Pension Asset	(15,854)
Net Pension Asset (Obligation) - January 1, 2009	<u>366,164</u>
Net Pension Asset (Obligation) - December 31, 2009	<u><u>\$ 350,310</u></u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(13) Component Unit Employee Retirement Plans (Continued)**

**York County Library System (Continued)**

Funding status and progress

As of December 31, 2009, the most recent actuarial valuation date, the plan was 67.9 percent funded. The actuarial accrued liability for benefits was \$1.7 million, and the actuarial value of assets was \$1.2 million, resulting in an unfunded liability (UAAL) of \$.54 million. The actuarial value of assets as a percentage of the actuarial liability was 67.9%. The covered payroll was \$3.1 million, and the ratio of the UAAL to the covered payroll was 17.7%.

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

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

Schedule of Contributions from the Employer and Other Contributing Entities:

<u>Year</u>	<u>Annual Required Contribution</u>	<u>Contributions From Employer</u>	<u>Percentage Contributed</u>
2004	\$ 91,082	\$ 73,405	81%
2005	\$ 98,683	\$134,439	136%
2006	\$111,829	\$129,064	115%
2007	\$ 93,107	\$116,834	125%
2008	\$ 89,789	\$138,886	155%
2009	\$ 83,702	\$ 83,579	99%

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(13) Component Unit Employee Retirement Plans (Continued)**

**York County Library System (Continued)**

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

Valuation Date	Actuarial Value Of Assets (a)	Entry-Age Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL As A % Of Payroll (b-a)/(c)
2004	\$ 855,386	\$1,438,064	\$582,678	59.48%	\$2,332,775	24.98%
2005	\$ 950,554	\$1,600,431	\$649,877	59.39%	\$2,489,725	26.10%
2006	\$1,098,829	\$1,684,256	\$585,427	65.24%	\$2,699,898	21.68%
2007	\$1,336,185	\$1,813,202	\$477,017	73.69%	\$2,782,496	17.14%
2008	\$1,464,191	\$2,133,169	\$668,978	68.64%	\$2,853,522	23.44%
2009	\$1,155,712	\$1,701,560	\$545,848	67.92%	\$3,080,484	17.72%

**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.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(13) Component Unit Employee Retirement Plans (Continued)**

**York County Planning Commission (Continued)**

Plan Membership

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

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

Annual Pension Cost

The Commission's annual pension costs were comprised of the following for the year ended December 31, 2009:

Annual required contribution	\$ 219,596
Adjustment to ARC	25,256
Annual pension cost	<u>244,852</u>
Contributions made	(219,636)
Change in prepaid pension expenses	25,216
Net prepaid pension expense, beginning	<u>(238,621)</u>
Net prepaid pension expense, ending	<u>\$ (213,405)</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(13) Component Unit Employee Retirement Plans (Continued)**

**York County Planning Commission (Continued)**

The required contribution was determined as part of the actuarial valuation using the entry age normal actuarial method. The actuarial value plan assets are stated at fair value. The actuarial assumptions included a 6.0% investment rate of return and projected salary increases of 4.5%. 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, 2009 was eleven years.

Trend Information

	<b>Annual Pension Cost</b>	<b>Contributions Made</b>	<b>Actuarial Valuation Date Basis for Contributions</b>	<b>Percentage Contributed</b>	<b>Net Pension Obligation/ (Asset)</b>
2007	\$ 211,142	\$ 185,386	2005	87.80%	\$ (263,887)
2008	\$ 226,176	\$ 200,910	2005	88.83%	\$ (238,621)
2009	\$ 244,852	\$ 219,636	2007	89.70%	\$ (213,405)

Summary of Employer Contributions

<b>Year Ended December 31</b>	<b>Annual Required Contribution</b>	<b>Actual Contribution</b>	<b>Percentage Contributed</b>
2000	\$ 237,676	\$ 237,676	100%
2001	\$ 194,402	\$ 194,402	100%
2002	\$ 201,601	\$ 201,601	100%
2003	\$ 165,481	\$ 165,481	100%
2004	\$ 161,745	\$ 161,745	100%
2005	\$ 167,723	\$ 167,723	100%
2006	\$ 167,133	\$ 167,133	100%
2007	\$ 185,386	\$ 185,386	100%
2008	\$ 200,890	\$ 200,910	100%
2009	\$ 219,596	\$ 219,636	100%

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(13) Component Unit Employee Retirement Plans (Continued)**

**York County Planning Commission (Continued)**

Funded Status and Funding Progress

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

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of covered Payroll [(b-a)/c]
1/1/1999	\$ 2,085,513	\$ 3,282,633	\$ 1,197,120	63.53%	\$ 1,139,649	105.04%
1/1/2001	\$ 3,024,893	\$ 3,740,524	\$ 715,631	80.87%	\$ 1,297,772	55.14%
1/1/2003	\$ 3,718,243	\$ 4,307,095	\$ 588,852	86.33%	\$ 1,466,815	40.14%
1/1/2005	\$ 4,502,255	\$ 5,140,779	\$ 638,524	87.58%	\$ 1,619,427	39.43%
1/1/2007	\$ 5,297,643	\$ 5,998,245	\$ 700,602	88.32%	\$ 1,742,123	40.22%
1/1/2009	\$ 6,287,879	\$ 6,914,902	\$ 627,023	90.93%	\$ 2,036,293	30.79%

**Deferred Compensation Plan**

The Commission sponsors a Deferred Compensation Plan, under the provisions of Section 457 of the Internal Revenue Code of 1986. Under the plan, contributions by the Commission on behalf of the employees are at management's discretion. During the year ended December 31, 2009, 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, 2009.

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(14) Commitments and Contingencies (Continued)**

##### **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 Agreements**

The primary government has guaranteed two revenue bond issues – Series 2003A and Series 2003B of the York County Industrial Development Authority. The outstanding aggregate balance of this debt at December 31, 2009 was \$4,000,000.

The primary government has guaranteed the Series of 1997 Refunding Revenue Bonds of YCSWRA. The outstanding balance of this debt at December 31, 2009 was \$41,385,000.

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

##### **Line of Credit – Component Units**

The Authority has an available line of credit with Wachovia Bank, N.A. amounting to \$500,000. Any borrowings against this line of credit bear interest at the bank's prime rate plus 1.25% (interest rate floor is 5.00%). No amounts were borrowed against this line of credit as of December 31, 2009. All outstanding balances and accrued interest are payable on June 30, 2010.

The Authority had an additional line of credit with Wachovia Bank, N.A. for the Sovereign Bank Stadium project amounting to \$13,500,000. The line of credit was collateralized by RACP Grant proceeds. Borrowings against this line of credit bore interest at the LIBOR rate plus 0.75%. As of December 31, 2009, the outstanding balance on this line of credit amounted to \$0. The line of credit was paid off during the year ended December, 31, 2009 and was not renewed.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(14) Commitments and Contingencies (Continued)**

**Contingency – Component Units**

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

**(15) Due from Other Governments**

Amounts due from other governments are primarily grants receivable from the Commonwealth of Pennsylvania at December 31, 2009 for the following funds:

<b>Governmental funds</b>	
General Fund	\$ 1,845,335
York HealthChoices Management Fund	1,009,154
Mental Health/Mental Retardation Fund	61,365
Children & Youth Fund	6,266,060
Community Development Block Grant Fund	215,122
Other Nonmajor Funds	2,273,848
	<u>\$ 11,670,884</u>
<b>Enterprise Funds</b>	
Nursing Home Fund	\$ 68,637
911 Fund	35,575
	<u>\$ 104,212</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, 2009 are as follows:

	<b>Due from Other Funds</b>	<b>Due to Other Funds</b>
<b>Governmental funds</b>		
General Fund	\$ 8,929,493	\$ 1,604,564
York HealthChoices Management Fund	5,013	436,262
Mental Health/Mental Retardation Fund	93,701	625,258
Children and Youth Fund	76,775	4,724,614
Community Development Block Grant Fund	-	77
Capital Projects Bond Account Fund	997,569	3,664
Other Nonmajor Funds	790,823	222,505
	<u>10,893,374</u>	<u>7,616,944</u>
<b>Enterprise funds</b>		
County Nursing Home Fund	-	2,972,990
911 Fund	114,233	417,673
	<u>114,233</u>	<u>3,390,663</u>
Total	<u>\$ 11,007,607</u>	<u>\$ 11,007,607</u>

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(16) Interfund Accounts (Continued)**

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

	<b>Transfers In</b>	<b>Transfers Out</b>
<b>Governmental funds</b>		
General Fund	\$ 49,891	\$ 20,359,222
York HealthChoices Management Fund	-	372,832
Mental Health/Mental Retardation Fund	1,363,960	-
Children & Youth Fund	4,189,830	-
Capital Projects Bond Account Fund	-	291,905
Other Nonmajor Funds	2,865,549	49,891
	8,469,230	21,073,850
<b>Enterprise funds</b>		
County Nursing Home Fund	6,683,032	-
911 Fund	5,921,588	-
	12,604,620	-
<b>Total</b>	<b>\$ 21,073,850</b>	<b>\$ 21,073,850</b>

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

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

In addition to the transfers noted above, during 2009 there was a transfer of bond proceeds in the amounts of \$1,399,175 from the capital projects bond account fund to the 911 fund. The purpose of the bond proceeds transfer was to fund additional 911 capital purchases from the series of 2006 General Obligation Bond Proceeds.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(17) Excess of Expenditures over Appropriations in Major Funds**

The following major fund had an excess of actual expenditures over budget for the year ended December 31, 2009.

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Percent of Excess over Appropriations</u>
York HealthChoices Management Fund	\$ 58,509,949	\$ 66,681,845	13.97%

The excess expenditures over appropriations in the York HealthChoices Management Fund were funded by greater than anticipated revenues.

**(18) Deficit Fund Equity**

At December 31, 2009, the County Nursing Home Fund and the 911 Fund had deficit balances in unrestricted net assets of \$7,222,744 and \$719,150, respectively. The County has recorded a reserve for these amounts in the fund balance of the General Fund.

**(19) Landfill Closure and Post Closure Care Costs**

The YCSWRA completed closure construction on the York County Sanitary Landfill during the year ended December 31, 1998. State and federal laws and regulations require the YCSWRA to place a final cover on its York County Sanitary Landfill site when it stops accepting waste, and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post closure care costs will be paid after the date that the landfill stopped accepting waste, the YCSWRA recognized a portion of these closure and post closure care costs as operating expenses in each operating period based on landfill capacity used as of each balance sheet date. The \$937,118 reported as landfill closure and post closure care liability at December 31, 2009 (included in other liabilities) represents the cumulative amount recognized based on the use of 100% of the capacity of the landfill, less expenses paid between actual closure and December 31, 2009. The recorded liability is based on what it would cost to perform all closure and post closure care in 1998. Actual costs may be higher or lower due to inflation or deflation, changes in technology, or changes in regulations.

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(20) Contract Receivable/Deferred Contract Income**

On November 11, 1998, the YCSWRA executed a Consent to Assignment and Termination and Release Agreement (Agreement) with Viacom, Inc. (formerly known as CBS Corporation). Under the terms of the Agreement, Viacom agreed to pay to YCSWRA a termination fee of \$42,000,000 in exchange for a full release of all of its obligations under a 1991 agreement to operate the Resource Recovery Center. The YCSWRA simultaneously executed a service agreement with Montenay York Resource Energy Systems, LLC (MYRES) to operate the Resource Recovery Center. The YCSWRA paid monthly service fees to MYRES, which in the aggregate amounted to \$19,205,614 for the year ended December 31, 2009.

Under the terms of the Agreement with Viacom, the YCSWRA will receive \$42,000,000 million payable in seventeen installments of amounts ranging between \$1,000,000 and \$3,000,000. Payment of \$3,000,000 was received in the year ended December 31, 2009. 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 \$11,668,954 is recorded as a contract receivable, with \$1,949,794 being shown as the current portion as of December 31, 2009. Similar amounts are recorded as deferred contract revenue which will be amortized to income as payments are received from Viacom.

#### **(21) Risk Management**

##### **Self-Insurance**

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

The County has elected to self-insure itself for up to \$1,500,000 for injuries to employees. For risks greater than \$1,500,000 the County has purchased excess of loss insurance with an insurance carrier. As of December 31, 2009, the County has recorded a liability for claims incurred of \$1,278,671 in the county nursing home fund and \$1,562,820 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, 2009.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(21) Risk Management (Continued)**

**Self-Insurance (Continued)**

The County has elected to self-insure itself for medical insurance for certain employees. The County is liable for all claims up to an aggregate of \$24,453,349 or \$200,000 plus \$50,000 aggregating deductible per individual for any one plan year. Once the aggregating deductible has been met, all future stop loss reimbursements for that contract year are payable upon reaching the stated deductible of \$200,000 per covered member. The County purchased stop loss insurance to cover all claims in excess of these deductible points. As of December 31, 2009, the County has recorded a liability for claims incurred of \$900,442 in the general fund and \$385,904 in the county nursing home fund.

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

	<u>Medical</u>		<u>Workers' Compensation</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Balance as of January 1	\$ 1,301,127	\$ 1,286,242	\$ 2,607,274	\$ 1,868,356
Add: Incurred claims relating to:				
Prior years	(106,694)	(95,952)	(546,509)	41,651
Current year	21,374,121	18,271,650	1,404,940	1,107,206
	<u>21,267,427</u>	<u>18,175,698</u>	<u>858,431</u>	<u>1,148,857</u>
Less: Payment of claims relating to:				
Prior years	1,194,433	1,190,290	181,774	192,555
Current year	20,087,775	16,970,523	442,440	217,384
	<u>21,282,208</u>	<u>18,160,813</u>	<u>624,214</u>	<u>409,939</u>
Balance as of December 31	<u>\$ 1,286,346</u>	<u>\$ 1,301,127</u>	<u>\$ 2,841,491</u>	<u>\$ 2,607,274</u>

The foregoing reconciliation reflects a redundancy in the December 31, 2008 liability for medical self-insurance of \$106,694. The foregoing reconciliation also reflects a redundancy in the December 31, 2008 liability for workers' compensation self-insurance of \$546,509. The changes in these liabilities were primarily the result of changes in estimates as more information became available.

The County participates in a claims servicing public entity risk pool (the Pool) for unemployment compensation. Under an agreement with the Pool, the County pays a monthly premium to the Pool based on past loss experience. Any surplus (deficiency) based on current-year loss experience is then refunded to (paid by) the County. Based on the County's favorable loss experience in 2009, no liability has been recorded for claims incurred but not paid as of December 31, 2009.

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(22) Restricted Assets and Related Liabilities**

At December 31, 2009, the County's governmental funds had a restricted cash balance of \$9,640,532 maintained in escrow accounts in the name of the County. At December 31, 2009, the County also had a restricted investment balance \$10,213,855. Each fund's restricted cash and investments are provided below with a brief explanation of the reasons for restriction:

- \$6,145,842 is restricted cash in the General Fund. These balances are for various purposes, including: debt service, bail judgments, agricultural land preservation, records management, and workers' compensation.
- \$2,656,058/\$8,568,268 and \$636,125/\$1,013,050 are restricted cash/investments in the York HealthChoices Fund and the Adams HealthChoices Fund, respectively. Of this balance \$1,531,565 and \$1,949, respectively, is restricted as incentive cash/investments. The program's subcontractor is eligible for a bonus based on meeting performance benchmarks. This cash/investments is restricted for that purpose. \$3,890,708 and \$751,124, 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. \$5,802,054 and \$896,101, respectively, is held as restricted cash/investments for reinvestment. Use of these funds is contingent upon the Department of Public Welfare approval of a reinvestment plan.
- \$60,469 is restricted cash in the York County MH/MR Fund. These funds are received from individuals designated to be used as memorials.
- \$888 and \$632,537 is restricted cash and investments, respectively, in the Capital Projects Bond Account Fund to pay for costs incurred on projects authorized by prior years' bond issues, for the following projects related to the 2006 General Obligation Bond Issue: prison expansion, administrative office building renovations, voting machines, and archive security, and to pay for arbitrage expense related to the Series of 2006 General Obligation Bonds.
- \$56,219 is restricted cash in the Domestic Relations Fund. These funds are held to be remitted to the intended third party.
- \$53,835 is restricted cash in the Comprehensive Services to the Aged Fund. This balance represents client fund accounts in which the Aging Department collects and administers individuals' funds that cannot handle their own money.

## County of York, Pennsylvania

### Notes to Financial Statements (Continued)

#### **(22) Restricted Assets and Related Liabilities (Continued)**

- \$31,096 is restricted cash in the Donations Fund as being held for specific purposes by individuals or businesses.

At December 31, 2009, the County's enterprise funds had a restricted cash balance of \$2,524,448 and a restricted investment balance of \$2,378,245. Each fund's restricted cash and investments are provided below with a brief explanation of the reasons for restriction:

- \$620,343 of cash in the county nursing home fund. Of this balance \$562,598 is restricted for the payment of patient funds held in safekeeping and \$57,745 for other deposits held in escrow. \$2,016,477 of investments in the county nursing home fund to pay for renovations to the county nursing home.
- \$1,904,105 of cash in the 911 fund is restricted for payment of eligible 911 wireless expenses. \$361,768 of investments in the 911 fund to pay for arbitrage expense related to the Series of 2006 General Obligation Bonds.

The YCSWRA (a component unit) is required to maintain cash and investments amounting to \$147,148,679 in trust accounts whose use are restricted under bond indentures or under consent decree and law relating to environmental protection matters attributable to the YCSWRA's operations.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

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

**Governmental Funds/Governmental Activities**

General Fund

Reserved/Restricted for legal purposes \$ 766,013

This line item represents amounts reserved/restricted for various externally imposed restrictions, including: crime victims and inmate general welfare.

Reserved for loans receivable \$ 13,455,639

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

Reserved/Restricted for debt service \$ 1,054,127

This line item represents amounts that have been reserved/restricted for debt service.

Reserved for county nursing home \$ 7,222,744

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

Reserved for 911 \$ 719,150

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

Unreserved, designated for specific purposes \$ 1,403,400

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

Capital Projects Bond Account Fund

Reserved for capital projects \$ 2,196,319

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

County of York, Pennsylvania

Notes to Financial Statements (Continued)

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

**Governmental Funds/Governmental Activities (Continued)**

Nonmajor Funds

Reserved/Restricted for program purposes \$ 7,658,505

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

**Business Type Activities**

911 Fund

Restricted for program purposes \$ 1,904,105

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 \$ 190,931,556

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

**(24) Litigation Liability**

The liability consists of two separate settlements by the County. The first settlement for \$16 million is between the County and the United States Department of Justice at interest rate of 5.50% with quarterly payments due March, June, September, and December 30 through 2010. The second settlement is an eminent domain settlement for \$5.5 million that occurred during 2008. The second settlement is payable in annual installments beginning on June 30, 2009 through June 30, 2014 with an interest rate of 6.00%.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(24) Litigation Liability (Continued)**

The annual requirements to amortize maturities of the outstanding liabilities for the year ended December 31, 2009 are as follows:

	Principal	Interest	Total
2010	\$ 2,937,560	\$ 321,822	\$ 3,259,382
2011	1,000,000	210,000	1,210,000
2012	1,000,000	150,000	1,150,000
2013	1,000,000	90,000	1,090,000
2014	500,000	15,000	515,000
	<u>\$ 6,437,560</u>	<u>\$ 786,822</u>	<u>\$ 7,224,382</u>

**(25) Loan and Note Receivables**

Concurrent to the issuance of the Series A of 2009 General Obligation Notes (described in Note 6), 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”. A loan receivable of \$11,700,000 is recorded on the balance sheet and the statement of net assets related to the agreement. 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 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, 2009 was \$1,755,639.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(25) Loan and Note Receivables (Continued)**

The annual principal and interest amounts on the loan and note for the year ended December 31, 2009 are as follows:

	Principal	Interest	Total
2010	\$ 491,657	\$ 658,003	\$ 1,149,660
2011	520,128	630,896	1,151,024
2012	544,188	603,779	1,147,967
2013	573,880	575,335	1,149,215
2014	604,246	545,292	1,149,538
2015-2019	3,523,820	3,788,855	7,312,675
2020-2024	3,267,720	2,436,084	5,703,804
2025-2029	3,930,000	993,713	4,923,713
Total	<u>\$ 13,455,639</u>	<u>\$ 10,231,957</u>	<u>\$ 23,687,596</u>

**(26) Operating leases**

The County leases various towers under operating leases with expiration dates greater than one year. Minimum rental payments at December 31, 2009 are as follows:

2010	\$ 210,592
2011	201,120
2012	173,011
2013	177,450
2014	182,022
2015-2019	501,947
2020-2024	262,470
2025-2029	277,821
2030-2031	<u>97,284</u>
Total	<u>\$ 2,083,717</u>

Rental expense totaled \$290,705 for the year ended December 31, 2009.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

**(27) Subsequent Events**

In January of 2010, the County issued Tax and Revenue Anticipation Notes, Series of 2010, in the amount of \$24,945,000. The Notes bear interest at 1.00% and are due on April 30, 2010.

In June of 2010, the County issued General Obligation Notes, Series of 2010, in the amount of \$80,840,000. The notes mature annually beginning on June 1, 2011 and ending on June 1, 2013. The County agreed to pay interest at a variable rate of 65% of 1 month Libor plus 100 basis points, not to exceed 15%. The proceeds of the notes were used to currently refund the County's General Obligation Bond Series A, B, and C of 2008 and to pay related expenses of issuing the notes. In addition, as part of the that ordinance, the County approved the subsequent issuance of General Obligation Notes, Series of 2013 in the maximum aggregate principal amount of \$76,090,000 to currently refund the then outstanding balances of the General Obligation Notes, Series of 2010, and to pay related expenses of issuing the note.

**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
2004	\$ 7,353,342	100%
2005	\$ 8,206,357	100%
2006	\$ 7,665,899	100%
2007	\$ 7,199,423	100%
2008	\$ 7,383,314	100%
2009	\$ 9,332,399	71%

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, 2009
Actuarial cost method	Entry Age
Amortization method	Level percentage of projected payroll
Remaining amortization period	29 years for the initial unfunded liability, 15 years for the experience loss, and 20 years for the change in asset valuation assumption. All three categories are amortized on a closed basis
Asset valuation method	Greater of market value or smoothed value method as described in section 210A(1) of Act 44 of 2009 of the Commonwealth of Pennsylvania
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	4.50%
Includes inflation at:	3.00%
Cost-of-living adjustments	None

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2007	\$ 202,107,318	\$ 226,101,307	\$ 23,993,989	89.4%	\$ 87,480,027	27.4%
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%

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

County of York, Pennsylvania

Schedule of Funding Progress for Postemployments Benefits Other Than Pensions

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2007	\$ -	\$ 100,954,417	\$ 100,954,417	0%	\$ 80,530,461	125.4%
1/1/2009	\$ -	\$ 152,089,381	\$ 152,089,381	0%	\$ 91,673,555	165.9%

The County adopted GASB 45 on a prospective basis in 2007 and completes its actuarial valuation every two years; therefore only two years are presented in the above schedule.

County of York, Pennsylvania

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

Year ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget –
	Original	Final		Positive (Negative)
<b>Revenues</b>				
Real estate taxes	\$ 108,400,000	\$ 108,400,000	\$ 108,695,090	\$ 295,090
Intergovernmental	14,623,684	14,861,684	16,011,949	1,150,265
Departmental	38,329,905	38,329,905	33,934,381	(4,395,524)
Fines and costs	5,549,033	5,549,033	5,336,778	(212,255)
Hotel tax	1,552,182	1,552,182	1,301,778	(250,404)
Investment	3,572,402	3,572,402	3,087,567	(484,835)
Total revenues	172,027,206	172,265,206	168,367,543	(3,897,663)
<b>Expenditures</b>				
Current:				
General government	12,867,556	12,992,556	11,497,949	1,494,607
Public safety	72,763,316	72,763,316	71,345,160	1,418,156
Health, education, and welfare:				
Human Services	9,347,982	9,347,982	9,565,006	(217,024)
Judicial	32,499,106	32,612,106	31,934,119	677,987
Cultural and recreation	7,698,648	7,698,648	8,329,190	(630,542)
Conservation and community development	4,676,117	4,676,117	4,637,764	38,353
Capital outlay	-	-	5,367,718	(5,367,718)
Debt service:				
Principal retirement	4,555,000	4,555,000	1,279,243	3,275,757
Interest and fiscal charges	15,641,133	15,641,133	8,961,225	6,679,908
Total expenditures	160,048,858	160,286,858	152,917,374	7,369,484
Excess of revenues over expenditures	11,978,348	11,978,348	15,450,169	3,471,821
<b>Other financing sources (uses)</b>				
Transfers in	45,000	45,000	49,891	4,891
Transfers out	(14,673,348)	(14,673,348)	(20,359,222)	(5,685,874)
Swap proceeds	2,650,000	2,650,000	5,850,000	3,200,000
Payments to redeem bonds and notes	-	-	(10,130,000)	(10,130,000)
Proceeds of refunding bonds and notes	-	-	10,130,000	10,130,000
Issuance of debt	-	-	17,505,901	17,505,901
Total other financing sources (uses)	(11,978,348)	(11,978,348)	3,046,570	15,024,918
Net change in fund balances	\$ -	\$ -	\$ 18,496,739	\$ 18,496,739

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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 55,994,702	\$ 55,994,702	\$ 67,033,814	\$ 11,039,112
Investment	781,902	781,902	20,863	(761,039)
Other	65,000	65,000	-	(65,000)
Total revenues	<u>56,841,604</u>	<u>56,841,604</u>	<u>67,054,677</u>	<u>10,213,073</u>
<b>Expenditures</b>				
Current:				
Health, education, and welfare:				
Human Services	58,509,949	58,509,949	66,681,845	(8,171,896)
Total expenditures	<u>58,509,949</u>	<u>58,509,949</u>	<u>66,681,845</u>	<u>(8,171,896)</u>
Excess of revenues over(under) expenditures	(1,668,345)	(1,668,345)	372,832	2,041,177
Net change in fund balances	<u>(1,668,345)</u>	<u>(1,668,345)</u>	<u>372,832</u>	<u>2,041,177</u>
<b>Other financing sources (uses)</b>				
Transfers out	-	-	(372,832)	(372,832)
Net change in fund balances	<u>\$ (1,668,345)</u>	<u>\$ (1,668,345)</u>	<u>\$ -</u>	<u>\$ 1,668,345</u>

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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 71,174,275	\$ 71,174,275	\$ 50,473,731	\$ (20,700,544)
Investment	551,000	551,000	48,584	(502,416)
Other	2,000	2,000	32,824	30,824
Total revenues	<u>71,727,275</u>	<u>71,727,275</u>	<u>50,555,139</u>	<u>(21,172,136)</u>
<b>Expenditures</b>				
Current:				
Health, education, and welfare:				
Mental health/mental retardation	<u>72,723,181</u>	<u>72,723,181</u>	<u>51,919,099</u>	<u>20,804,082</u>
Total expenditures	<u>72,723,181</u>	<u>72,723,181</u>	<u>51,919,099</u>	<u>20,804,082</u>
Deficiency of revenues under expenditures	(995,906)	(995,906)	(1,363,960)	(368,054)
<b>Other financing sources (uses)</b>				
Transfers in	995,906	995,906	1,363,960	368,054
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 29,292,000	\$ 29,292,000	\$ 22,772,135	\$ (6,519,865)
Departmental	850,000	850,000	602,514	(247,486)
Total revenues	30,142,000	30,142,000	23,374,649	(6,767,351)
<b>Expenditures</b>				
Current:				
Health, education, and welfare:				
Children and youth	36,098,000	36,098,000	27,564,479	8,533,521
Total expenditures	36,098,000	36,098,000	27,564,479	8,533,521
Deficiency of revenues under expenditures	(5,956,000)	(5,956,000)	(4,189,830)	1,766,170
<b>Other financing sources (uses)</b>				
Transfers in	5,956,000	5,956,000	4,189,830	(1,766,170)
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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 6,271,500	\$ 6,271,500	\$ 3,396,841	\$ (2,874,659)
Departmental	200,000	200,000	29,683	(170,317)
Investment	20,000	20,000	3,663	(16,337)
Other	1,500,000	1,500,000	638,477	(861,523)
Total revenues	7,991,500	7,991,500	4,068,664	(3,922,836)
<b>Expenditures</b>				
Current:				
Conservation and community development	7,991,500	7,991,500	4,068,664	3,922,836
Total expenditures	7,991,500	7,991,500	4,068,664	3,922,836
Deficiency of revenues under expenditures	-	-	-	-
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

See Notes to Required Supplementary Information

## County of York, Pennsylvania

### Notes to Required Supplementary Information

#### **(1) Budgets and Budgetary Accounting**

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

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

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

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

## County of York, Pennsylvania

### Notes to Required Supplementary Information (Continued)

#### **(1) Budgets and Budgetary Accounting (Continued)**

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

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

**OTHER SUPPLEMENTARY INFORMATION**

## County of York, Pennsylvania

### Combining and Individual Fund Financial Statements and Schedules

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

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

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

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

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

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

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

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

The 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.

## County of York, Pennsylvania

### Combining and Individual Fund Financial Statements and Schedules (Continued)

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

The 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, 2009

	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
<b>Assets</b>									
Cash and temporary investments	\$ 455,123	\$ 1,173,750	\$ 294,851	\$ 79	\$ 576,982	\$ 424	\$ 1,097,540	\$ 560,121	\$ 508,891
Restricted cash	-	56,219	53,835	-	-	-	636,125	-	-
Investments	-	2,198,967	1,464,191	-	-	-	151,934	599,949	-
Restricted investments	-	-	-	-	-	-	1,013,050	-	-
Receivables:									
Accounts	-	149	742	925	6,844	230,007	25	2,645	-
Due from other funds	-	3,369	41,859	276,789	52,196	-	416,610	-	-
Due from other governments	-	1,000,934	109,501	802,887	160,200	-	200,326	-	-
<b>Total assets</b>	<b>\$ 455,123</b>	<b>\$ 4,433,388</b>	<b>\$ 1,964,979</b>	<b>\$ 1,080,680</b>	<b>\$ 796,222</b>	<b>\$ 230,431</b>	<b>\$ 3,515,610</b>	<b>\$ 1,162,715</b>	<b>\$ 508,891</b>
<b>Liabilities and fund balance</b>									
Liabilities:									
Accounts payable and accrued liabilities	\$ -	\$ 67,651	\$ 331,525	\$ 630,398	\$ 175,748	\$ -	\$ 1,542,196	\$ 172,662	\$ -
Due to other funds	-	78,583	90,138	1,265	52,411	-	-	-	-
Deposits held in escrow	-	56,219	53,835	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	201,637	-	-
Deferred revenue	-	-	1,489,481	449,017	568,063	230,431	1,771,777	-	508,891
<b>Total liabilities</b>	<b>-</b>	<b>202,453</b>	<b>1,964,979</b>	<b>1,080,680</b>	<b>796,222</b>	<b>230,431</b>	<b>3,515,610</b>	<b>172,662</b>	<b>508,891</b>
Fund balance:									
Fund balance:									
Reserved for program purposes	455,123	4,230,935	-	-	-	-	-	990,053	-
<b>Total fund balance</b>	<b>455,123</b>	<b>4,230,935</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>990,053</b>	<b>-</b>
<b>Total liabilities and fund balance</b>	<b>\$ 455,123</b>	<b>\$ 4,433,388</b>	<b>\$ 1,964,979</b>	<b>\$ 1,080,680</b>	<b>\$ 796,222</b>	<b>\$ 230,431</b>	<b>\$ 3,515,610</b>	<b>\$ 1,162,715</b>	<b>\$ 508,891</b>

County of York, Pennsylvania

Combining Balance Sheet – Nonmajor Governmental Funds (Continued)

December 31, 2009

	Access Grant Program	Donations	Earn-It	Affordable Housing	Weatherization	Downtown Hanover Improvement	Core Communities	Prison Telephone	ARRA Weatherization	Total
<b>Assets</b>										
Cash and temporary investments	\$ 6,510	\$ -	\$ 18,070	\$ 530,520	\$ 287,813	\$ 214,549	\$ 4,545	\$ 965,686	\$ 919,023	\$ 7,614,477
Restricted cash	-	31,096	-	-	-	-	-	-	-	777,275
Investments	-	-	-	434,983	-	-	-	-	-	4,850,024
Restricted investments	-	-	-	-	-	-	-	-	-	1,013,050
Receivables:										
Accounts	200,000	199	115	876,518	-	-	-	66,123	-	1,384,292
Due from other funds	-	-	-	-	-	-	-	-	-	790,823
Due from other governments	-	-	-	-	-	-	-	-	-	2,273,848
<b>Total assets</b>	<b>\$ 206,510</b>	<b>\$ 31,295</b>	<b>\$ 18,185</b>	<b>\$ 1,842,021</b>	<b>\$ 287,813</b>	<b>\$ 214,549</b>	<b>\$ 4,545</b>	<b>\$ 1,031,809</b>	<b>\$ 919,023</b>	<b>\$ 18,703,789</b>
<b>Liabilities and fund balance</b>										
Liabilities:										
Accounts payable and accrued liabilities	\$ -	\$ 461	\$ 70	\$ -	\$ 75,339	\$ -	\$ -	\$ 47,458	\$ 23,762	\$ 3,067,270
Due to other funds	-	-	-	-	-	-	-	-	108	222,505
Deposits held in escrow	-	-	-	-	-	-	-	-	-	110,054
Due to other governments	-	-	-	-	-	-	-	-	-	201,637
Deferred revenue	206,510	-	-	892,927	212,474	214,549	4,545	-	895,153	7,443,818
<b>Total liabilities</b>	<b>206,510</b>	<b>461</b>	<b>70</b>	<b>892,927</b>	<b>287,813</b>	<b>214,549</b>	<b>4,545</b>	<b>47,458</b>	<b>919,023</b>	<b>11,045,284</b>
Fund balance:										
Fund balance:										
Reserved for program purposes	-	30,834	18,115	949,094	-	-	-	984,351	-	7,658,505
<b>Total fund balance</b>	<b>-</b>	<b>30,834</b>	<b>18,115</b>	<b>949,094</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>984,351</b>	<b>-</b>	<b>7,658,505</b>
<b>Total liabilities and fund balance</b>	<b>\$ 206,510</b>	<b>\$ 31,295</b>	<b>\$ 18,185</b>	<b>\$ 1,842,021</b>	<b>\$ 287,813</b>	<b>\$ 214,549</b>	<b>\$ 4,545</b>	<b>\$ 1,031,809</b>	<b>\$ 919,023</b>	<b>\$ 18,703,789</b>

County of York, Pennsylvania

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

Year ended December 31, 2009

	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
<b>Revenues</b>									
Intergovernmental	\$ 792,344	\$ 3,587,834	\$ 7,243,462	\$ 4,065,927	\$ 2,945,612	\$ -	\$ 13,426,928	\$ -	\$ 70,661
Departmental	-	192,159	195,862	-	-	-	-	-	-
Investment	3,100	15,674	-	-	1,458	-	14,705	4,687	40
Other revenues	92,213	39,683	-	379,437	-	-	-	922,985	-
<b>Total revenues</b>	<b>887,657</b>	<b>3,835,350</b>	<b>7,439,324</b>	<b>4,445,364</b>	<b>2,947,070</b>	<b>-</b>	<b>13,441,633</b>	<b>927,672</b>	<b>70,701</b>
<b>Expenditures</b>									
Current:									
Public safety	-	-	-	-	-	-	-	-	-
Roads and bridges	907,161	-	-	-	-	-	-	-	-
Health, education, and welfare:									
Drug and alcohol	-	-	-	-	2,947,070	-	-	-	-
Office of aging	-	-	8,347,994	-	-	-	-	-	-
Human services	-	-	-	4,584,174	-	-	13,441,633	-	-
Judicial	-	4,310,401	-	-	-	-	-	1,140,298	70,701
Culture and recreation	-	-	-	-	-	-	-	-	-
Conservation and community development	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>907,161</b>	<b>4,310,401</b>	<b>8,347,994</b>	<b>4,584,174</b>	<b>2,947,070</b>	<b>-</b>	<b>13,441,633</b>	<b>1,140,298</b>	<b>70,701</b>
Excess (deficiency) of revenues over (under) expenditures	(19,504)	(475,051)	(908,670)	(138,810)	-	-	-	(212,626)	-
<b>Other financing sources (uses)</b>									
Operating transfers in	-	741,675	908,670	138,810	-	-	-	-	-
Operating transfers out	(49,891)	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(49,891)</b>	<b>741,675</b>	<b>908,670</b>	<b>138,810</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	(69,395)	266,624	-	-	-	-	-	(212,626)	-
Fund balances, January 1	524,518	3,964,311	-	-	-	-	-	1,202,679	-
<b>Fund balances, December 31</b>	<b>\$ 455,123</b>	<b>\$ 4,230,935</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 990,053</b>	<b>\$ -</b>

County of York, Pennsylvania

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

Year December 31, 2009

	Access Grant Program	Donations	Earn-It	Affordable Housing	Weatherization	Downtown Hanover Improvement	Core Communities	Prison Telephone	ARRA Weatherization	Total
<b>Revenues</b>										
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 866,897	\$ -	\$ -	\$ -	\$ 107,765	\$ 33,107,430
Departmental	-	-	-	416,630	-	-	-	786,806	-	1,591,457
Investment	-	-	-	2,554	860	-	-	3,645	77	46,800
Other revenues	-	2,940	5,449	-	3,810	-	-	-	-	1,446,517
<b>Total revenues</b>	-	2,940	5,449	419,184	871,567	-	-	790,451	107,842	36,192,204
<b>Expenditures</b>										
Current:										
Public safety	-	-	-	-	-	-	-	1,039,076	-	1,039,076
Roads and bridges	-	-	-	-	-	-	-	-	-	907,161
Health, education, and welfare:										
Drug and alcohol	-	-	-	-	-	-	-	-	-	2,947,070
Office of aging	-	-	-	-	-	-	-	-	-	8,347,994
Human services	-	-	-	-	-	-	-	-	-	18,025,807
Judicial	-	-	3,961	-	-	-	-	-	-	5,525,361
Cultural and recreation	-	1,245	-	-	-	-	-	-	-	1,245
Conservation and Community development	-	-	-	70,112	871,567	-	-	-	107,842	1,049,521
<b>Total expenditures</b>	-	1,245	3,961	70,112	871,567	-	-	1,039,076	107,842	37,843,235
Excess (deficiency) of revenues over (under) expenditures	-	1,695	1,488	349,072	-	-	-	(248,625)	-	(1,651,031)
<b>Other financing sources (uses)</b>										
Operating transfers in	-	-	-	-	-	-	-	1,076,394	-	2,865,549
Operating transfers out	-	-	-	-	-	-	-	-	-	(49,891)
<b>Total other financing sources (uses)</b>	-	-	-	-	-	-	-	1,076,394	-	2,815,658
Net change in fund balances	-	1,695	1,488	349,072	-	-	-	827,769	-	1,164,627
Fund balances, January 1	-	29,139	16,627	600,022	-	-	-	156,582	-	6,493,878
<b>Fund balances, December 31</b>	\$ -	\$ 30,834	\$ 18,115	\$ 949,094	\$ -	\$ -	\$ -	\$ 984,351	\$ -	\$ 7,658,505

County of York, Pennsylvania

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

Year ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 600,000	\$ 600,000	\$ 792,344	\$ 192,344
Investment	-	-	3,100	3,100
Other	280,000	280,000	92,213	(187,787)
Total revenues	880,000	880,000	887,657	7,657
<b>Expenditures</b>				
Current:				
Road and bridges	1,199,000	1,199,000	907,161	291,839
Total expenditures	1,199,000	1,199,000	907,161	291,839
Deficiency of revenues under expenditures	(319,000)	(319,000)	(19,504)	299,496
<b>Other financing uses</b>				
Transfers out	(49,000)	(49,000)	(49,891)	(891)
Net change in fund balances	\$ (368,000)	\$ (368,000)	\$ (69,395)	\$ 298,605

County of York, Pennsylvania

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

Year ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 3,445,265	\$ 3,445,265	\$ 3,587,834	\$ 142,569
Departmental	215,000	215,000	192,159	(22,841)
Investment	93,000	93,000	15,674	(77,326)
Other	48,000	48,000	39,683	(8,317)
Total revenues	3,801,265	3,801,265	3,835,350	34,085
<b>Expenditures</b>				
Current:				
Judicial	5,068,296	5,068,296	4,310,401	757,895
Total expenditures	5,068,296	5,068,296	4,310,401	757,895
Deficiency of revenues under expenditures	(1,267,031)	(1,267,031)	(475,051)	791,980
<b>Other financing sources</b>				
Transfers in	850,000	850,000	741,675	(108,325)
Net change in fund balances	\$ (417,031)	\$ (417,031)	\$ 266,624	\$ 683,655

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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 8,238,930	\$ 8,380,087	\$ 7,243,462	\$ (1,136,625)
Departmental	183,487	183,487	195,862	12,375
Total revenues	8,422,417	8,563,574	7,439,324	(1,124,250)
<b>Expenditures</b>				
Current:				
Health, education, and welfare:				
Office of aging	9,413,693	9,554,850	8,347,994	1,206,856
Total expenditures	9,413,693	9,554,850	8,347,994	1,206,856
Deficiency of revenues under expenditures	(991,276)	(991,276)	(908,670)	82,606
<b>Other financing sources</b>				
Transfers in	991,276	991,276	908,670	(82,606)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

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

Year ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 4,281,325	\$ 4,333,995	\$ 4,065,927	\$ (268,068)
Other	291,281	331,281	379,437	48,156
Total revenues	4,572,606	4,665,276	4,445,364	(219,912)
<b>Expenditures</b>				
Current:				
Human services	4,748,506	4,841,176	4,584,174	257,002
Total expenditures	4,748,506	4,841,176	4,584,174	257,002
Deficiency of revenues under expenditures	(175,900)	(175,900)	(138,810)	37,090
<b>Other financing sources</b>				
Transfers in	175,900	175,900	138,810	(37,090)
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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 3,228,946	\$ 3,228,946	\$ 2,945,612	\$ (283,334)
Investment	5,000	5,000	1,458	(3,542)
Total revenues	3,233,946	3,233,946	2,947,070	(286,876)
<b>Expenditures</b>				
Current:				
Health, education, and welfare:				
Drug and alcohol	3,233,946	3,233,946	2,947,070	286,876
Total expenditures	3,233,946	3,233,946	2,947,070	286,876
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 – Adams HealthChoices Management Fund

Year ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 10,684,165	\$ 10,684,165	\$ 13,426,928	\$ 2,742,763
Investment	196,731	196,731	14,705	(182,026)
Total revenues	10,880,896	10,880,896	13,441,633	2,560,737
<b>Expenditures</b>				
Current:				
Human services	11,659,436	11,659,436	13,441,633	(1,782,197)
Total expenditures	11,659,436	11,659,436	13,441,633	(1,782,197)
Deficiency of revenues under expenditures	(778,540)	(778,540)	-	778,540
Net change in fund balances	\$ (778,540)	\$ (778,540)	\$ -	\$ 778,540

County of York, Pennsylvania

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

Year ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Other	\$ 3,000	\$ 3,000	\$ 5,449	\$ 2,449
Total revenues	3,000	3,000	5,449	2,449
<b>Expenditures</b>				
Current:				
Judicial	3,000	3,000	3,961	(961)
Total expenditures	3,000	3,000	3,961	(961)
Excess of revenues over expenditures	-	-	1,488	1,488
Net change in fund balances	\$ -	\$ -	\$ 1,488	\$ 1,488

County of York, Pennsylvania

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

Year ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Departmental	\$ 434,000	\$ 434,000	\$ 416,630	\$ (17,370)
Investment	23,000	23,000	2,554	(20,446)
Total revenues	457,000	457,000	419,184	(37,816)
<b>Expenditures</b>				
Current:				
Conservation and community development	457,000	457,000	70,112	386,888
Total expenditures	457,000	457,000	70,112	386,888
Excess of revenues over expenditures	-	-	349,072	349,072
Net change in fund balances	\$ -	\$ -	\$ 349,072	\$ 349,072

County of York, Pennsylvania

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

Year ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 462,000	\$ 462,000	\$ 866,897	\$ 404,897
Investment	2,000	2,000	860	(1,140)
Other	-	-	3,810	3,810
Total revenues	464,000	464,000	871,567	407,567
<b>Expenditures</b>				
Current:				
Conservation and community development	464,000	464,000	871,567	(407,567)
Total expenditures	464,000	464,000	871,567	(407,567)
Excess of revenues over expenditures	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

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

Year ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 245,906	\$ 245,906	\$ -	\$ (245,906)
Investment	94	94	-	(94)
Other	4,000	4,000	-	(4,000)
Total revenues	250,000	250,000	-	(250,000)
<b>Expenditures</b>				
Current:				
Conservation and community development	250,000	250,000	-	250,000
Total expenditures	250,000	250,000	-	250,000
Excess of revenues over expenditures	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

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

Year ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 500,000	\$ 500,000	\$ -	\$ (500,000)
Investment	2,000	2,000	-	(2,000)
Total revenues	502,000	502,000	-	(502,000)
<b>Expenditures</b>				
Current:				
Conservation and community development	502,000	502,000	-	502,000
Total expenditures	502,000	502,000	-	502,000
Excess of revenues over expenditures	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Combining Statement of Changes in Assets and Liabilities – Agency Funds

Year ended December 31, 2009

	Balance January 1, 2009	Additions	Deletions	Balance December 31, 2009
<b>Tax Claim Bureau</b>				
Assets:				
Cash and cash equivalents	\$ 1,808,587	\$ 28,317,217	\$ 28,067,812	\$ 2,057,992
Investments	645	450,990	-	451,635
Accounts receivable	79,560	139,397	79,560	139,397
Delinquent taxes receivable on behalf of other governments	12,126,195	24,888,573	25,888,323	11,126,445
<b>Total assets</b>	<b>\$ 14,014,987</b>	<b>\$ 53,796,177</b>	<b>\$ 54,035,695</b>	<b>\$ 13,775,469</b>
Liabilities:				
Due to other governments	\$ 1,619,880	\$ 1,531,358	\$ 1,028,163	\$ 2,123,075
Other liabilities	12,395,107	57,212,174	57,954,887	11,652,394
<b>Total liabilities</b>	<b>\$ 14,014,987</b>	<b>\$ 58,743,532</b>	<b>\$ 58,983,050</b>	<b>\$ 13,775,469</b>
<b>Unclaimed Money</b>				
Assets:				
Cash and cash equivalents	\$ 496,414	\$ 176,569	\$ 185,199	\$ 487,784
<b>Total assets</b>	<b>\$ 496,414</b>	<b>\$ 176,569</b>	<b>\$ 185,199</b>	<b>\$ 487,784</b>
Liabilities:				
Other liabilities	\$ 496,414	\$ 176,569	\$ 185,199	\$ 487,784
<b>Total liabilities</b>	<b>\$ 496,414</b>	<b>\$ 176,569</b>	<b>\$ 185,199</b>	<b>\$ 487,784</b>
<b>Row Offices</b>				
Assets:				
Cash and cash equivalents	\$ 5,901,267	\$ 54,619,232	\$ 52,382,856	\$ 8,137,643
<b>Total assets</b>	<b>\$ 5,901,267</b>	<b>\$ 54,619,232</b>	<b>\$ 52,382,856</b>	<b>\$ 8,137,643</b>
Liabilities:				
Due to other governments	\$ 3,135,572	\$ 42,472,524	\$ 42,300,380	\$ 3,307,716
Other liabilities	2,765,695	12,146,708	10,082,476	4,829,927
<b>Total liabilities</b>	<b>\$ 5,901,267</b>	<b>\$ 54,619,232</b>	<b>\$ 52,382,856</b>	<b>\$ 8,137,643</b>

County of York, Pennsylvania

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

Year ended December 31, 2009

	Balance January 1, 2009	Additions	Deletions	Balance December 31, 2009
<b>Landfill Escrow</b>				
Assets:				
Cash and cash equivalents	\$ 4,997,187	\$ 3,017,586	\$ 7,604,775	\$ 409,998
Investments	995,197	8,112,170	3,437,866	5,669,501
Total assets	<u>\$ 5,992,384</u>	<u>\$ 11,129,756</u>	<u>\$ 11,042,641</u>	<u>\$ 6,079,499</u>
Liabilities:				
Other liabilities	\$ 5,992,384	\$ 11,129,756	\$ 11,042,641	\$ 6,079,499
Total liabilities	<u>\$ 5,992,384</u>	<u>\$ 11,129,756</u>	<u>\$ 11,042,641</u>	<u>\$ 6,079,499</u>
<b>Total All Agency Funds</b>				
Assets:				
Cash and cash equivalents	\$ 13,203,455	\$ 86,130,604	\$ 88,240,642	\$ 11,093,417
Investments	995,842	8,563,160	3,437,866	6,121,136
Accounts receivable	79,560	139,397	79,560	139,397
Delinquent taxes receivable on behalf of other governments	12,126,195	24,888,573	25,888,323	11,126,445
Total assets	<u>\$ 26,405,052</u>	<u>\$ 119,721,734</u>	<u>\$ 117,646,391</u>	<u>\$ 28,480,395</u>
Liabilities:				
Due to other governments	\$ 4,755,452	\$ 44,003,882	\$ 43,328,543	\$ 5,430,791
Other liabilities	21,649,600	80,665,207	79,265,203	23,049,604
Total liabilities	<u>\$ 26,405,052</u>	<u>\$ 124,669,089</u>	<u>\$ 122,593,746</u>	<u>\$ 28,480,395</u>

County of York, Pennsylvania

Combining Statement of Changes in Assets and Liabilities – Row Offices

Year ended December 31, 2009

	Balance January 1, 2009	Additions	Deletions	Balance December 31, 2009
<b>Assets:</b>				
Cash and cash equivalents	\$ 5,901,267	\$ 54,619,232	\$ 52,382,856	\$ 8,137,643
<b>Total assets</b>	<b>\$ 5,901,267</b>	<b>\$ 54,619,232</b>	<b>\$ 52,382,856</b>	<b>\$ 8,137,643</b>
<b>Liabilities:</b>				
<b>Due to other governments</b>				
Clerk of courts	\$ 362,057	\$ 7,129,761	\$ 7,077,323	\$ 414,495
Prothonotary	179,275	2,359,209	2,332,943	205,541
Register of wills	70,284	895,075	890,228	75,131
Recorder of deeds	2,254,809	29,938,206	29,798,613	2,394,402
Sheriff	251,656	1,626,427	1,694,944	183,139
Treasurer	17,491	523,846	506,329	35,008
	3,135,572	42,472,524	42,300,380	3,307,716
<b>Other liabilities</b>				
Clerk of courts	771,014	1,219,847	1,044,060	946,801
Prothonotary	306,383	1,024,540	826,096	504,827
Sheriff	1,688,298	9,900,779	8,210,778	3,378,299
Treasurer	-	1,542	1,542	-
	2,765,695	12,146,708	10,082,476	4,829,927
<b>Total liabilities</b>	<b>\$ 5,901,267</b>	<b>\$ 54,619,232</b>	<b>\$ 52,382,856</b>	<b>\$ 8,137,643</b>

County of York, Pennsylvania

Combining Balance Sheet – Agency Funds

December 31, 2009

	<b>Tax Claim Bureau</b>	<b>Unclaimed Money</b>	<b>Row Offices</b>	<b>Landfill Escrow</b>	<b>Total Agency Funds</b>
<b>Assets</b>					
Cash and cash equivalents	\$ 2,057,992	\$ 487,784	\$ 8,137,643	\$ 409,998	\$ 11,093,417
Investments:					
U.S government obligations	199,956	-	-	2,511,880	2,711,836
Municipal bonds	250,000	-	-	-	250,000
Fixed income mutual funds	-	-	-	3,157,621	3,157,621
Other	1,679	-	-	-	1,679
Accounts receivable	139,397	-	-	-	139,397
Delinquent taxes on behalf of other governments	11,126,445	-	-	-	11,126,445
<b>Total assets</b>	<b>\$ 13,775,469</b>	<b>\$ 487,784</b>	<b>\$ 8,137,643</b>	<b>\$ 6,079,499</b>	<b>\$ 28,480,395</b>
<b>Liabilities</b>					
<b>Liabilities:</b>					
Due to other governments	\$ 2,123,075	\$ -	\$ 3,307,716	\$ -	\$ 5,430,791
Other liabilities	11,652,394	487,784	4,829,927	6,079,499	23,049,604
<b>Total liabilities</b>	<b>\$ 13,775,469</b>	<b>\$ 487,784</b>	<b>\$ 8,137,643</b>	<b>\$ 6,079,499</b>	<b>\$ 28,480,395</b>

# 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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<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>	
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<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 Eight Years  
(accrual basis of accounting)

	Fiscal Year							
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Governmental activities</b>								
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
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
Unrestricted	<u>43,973,731</u>	<u>69,308,136</u>	<u>31,277,325</u>	<u>8,659,107</u>	<u>8,542,116</u>	<u>23,750,107</u>	<u>4,690,702</u>	<u>(9,642,796)</u>
Total Net Assets	<u>\$71,810,099</u>	<u>\$92,134,342</u>	<u>\$102,601,468</u>	<u>\$85,957,418</u>	<u>\$92,025,349</u>	<u>\$93,149,038</u>	<u>\$69,992,605</u>	<u>\$64,242,725</u>
<b>Business-type activities</b>								
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
Restricted	0	0	0	2,620,297	6,807,576	457,070	1,931,678	1,904,105
Unrestricted	<u>(6,896,721)</u>	<u>(4,103,069)</u>	<u>(3,158,616)</u>	<u>(3,299,070)</u>	<u>(3,049,857)</u>	<u>(3,170,496)</u>	<u>(6,102,728)</u>	<u>(7,941,894)</u>
Total Net Assets	<u>\$2,710,249</u>	<u>\$4,881,080</u>	<u>\$5,140,172</u>	<u>\$10,497,837</u>	<u>\$15,942,580</u>	<u>\$17,614,504</u>	<u>\$15,442,437</u>	<u>\$10,387,025</u>
<b>Primary government</b>								
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
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
Unrestricted	<u>37,077,010</u>	<u>65,205,067</u>	<u>28,118,709</u>	<u>5,360,037</u>	<u>5,492,259</u>	<u>20,579,611</u>	<u>(1,412,026)</u>	<u>(17,584,690)</u>
Total Net Assets	<u>\$74,520,348</u>	<u>\$97,015,422</u>	<u>\$107,741,640</u>	<u>\$96,455,255</u>	<u>\$107,967,929</u>	<u>\$110,763,542</u>	<u>\$85,435,042</u>	<u>\$74,629,750</u>

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

**COUNTY OF YORK, PENNSYLVANIA**

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

	Fiscal Year							
	2002	2003	2004	2005	2006	2007	2008	2009
<b>Program Expenses</b>								
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
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
Roads and bridges	1,028,481	1,070,320	1,460,581	1,724,826	1,519,225	1,555,772	1,599,298	1,414,983
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
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
Cultural and recreation	4,777,294	4,135,753	3,975,262	5,052,808	5,500,997	5,544,178	11,559,587	8,015,683
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
Other departments and programs	18,623,218	23,384,458	27,124,485	29,719,493	0	0	0	0
Interest expense	2,404,939	2,199,266	6,172,075	6,047,723	8,091,591	8,174,354	7,992,510	8,752,020
Total governmental activities expenses	<u>230,793,052</u>	<u>233,286,524</u>	<u>262,592,675</u>	<u>293,610,661</u>	<u>309,112,946</u>	<u>331,418,057</u>	<u>350,276,794</u>	<u>349,255,392</u>
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
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
Total business-type activities expenses	<u>35,932,521</u>	<u>34,622,073</u>	<u>37,106,050</u>	<u>40,438,346</u>	<u>43,448,864</u>	<u>46,796,381</u>	<u>49,951,517</u>	<u>53,857,785</u>
Total primary government expenses	<u>\$266,725,573</u>	<u>\$267,908,597</u>	<u>\$299,698,725</u>	<u>\$334,049,007</u>	<u>\$352,561,810</u>	<u>\$378,214,438</u>	<u>\$400,228,311</u>	<u>\$403,113,177</u>
<b>Program Revenues</b>								
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
Public safety	0	0	16,564,090	17,323,468	17,709,817	25,326,805	23,832,635	25,057,041
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
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
Cultural and recreation	0	0	0	0	472,389	356,738	1,068,990	796,590
Community development	0	0	614,041	672,613	1,342,886	735,994	431,326	446,313
Operating grants and contributions								
General government	10,386,110	16,010,539	319,066	451,701	2,111,569	681,218	489,157	559,971
Public safety	0	0	14,552,398	12,304,777	3,874,309	4,306,031	2,512,450	3,840,805
Roads and bridges	689,455	677,436	991,347	873,349	627,984	741,487	825,491	792,344
Health, education, and welfare	78,575,133	109,802,565	122,142,092	141,926,972	167,632,598	172,546,400	181,039,486	173,959,176
Judicial	2,552,807	7,028,663	4,628,140	4,799,100	4,458,067	4,782,595	4,697,532	5,156,901
Cultural and recreation	65,029	9,853	77,833	407,797	1,478,666	401,071	1,811,168	615,200
Community development	3,203,928	4,045,842	6,716,449	9,017,875	4,116,276	4,735,902	4,107,192	7,871,503
Other departments and programs	36,579,693	0	93,330	7,500	0	0	0	0
Total governmental activities program revenues	<u>164,566,846</u>	<u>167,534,344</u>	<u>177,053,055</u>	<u>197,145,269</u>	<u>218,655,080</u>	<u>229,055,609</u>	<u>235,685,707</u>	<u>234,290,713</u>
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
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
Total business-type activities program revenues	<u>27,017,258</u>	<u>28,383,532</u>	<u>33,337,423</u>	<u>37,093,595</u>	<u>38,098,195</u>	<u>37,602,533</u>	<u>36,204,640</u>	<u>36,179,976</u>
Total primary government program revenues	<u>\$191,584,104</u>	<u>\$195,917,876</u>	<u>\$210,390,478</u>	<u>\$234,238,864</u>	<u>\$256,753,275</u>	<u>\$266,658,142</u>	<u>\$271,890,347</u>	<u>\$270,470,689</u>

**COUNTY OF YORK, PENNSYLVANIA**

Changes in Net Assets (Continued)

Last Eight Years

(accrual basis of accounting)

	Fiscal Year							
	2002	2003	2004	2005	2006	2007	2008	2009
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)
Business-type activities	(8,915,263)	(6,238,541)	(3,768,627)	(3,344,751)	(5,350,669)	(9,193,848)	(13,746,877)	(17,677,809)
Total primary government net expense	<u>(\$75,141,469)</u>	<u>(\$71,990,721)</u>	<u>(\$89,308,247)</u>	<u>(\$99,810,143)</u>	<u>(\$95,808,535)</u>	<u>(\$111,556,296)</u>	<u>(\$128,337,964)</u>	<u>(\$132,642,488)</u>
<b>General Revenues and Other</b>								
<b>Changes in Net Assets</b>								
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
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
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
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
Gain (Loss) sale of assets	0	150,000	150,000	150,000	150,000	37,500	(1,917)	0
Special item - litigation expense	0	0	0	(16,000,000)	0	0	(5,500,000)	0
Proceeds from swap transactions	0	0	4,660,667	0	0	0	0	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)
Total governmental activities	<u>72,345,762</u>	<u>86,076,423</u>	<u>94,740,475</u>	<u>80,539,604</u>	<u>96,525,797</u>	<u>103,486,137</u>	<u>91,434,654</u>	<u>109,214,799</u>
Business-type activities:								
Unrestricted investment earnings	0	0	0	0	1,275,434	1,034,915	56,518	17,777
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
Total business-type activities	<u>2,593,441</u>	<u>8,409,372</u>	<u>4,027,719</u>	<u>7,984,154</u>	<u>10,795,412</u>	<u>10,865,772</u>	<u>11,574,810</u>	<u>12,622,397</u>
Total primary government	<u>\$74,939,203</u>	<u>\$94,485,795</u>	<u>\$98,768,194</u>	<u>\$88,523,758</u>	<u>\$107,321,209</u>	<u>\$114,351,909</u>	<u>\$103,009,464</u>	<u>\$121,837,196</u>
<b>Change in Net Assets</b>								
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)
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)
Total primary government	<u>(\$202,266)</u>	<u>\$22,495,074</u>	<u>\$9,459,947</u>	<u>(\$11,286,385)</u>	<u>\$11,512,674</u>	<u>\$2,795,613</u>	<u>(\$25,328,500)</u>	<u>(\$10,805,292)</u>

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

**COUNTY OF YORK, PENNSYLVANIA**  
 Governmental Activities Tax Revenues by Source  
 Last Eight 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

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

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

	(1) <u>2000</u>	(1) <u>2001</u>	(1) <u>2002</u>	(1) <u>2003</u>	(1) <u>2004</u>	(1) <u>2005</u>	(1) <u>2006</u>	(1) <u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund										
Reserved	\$40,871	\$40,870	\$0	\$0	\$5,413,570	\$8,503,496	\$8,281,067	\$7,928,694	\$9,616,046	\$23,217,673
Unreserved	9,812,296	12,095,681	11,403,499	21,879,194	23,056,636	23,088,451	16,599,451	15,784,554	4,514,853	9,409,965
Total General Fund	<u>\$9,853,167</u>	<u>\$12,136,551</u>	<u>\$11,403,499</u>	<u>\$21,879,194</u>	<u>\$28,470,206</u>	<u>\$31,591,947</u>	<u>\$24,880,518</u>	<u>\$23,713,248</u>	<u>\$14,130,899</u>	<u>\$32,627,638</u>
All other-governmental funds										
Reserved										
Capital Projects Fund	\$20,935,552	\$46,912,032	\$31,493,588	\$39,835,532	\$26,027,730	\$6,320,087	\$25,099,699	\$26,984,494	\$9,749,272	\$2,196,319
Other Nonmajor Funds	4,600,400	5,017,368	5,465,204	6,471,220	6,348,032	6,491,523	7,197,050	6,503,313	6,493,878	7,658,505
Total all other governmental funds	<u>\$25,535,952</u>	<u>\$51,929,400</u>	<u>\$36,958,792</u>	<u>\$46,306,752</u>	<u>\$32,375,762</u>	<u>\$12,811,610</u>	<u>\$32,296,749</u>	<u>\$33,487,807</u>	<u>\$16,243,150</u>	<u>\$9,854,824</u>
Total fund balances of all governmental funds	<u>\$35,389,119</u>	<u>\$64,065,951</u>	<u>\$48,362,291</u>	<u>\$68,185,946</u>	<u>\$60,845,968</u>	<u>\$44,403,557</u>	<u>\$57,177,267</u>	<u>\$57,201,055</u>	<u>\$30,374,049</u>	<u>\$42,482,462</u>

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

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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Revenues</b>								
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
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
Departmental	29,602,142	26,872,249	25,867,845	25,780,527	30,055,002	35,969,407	34,990,258	36,158,035
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
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
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
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
<b>Total Revenues</b>	<u>233,374,047</u>	<u>255,046,694</u>	<u>272,355,249</u>	<u>302,994,515</u>	<u>323,719,025</u>	<u>340,911,374</u>	<u>347,460,500</u>	<u>350,577,609</u>
<b>Expenditures</b>								
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
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
Roads & bridges	551,949	909,980	934,533	1,213,279	1,000,228	1,045,462	1,086,155	907,161
Human Services	116,492,170	118,719,105	130,483,066	150,692,137	182,271,868	183,875,350	191,241,668	185,051,300
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
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
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
Other departments and programs	18,649,327	19,638,868	27,124,485	29,719,493	-	-	-	-
Capital outlay	16,136,136	29,694,855	14,222,422	18,943,258	16,882,310	15,682,655	33,820,265	8,115,158
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
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
<b>Total Expenditures</b>	<u>248,088,475</u>	<u>270,761,873</u>	<u>282,691,424</u>	<u>312,298,284</u>	<u>333,530,146</u>	<u>344,161,354</u>	<u>382,024,325</u>	<u>350,242,444</u>
<b>Other financing sources (uses)</b>								
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
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)
Issuance of debt, net	-	-	-	-	32,104,809	6,508,983	32,008,403	19,927,043
Issuance of refunding bonds/notes	20,402,450	54,588,602	-	-	-	-	131,002,555	10,130,000
Payment to refunded bond/notes	(20,510,000)	(7,334,341)	-	-	-	-	(130,237,555)	(10,130,000)
Bond discount	-	-	-	-	-	-	(150,188)	-
Transfer of bond proceeds	-	-	-	-	-	6,595,642	(13,368,104)	(1,399,175)
Proceeds from swap transactions/bonds	-	-	4,660,667	845,512	-	-	-	5,850,000
Premium of bonds issued	1,711,759	539,845	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>(989,232)</u>	<u>35,538,835</u>	<u>632,948</u>	<u>(7,138,642)</u>	<u>22,584,831</u>	<u>3,273,768</u>	<u>7,736,819</u>	<u>11,773,248</u>
<b>Net changes in fund balances</b>	<u>(\$15,703,660)</u>	<u>\$19,823,656</u>	<u>(\$9,703,227)</u>	<u>(\$16,442,411)</u>	<u>\$12,773,710</u>	<u>\$23,788</u>	<u>(\$26,827,006)</u>	<u>\$12,108,413</u>
<b>Debt service as a percentage of noncapital expenditures</b>	2.5%	6.7%	4.5%	3.0%	3.4%	3.4%	3.5%	3.0%

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

County of York, Pennsylvania

General Government Expenditures by Function (1)

Last Ten Years

Fiscal Year	General Government	Public Safety	Road and Bridges	Health, Education and Welfare	Judicial	Culture, Recreation and Conservation	(4) Community Development	Capital Outlay	(2) (3) Debt Service	(5) Other	Totals
2000	\$ 9,323,987	\$ 39,099,867	\$ 731,407	\$ 68,552,028	\$ 17,964,447	\$ 4,625,632	\$ 4,265,455	\$ 3,373,979	\$ 5,401,991	\$ 11,932,657	\$ 165,271,450
2001	9,172,319	43,266,908	798,161	79,015,463	20,024,845	3,258,393	7,101,865	16,777,153	6,253,680	15,828,645	201,497,432
2002	15,343,145	45,010,561	551,949	116,492,170	20,485,919	5,195,785	4,422,325	16,136,136	5,801,158	18,649,327	248,088,475
2003	9,341,635	46,802,474	909,980	118,719,105	21,324,134	3,739,480	4,476,961	39,694,855	6,114,381	19,638,868	270,761,873
2004	10,900,101	50,167,283	934,533	130,483,066	24,258,505	3,918,275	8,120,947	19,903,581	6,880,648	27,124,485	282,691,424
2005	11,553,295	51,080,869	1,213,279	150,692,137	25,477,550	4,920,655	9,971,653	19,843,717	7,825,636	29,719,493	312,298,284
2006	12,598,142	64,980,272	1,000,228	182,271,868	30,984,793	5,311,734	8,753,756	17,503,489	10,125,864	-	333,530,146
2007	13,443,367	68,057,879	1,045,462	183,875,350	35,078,905	5,089,034	10,755,287	15,682,655	11,133,415	-	344,161,354
2008	13,330,319	73,909,519	1,086,155	191,241,668	36,019,082	11,011,254	9,573,955	33,820,265	12,032,108	-	382,024,325
2009	11,497,949	78,884,544	907,161	185,051,300	37,459,480	8,330,435	9,755,949	8,115,158	10,240,468	-	350,242,444

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

<b>Fiscal Year</b>	<b>Real Estate Taxes</b>	<b>Intergovernmental</b>	<b>Departmental</b>	<b>Fines and costs</b>	<b>Investment</b>	<b>(2) Bond Proceeds and Other</b>	<b>(1) Totals</b>
2000	\$ 43,883,138	\$ 80,813,872	\$ 26,526,399	\$ 2,793,487	\$ 3,526,735	\$ 33,594,900	\$ 191,138,531
2001	55,508,907	94,686,886	28,682,530	2,679,215	4,094,728	52,753,093	238,405,359
2002	56,879,136	130,241,234	29,602,142	2,912,549	2,683,173	33,170,022	255,488,256
2003	76,389,344	133,414,027	26,872,249	3,087,197	2,907,227	67,505,097	310,175,141
2004	78,089,574	149,520,655	25,867,845	3,378,092	3,682,117	16,477,633	277,015,916
2005	86,831,194	169,789,071	25,780,527	3,684,911	5,009,546	12,744,778	303,840,027
2006	93,382,328	184,299,469	30,055,002	4,300,609	8,907,615	34,878,811	355,823,834
2007	98,751,116	188,194,704	35,969,407	4,891,498	8,639,127	17,570,147	354,015,999
2008	102,903,780	195,482,476	34,990,258	5,212,973	5,460,750	22,665,374	366,715,611
2009	108,695,090	192,795,900	36,158,035	5,336,778	3,243,451	28,726,223	374,955,477

NOTES:

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

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

SOURCE:

Annual Reports of York County Controller and annual audit reports

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

<b><u>Fiscal Year</u></b>	<b><u>Real Estate Tax</u></b>	<b><u>Hotel Room Tax</u></b>	<b><u>Total</u></b>
2000	\$ 43,883,138	\$ -	\$ 43,883,138
2001	55,508,907	-	55,508,907
2002	56,879,136	1,129,349	58,008,485
2003	76,389,344	1,215,365	77,604,709
2004	78,089,574	1,246,033	79,335,607
2005	86,831,194	1,318,066	88,149,260
2006	93,382,328	1,372,501	94,754,829
2007	98,751,116	1,494,914	100,246,030
2008	102,903,780	1,461,458	104,365,238
2009	108,695,090	1,301,778	109,996,868

County of York, Pennsylvania

Property Values (1)

Last Ten Years  
(Unaudited)

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

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>
2000	\$ 17,039,939,630	100	2.52
2001	17,476,468,240	100	3.15
2002	17,857,774,890	100	3.15
2003	18,317,323,221	100	4.20
2004	18,811,348,625	100	4.20
2005	19,342,529,820	100	4.51
2006	24,440,004,558 (2)	100	3.80
2007	25,329,171,460 (2)	100	3.91
2008	25,713,041,373 (2)	100	4.00
2009	26,116,495,846 (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	
2000	2.52		2.52	1.082	13.367	16.969
2001	3.15		3.15	1.160	13.910	18.220
2002	3.15		3.15	1.253	15.473	19.876
2003	4.20		4.20	1.380	16.583	22.163
2004	4.20		4.20	1.544	17.725	23.469
2005	4.41	0.10	4.51	1.655	19.507	25.672
2006	3.70	0.10	3.80 (3)	1.435	16.660	21.895
2007	3.81	0.10	3.91 (3)	1.555	17.653	23.118
2008	3.90	0.10	4.00 (3)	1.646	18.400	24.046
2009	4.05	0.10	4.15 (3)	1.711	18.400	24.261

**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>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>County Direct Rate</b>	2.520	3.150	3.150	4.200	4.200	4.510	3.800	3.910	4.000	4.150
<b>School District Rates</b>										
Central York	11.250	12.000	13.290	14.330	15.830	17.470	15.320	16.310	16.810	16.810
Dallastown Area	15.490	15.990	16.510	17.760	20.240	21.740	18.810	19.810	20.850	20.840
Dover Area	15.550	15.550	16.050	17.420	18.770	18.770	16.800	17.820	18.870	18.870
Eastern York	13.900	14.600	15.700	16.600	17.500	19.200	16.100	17.380	18.340	18.340
Hanover Public	14.650	15.150	16.550	16.950	17.550	19.050	16.920	17.720	18.490	18.490
Northeastern	17.060	17.560	18.830	19.780	20.730	22.810	20.790	21.740	21.740	21.740
Northern	12.150	12.550	13.380	14.150	15.400	16.400	13.300	13.870	13.870	13.870
Red Lion Area	13.350	13.950	14.800	16.050	17.550	19.500	16.840	18.690	20.440	20.440
South Eastern	14.000	14.000	14.330	16.230	16.720	21.350	16.906	17.832	18.831	18.831
South Western	13.700	13.700	14.100	15.050	15.550	16.500	13.660	14.240	15.750	15.750
Southern	13.950	14.820	15.190	15.980	16.800	17.770	14.390	15.080	15.020	15.020
Spring Grove Area	12.100	12.620	14.000	15.230	16.700	18.200	15.890	17.200	18.340	18.340
West York Area	13.500	15.200	16.690	18.040	18.420	19.090	16.647	17.330	18.265	18.265
York City	18.700	20.880	21.780	22.250	24.000	27.960	27.190	29.540	29.540	29.540
York Suburban	13.170	13.950	14.900	16.220	17.500	18.570	16.834	17.688	18.740	18.740
West Shore	10.100	11.200	11.500	11.500	11.300	11.900	10.100	10.200	10.500	10.500
<b>City</b>										
York	9.730	9.730	11.390	11.390	12.520	13.520	13.170	13.670	14.670	15.640
<b>Borough Rates</b>										
Cross Roads	0.350	0.350	0.350	0.350	0.350	0.350	0.280	0.280	0.280	0.280
Dallastown	0.941	1.040	1.100	1.580	2.000	2.000	1.650	1.650	1.650	1.650
Delta	1.100	1.100	1.100	1.700	1.700	1.900	1.440	1.900	1.900	3.000
Dillsburg	1.900	2.900	2.900	2.900	2.900	2.900	2.370	2.370	2.370	2.370
Dover	1.800	1.800	1.800	1.800	1.800	1.800	1.690	1.690	1.690	1.690
East Prospect	1.000	1.000	1.000	1.000	1.000	1.000	0.750	1.000	1.000	1.000
Fawn Grove	0.400	0.400	0.400	0.600	1.300	1.300	0.720	1.000	1.000	1.000
Felton	0.320	0.320	0.320	1.100	1.100	1.100	0.950	1.100	1.700	1.700
Franklintown	1.210	1.210	1.210	1.210	1.210	1.210	1.080	1.880	1.880	1.880
Glen Rock	2.000	2.500	2.500	2.500	3.000	3.000	2.400	2.500	2.600	2.800
Goldsboro	0.725	0.725	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750
Hellam	2.500	3.000	3.000	3.000	3.200	3.350	2.900	3.100	3.300	3.400
Hanover	2.600	2.600	2.600	2.950	4.450	4.450	3.990	3.990	3.990	3.990
Jacobus	1.100	1.100	1.300	1.300	1.300	1.300	0.923	1.300	1.300	1.300
Jefferson	1.100	1.100	2.140	2.140	2.100	2.100	1.750	1.750	2.758	3.346
Lewisberry	1.000	1.000	1.000	1.000	1.000	1.000	0.800	0.800	0.800	0.800
Loganville	0.900	1.200	1.200	1.200	1.200	1.700	1.500	1.500	2.000	2.000
Manchester	1.650	1.650	1.650	1.650	2.650	2.650	2.150	2.150	2.150	2.150
Mount Wolf	1.900	1.900	1.900	2.400	3.500	3.500	2.900	2.900	2.900	2.900
New Freedom	0.830	0.830	0.830	0.830	0.830	0.830	0.660	0.700	0.750	0.810
New Salem	0.355	0.355	0.355	0.855	1.100	1.100	0.850	0.850	0.850	0.850
North York	1.500	2.500	2.500	3.500	3.500	3.500	3.210	3.710	3.710	4.710
Railroad	0.600	0.600	0.600	0.600	0.900	0.900	0.690	0.690	0.690	0.690
Red Lion	1.660	2.660	2.660	2.660	3.560	3.560	3.173	3.350	3.700	3.700
Seven Valleys	0.425	0.425	0.425	0.425	0.425	0.425	0.349	0.600	0.600	0.600
Shrewsbury	1.070	1.070	1.070	1.070	1.600	1.600	1.200	1.200	1.420	1.500
Spring Grove	1.590	1.590	1.590	2.590	2.590	2.590	2.340	2.340	2.340	2.840
Stewartstown	1.800	2.100	2.400	2.400	2.400	3.300	2.720	2.720	2.850	2.850
Wellsville	0.500	0.500	0.500	0.500	0.500	0.500	0.420	0.420	0.420	0.420
West York	2.190	2.690	2.690	3.190	3.190	4.490	3.900	4.900	4.900	4.900
Windsor	1.106	1.117	1.117	1.117	1.117	1.517	1.261	1.261	1.261	1.500
Winterstown	0.600	0.600	0.850	0.850	0.850	0.850	0.850	0.850	0.850	0.850
Wrightsville	0.870	0.870	0.870	0.870	2.100	2.100	1.610	2.290	2.290	2.690
Yoe	1.153	1.153	1.153	1.153	1.153	1.153	0.914	1.914	2.955	2.955
York Haven	2.600	2.600	3.600	3.600	3.600	3.600	3.000	3.000	3.000	4.000
Yorkana	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250

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

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Townships</b>										
Carroll	0.430	0.430	0.430	1.430	1.430	1.430	1.120	1.120	1.120	1.620
Chanceford	0.240	0.240	0.240	0.240	0.240	0.360	0.300	0.300	0.300	0.300
Codorus	0.335	0.550	0.550	0.550	0.550	0.550	0.420	0.420	0.420	0.420
Conewago	1.150	1.150	1.150	1.150	1.260	1.300	1.300	1.300	1.450	1.450
Dover	1.000	1.000	1.000	1.000	1.000	1.000	0.828	0.828	1.000	1.000
East Hopewell	0.390	0.390	0.590	0.590	0.590	0.590	0.430	0.430	0.430	0.430
East Manchester	1.150	1.150	1.150	1.150	1.150	1.150	1.040	1.040	1.040	1.040
Fairview	1.360	1.036	1.036	1.036	1.178	1.198	1.077	1.396	1.600	1.600
Fawn	0.360	0.650	0.650	0.650	0.650	0.650	0.470	0.470	0.470	0.470
Franklin	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200
Heidelberg	1.200	1.200	1.200	1.200	1.200	1.500	1.200	1.200	1.500	1.500
Hellam	2.000	2.000	1.500	1.500	1.800	1.800	1.606	1.800	1.800	1.800
Hopewell	0.290	0.290	0.290	0.290	0.290	0.290	0.210	0.210	0.210	0.210
Jackson	0.350	0.350	0.350	0.350	0.350	1.200	0.950	0.950	0.950	0.950
Lower Chanceford	0.500	0.550	0.600	0.600	0.700	0.700	0.600	0.650	0.700	0.750
Lower Windsor	0.000	0.000	0.000	0.000	0.000	0.000	1.000	1.000	1.000	1.000
Manchester	1.240	1.240	1.240	1.240	1.240	1.240	1.000	1.000	1.000	1.000
Manheim	1.000	1.000	1.000	1.000	1.250	1.250	1.000	1.000	1.000	1.100
Monaghan	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900
Newberry	0.450	0.450	0.450	0.450	0.450	1.500	1.290	1.790	1.790	1.790
North Codorus	0.175	0.175	0.175	0.500	0.500	0.500	0.443	0.750	1.000	1.000
North Hopewell	0.335	0.335	0.335	0.335	0.335	0.335	0.272	0.272	0.272	0.272
Paradise	0.900	1.000	1.000	1.100	1.400	1.700	1.900	1.900	1.900	1.900
Peach Bottom	0.500	0.500	0.500	0.500	0.500	0.500	0.470	0.470	0.470	0.470
Penn	1.790	2.500	2.500	2.500	2.500	2.300	1.990	1.990	1.990	2.300
Shrewsbury	0.090	0.090	0.090	0.090	0.090	0.090	0.074	0.074	0.074	0.074
Spring Garden	2.050	2.050	2.050	2.450	2.850	2.850	2.440	2.440	2.440	2.440
Springettsbury	0.627	0.627	0.727	1.077	1.077	1.077	0.870	0.870	0.870	0.870
Springfield	0.330	0.330	0.330	0.330	0.330	0.330	0.260	0.260	0.260	0.300
Warrington	0.280	0.280	0.280	0.280	0.280	0.280	0.210	0.210	0.210	0.210
Washington	0.450	0.450	0.450	0.450	0.450	0.450	0.400	0.400	0.450	0.450
West Manchester	0.358	0.358	0.358	0.358	0.358	0.250	0.214	0.214	0.214	0.214
West Manheim	1.700	1.700	2.700	2.700	2.700	2.700	2.000	2.000	2.100	2.100
Windsor	0.320	0.320	0.320	0.320	0.320	0.600	0.500	0.500	0.600	0.600
York	0.420	0.420	0.700	0.800	0.800	0.700	0.600	0.600	0.600	0.700

**COUNTY OF YORK, PENNSYLVANIA**  
**Principal Property Taxpayers**  
**December 31, 2009**

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
ES 3 York LLC	\$ 80,078,310	1	0.31%			
York Galleria LLP	58,644,090	2	0.22%			
Kinsley Equities II	56,271,800	3	0.22%			
Equity Industrial A York LLC	39,545,778	4	0.15%			
Homewood at Hanover PA Inc	36,790,860	5	0.14%			
Waterford Associates	35,875,260	6	0.14%			
Harley Davidson Motor Company	34,245,300	7	0.13%			
Wellspan Properties Inc.	28,007,940	8	0.11%			
Delco Plaza I L P	27,443,900	9	0.11%			
Edens & Avant Financing	24,261,470	10	0.09%			
Crown American Financing Partnership				\$ 69,250,960	1	0.41%
Caterpillar, Inc.				49,006,030	2	0.29%
Parham				45,759,380	3	0.27%
HGG Acquisition JJ Newberry Co.				21,890,760	4	0.13%
Goodyear Tire & Rubber Co.				21,512,960	5	0.13%
York Health Care Services				19,232,350	6	0.11%
The York Development, LP				15,190,030	7	0.09%
Delco Mall Corp.				13,196,780	8	0.08%
New Plan Realty Trust				5,500,880	9	0.03%
Crown American				5,414,870	10	0.03%
<b>Total</b>	<b>\$ 421,164,708</b>		<b>1.61%</b>	<b>\$ 265,955,000</b>		<b>1.56%</b>

Source: County Assessment Office

County of York, Pennsylvania

Real Estate Taxes Levied and Collected

Last Ten Years  
(Unaudited)

<u>Fiscal Year</u>	<u>(1) Total Tax Levy</u>	<u>(2) Current Tax Collected</u>	<u>Percent of Levy Collected</u>	<u>(3) Prior Year Tax Collected</u>	<u>Total Tax Collected</u>	<u>Total Tax Collected to Levy</u>	<u>(3) Outstanding Tax – Current Year</u>	<u>(3) Outstanding Tax – Prior Years</u>	<u>Outstanding Taxes to Levy</u>
2000	\$ 44,595,870	\$ 41,609,880	93.30%	\$ 1,772,191	\$ 43,382,071	97.28%	\$ 2,985,990	\$ 2,276,902	11.80%
2001	55,923,530	52,374,495	93.65%	3,134,412	55,508,907	99.26%	3,549,035	2,902,644	11.54%
2002	57,663,623	53,845,638	93.38%	3,033,498	56,879,136	98.64%	3,465,071	2,842,089	10.94%
2003	79,070,273	73,731,064	93.25%	2,658,280	76,389,344	96.61%	4,511,481	1,547,863	7.66%
2004	80,986,732	74,193,793	91.61%	3,895,781	78,089,574	96.42%	4,225,341	3,303,720	9.30%
2005	89,495,987	84,102,299	93.97%	2,728,895	86,831,194	97.02%	4,840,672	1,653,395	7.26%
2006	93,965,893	90,551,553	96.37%	2,830,775	93,382,328	99.38%	4,690,112	3,304,762	8.51%
2007	99,298,832	95,589,866	96.26%	3,161,250	98,751,116	99.45%	5,332,676	4,790,269	10.19%
2008	102,528,021	99,504,249	97.05%	3,399,531	102,903,780	100.37%	4,591,508	2,194,385	6.62%
2009	107,950,099	104,788,638	97.07%	3,906,452	108,695,090	100.69%	4,590,851	2,022,445	6.13%

NOTES:

(1) Includes additions to duplicate and penalties.

(2) Includes discounts, penalties, rebates and error adjustments.

(3) Includes penalties and adjustments.

SOURCE:

Annual Reports of York County Controller

**COUNTY OF YORK, PENNSYLVANIA**

Ratio of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business-Type Activities		Primary Government	Personal Income	Per Capita
	General Obligation Bond	General Obligation Bond	Capital Leases			
2000	\$ 55,265,000	\$ -	\$ -	\$ 55,265,000	0.52%	144.77
2001	85,415,000	-	-	85,415,000	0.78%	221.11
2002	92,495,000	-	-	92,495,000	0.94%	237.65
2003	126,335,000	-	-	126,335,000	1.10%	320.18
2004	119,960,000	-	-	119,960,000	0.99%	300.81
2005	118,175,512	-	-	118,175,512	0.91%	289.08
2006	146,806,565	43,988,347	-	190,794,912	1.37%	458.29
2007	156,941,190	37,392,705	783,437	195,117,332	1.33%	463.41
2008	172,580,594	50,536,704	599,357	223,716,655	1.51%	536.70
2009	189,829,219	51,790,122	407,638	242,026,979	1.59%	564.25

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
2000	381,751	\$ 17,039,940	\$ 55,265	0.32%	144.77
2001	386,299	17,476,468	85,415	0.49%	221.11
2002	389,209	17,857,775	92,495	0.52%	237.65
2003	394,581	18,317,323	126,335	0.69%	320.18
2004	398,788	18,811,349	119,960	0.64%	300.81
2005	408,801	19,342,530	118,176	0.61%	289.08
2006	416,322	24,440,005	190,795	0.78%	458.29
2007	421,049	25,329,171	194,334	0.77%	461.55
2008	416,839	25,713,041	223,117	0.87%	535.26
2009	428,937	26,116,496	241,619	0.93%	563.30

**NOTES:**

- (1) [www.ycedc.org](http://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, 2009

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>School Districts</b>			
Central York	\$85,497,000	100%	\$85,497,000
Dallastown Area	101,379,822	100%	101,379,822
Dover Area	41,825,000	100%	41,825,000
Eastern York	56,594,300	100%	56,594,300
Hanover Public	33,854,149	100%	33,854,149
Northeastern	88,872,172	100%	88,872,172
Northern	38,307,265	100%	38,307,265
Red Lion Area	46,865,000	100%	46,865,000
South Eastern	39,101,000	100%	39,101,000
South Western	37,650,000	100%	37,650,000
Southern	38,860,000	100%	38,860,000
Spring Grove Area	71,770,000	100%	71,770,000
West York Area	25,510,000	100%	25,510,000
York City	113,060,000	100%	113,060,000
York Suburban	35,810,000	100%	35,810,000
West Shore	47,098,946	100%	47,098,946
<b>Other Schools</b>			
York Co School of Tech	38,930,000	100%	38,930,000
<b>City</b>			
York	96,082,134	100%	96,082,134

Source: Each individual governmental unit

**COUNTY OF YORK, PENNSYLVANIA**

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

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Boroughs</b>			
Cross Roads	0	100%	0
Dallastown	0	100%	0
Delta	580,590	100%	580,590
Dillsburg	34,028	100%	34,028
Dover	4,867,655	100%	4,867,655
East Prospect	0	100%	0
Fawn Grove	0	100%	0
Felton	902,594	100%	902,594
Franklintown	148,847	100%	148,847
Glen Rock	0	100%	0
Goldsboro	0	100%	0
Hellam	0	100%	0
Hanover	26,015,712	100%	26,015,712
Jacobus	0	100%	0
Jefferson	188,567	100%	188,567
Lewisberry	18,440	100%	18,440
Loganville	0	100%	0
Manchester	6,483,848	100%	6,483,848
Mount Wolf	3,340,164	100%	3,340,164
New Freedom	1,821,991	100%	1,821,991
New Salem	3,462,700	100%	3,462,700
North York	135,021	100%	135,021
Railroad	101,057	100%	101,057
Red Lion	46,989	100%	46,989
Seven Valleys	140,000	100%	140,000
Shrewsbury	1,001,011	100%	1,001,011
Spring Grove	0	100%	0
Stewartstown	2,837,496	100%	2,837,496
Wellsville	0	100%	0
West York	0	100%	0
Windsor	417,184	100%	417,184
Winterstown	26,192	100%	26,192
Wrightsville	50,806	100%	50,806
Yoe	0	100%	0
York Haven	0	100%	0
Yorkana	0	100%	0

Source: Each individual governmental unit

**COUNTY OF YORK, PENNSYLVANIA**

Direct and Overlapping Governmental Activities Debt (Continued)

As of December 31, 2009

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Townships</b>			
Carroll	1,130,000	100%	1,130,000
Chanceford	0	100%	0
Codorus	0	100%	0
Conewago	0	100%	0
Dover	26,417,905	100%	26,417,905
East Hopewell	86,052	100%	86,052
East Manchester	132,876	100%	132,876
Fairview	11,534,912	100%	11,534,912
Fawn	78,698	100%	78,698
Franklin	0	100%	0
Heidelberg	0	100%	0
Hellam	61,697	100%	61,697
Hopewell	0	100%	0
Jackson	23,620	100%	23,620
Lower Chanceford	0	100%	0
Lower Windsor	2,705,910	100%	2,705,910
Manchester	9,383,975	100%	9,383,975
Manheim	0	100%	0
Monaghan	0	100%	0
Newberry	13,045,000	100%	13,045,000
North Codorus	511,932	100%	511,932
North Hopewell	8,350	100%	8,350
Paradise	394,568	100%	394,568
Peach Bottom	0	100%	0
Penn	28,907,499	100%	28,907,499
Shrewsbury	264,318	100%	264,318
Spring Garden	720,000	100%	720,000
Springettsbury	0	100%	0
Springfield	13,919,544	100%	13,919,544
Warrington	0	100%	0
Washington	0	100%	0
West Manchester	2,555,000	100%	2,555,000
West Manheim	12,251,647	100%	12,251,647
Windsor	860,000	100%	860,000
York	11,655,000	100%	11,655,000
Subtotal, overlapping debt			1,226,336,183
County of York direct debt			<u>189,829,219</u>
Total direct and overlapping debt			<u><u>\$1,416,165,402</u></u>

Source: Each individual governmental unit

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

	Fiscal Year				
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
<b>Borrowing Base Revenues</b>					
Two years prior	\$80,237,964	\$84,815,237	\$106,426,544	\$125,324,948	\$233,374,047
Prior year	84,815,237	106,426,544	125,324,948	134,955,914	255,046,694
Current year	<u>106,426,544</u>	<u>125,324,948</u>	<u>134,955,914</u>	<u>144,764,478</u>	<u>272,355,249</u>
<b>Total Revenues</b>	<u><u>\$271,479,745</u></u>	<u><u>\$316,566,729</u></u>	<u><u>\$366,707,406</u></u>	<u><u>\$405,045,340</u></u>	<u><u>\$760,775,990</u></u>
<b>Debt Limit For General Obligation Bonds</b>					
Average borrowing base revenues	\$90,493,248	\$105,522,243	\$122,235,802	\$135,015,113	\$253,591,997
Debt limit percentage	x 300%				
Debt limit	<u>271,479,744</u>	<u>316,566,729</u>	<u>366,707,406</u>	<u>405,045,339</u>	<u>760,775,991</u>
Total outstanding bonded debt	<u>55,265,000</u>	<u>85,415,000</u>	<u>92,495,000</u>	<u>126,335,000</u>	<u>119,960,000</u>
<b>Legal Debt Margin</b>	<u><u>\$216,214,744</u></u>	<u><u>\$231,151,729</u></u>	<u><u>\$274,212,406</u></u>	<u><u>\$278,710,339</u></u>	<u><u>\$640,815,991</u></u>
Total outstanding bonded debt as a percentage of debt limit	20.36%	26.98%	25.22%	31.19%	15.77%
<b>Debt Limit For General Obligation Bonds and Lease Rental Debt</b>					
Average borrowing base revenues	\$90,493,248	\$105,522,243	\$122,235,802	\$135,015,113	\$253,591,997
Debt limit percentage	x 400%				
Debt limit	<u>361,972,992</u>	<u>422,088,972</u>	<u>488,943,208</u>	<u>540,060,452</u>	<u>1,014,367,988</u>
Total amount of debt applicable to debt limit	<u>55,265,000</u>	<u>85,415,000</u>	<u>92,495,000</u>	<u>126,335,000</u>	<u>119,960,000</u>
<b>Legal Debt Margin</b>	<u><u>\$306,707,992</u></u>	<u><u>\$336,673,972</u></u>	<u><u>\$396,448,208</u></u>	<u><u>\$413,725,452</u></u>	<u><u>\$894,407,988</u></u>
Total amount of debt applicable to debt limit as a percentage of debt limit	15.27%	20.24%	18.92%	23.39%	11.83%

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

	Fiscal Year				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Borrowing Base Revenues</b>					
Two years prior	\$255,046,694	\$272,355,249	\$302,994,515	\$323,719,025	\$340,911,374
Prior year	272,355,249	302,994,515	323,719,025	340,911,374	347,460,500
Current year	<u>302,994,515</u>	<u>323,719,025</u>	<u>340,911,374</u>	<u>347,460,500</u>	<u>347,077,609</u>
<b>Total Revenues</b>	<u><u>\$830,396,458</u></u>	<u><u>\$899,068,789</u></u>	<u><u>\$967,624,914</u></u>	<u><u>\$1,012,090,899</u></u>	<u><u>\$1,035,449,483</u></u>
<b>Debt Limit For General Obligation Bonds</b>					
Average borrowing base revenues	\$276,798,819	\$299,689,596	\$322,541,638	\$337,363,633	\$345,149,828
Debt limit percentage	x <u>300%</u>	x <u>300%</u>	x <u>300%</u>	x <u>300%</u>	x <u>300%</u>
Debt limit	830,396,457	899,068,788	967,624,914	1,012,090,899	1,035,449,484
Total outstanding bonded debt	<u>118,175,512</u>	<u>190,794,912</u>	<u>194,333,895</u>	<u>223,117,298</u>	<u>241,619,341</u>
<b>Legal Debt Margin</b>	<u><u>\$712,220,945</u></u>	<u><u>\$708,273,876</u></u>	<u><u>\$773,291,019</u></u>	<u><u>\$788,973,601</u></u>	<u><u>\$793,830,143</u></u>
Total outstanding bonded debt as a percentage of debt limit	14.23%	21.22%	20.08%	22.05%	23.33%
<b>Debt Limit For General Obligation Bonds and Lease Rental Debt</b>					
Average borrowing base revenues	\$276,798,819	\$299,689,596	\$322,541,638	\$337,363,633	\$345,149,828
Debt limit percentage	x <u>400%</u>	x <u>400%</u>	x <u>400%</u>	x <u>400%</u>	x <u>400%</u>
Debt limit	1,107,195,276	1,198,758,384	1,290,166,552	1,349,454,532	1,380,599,312
Total amount of debt applicable to debt limit	<u>118,175,512</u>	<u>190,794,912</u>	<u>195,117,332</u>	<u>223,716,655</u>	<u>242,026,979</u>
<b>Legal Debt Margin</b>	<u><u>\$989,019,764</u></u>	<u><u>\$1,007,963,472</u></u>	<u><u>\$1,095,049,220</u></u>	<u><u>\$1,125,737,877</u></u>	<u><u>\$1,138,572,333</u></u>
Total amount of debt applicable to debt limit as a percentage of debt limit	10.67%	15.92%	15.12%	16.58%	17.53%

## COUNTY OF YORK, PENNSYLVANIA

Demographic and Economic Statistics  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income \$000</u>	<u>Per Capita Personal Income (1)</u>	<u>Public School Enrollment</u>	<u>Local Unemployment Rate</u>
2000	381,751	\$ 10,608,097	\$ 27,788	67,944	3.5%
2001	386,299	10,894,791	28,203	65,526	4.6%
2002	389,209	9,869,562	25,358	65,177	5.6%
2003	394,581	11,441,271	28,996	65,821	4.8%
2004	398,788	12,068,122	30,262	66,520	4.6%
2005	408,801	12,922,608	31,611	67,325	4.7%
2006	416,322	13,904,322	33,398	66,642	3.2%
2007	421,049	14,681,137	34,868	67,853	3.6%
2008	416,839	14,860,727	35,651	67,318	4.8%
2009	428,937	15,227,264	35,500	67,075	9.2%

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

**COUNTY OF YORK, PENNSYLVANIA**  
**Principal Employers**  
**December 31, 2009**

<b>Employer (1)</b>	<b>Employees</b>	<b>Percentage of Total County Employment</b>
York Hospital	7,402	3.60%
Federal Government	3,444	1.68%
Wai-Mart Associates, Inc.	2,783	1.35%
York County	2,503	1.22%
Harley-Davidson Motor Company	2,475	1.20%
BAE Systems	2,020	0.98%
Giant Food Stores LLC	2,000	0.97%
Kinsley Construction, Inc.	1,320	0.64%
Hanover General Hospital	1,300	0.63%
UTZ Quality Foods, Inc.	1,295	0.63%
<b>Total</b>	<b><u>26,542</u></b>	<b><u>12.91%</u></b>
 Total Employees in County (2)	 205,600	

Note: Information on principal employers for 2000 was not available

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

**COUNTY OF YORK, PENNSYLVANIA**

**Employees by Function/Program  
Last Eight Years**

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

Source: York County Payroll System

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

## COUNTY OF YORK, PENNSYLVANIA

### Operating Indicators by Function

Last Ten Years

Function	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
General Government										
Fiscal Affairs										
Deeds recorded	10,694	11,577	14,182	16,018	17,021	16,577	15,976	14,777	13,290	12,750
Mortgages recorded	24,034	24,657	32,217	38,079	39,064	39,140	48,187	37,314	30,890	23,838
Land Development Plans	276	380	453	559	567	536	563	545	591	585
Dwelling Units Planned	1,180	852	1,788	3,273	4,898	3,948	5,112	2,940	2,168	3,132
New Construction Permits	896	1,250	1,899	2,679	3,064	2,688	2,931	2,761	2,232	2,107
Administration										
General election information										
Registered voters	264,161	299,412	278,994	275,251	266,880	264,134	240,218	231,954	231,954	225,555
Votes cast	50,337	197,132	58,910	128,119	56,042	181,678	59,976	101,349	58,056	145,024
Percent of votes cast	19.1%	65.8%	21.1%	46.5%	21.0%	68.8%	25.0%	43.7%	25.0%	64.3%
Coroner										
Cases	477	449	443	437	432	490	447	484	466	481
Autopsies	90	81	90	76	74	66	63	64	78	88
Court System and Corrections										
Court Administration										
Estates & wills probated	1,945	1,892	1,773	1,403	1,383	1,418	1,292	1,413	1,384	1,359
Petition for Adoption	144	165	145	140	172	165	156	183	173	167
Petition for termination or relinquishment	142	213	203	206	200	172	186	237	200	274
Marriage applications	2,170	2,352	2,240	2,406	2,371	2,350	2,189	2,352	2,408	2,366
Civil cases filed	6,635	6,373	4,776	4,419	2,890	3,894	5,790	6,246	6,418	6,319
Family cases filed	2,281	2,283	2,526	2,333	2,385	3,306	386	n/a	n/a	n/a
Municipal tax cases filed	1,545	1,300	1,039	1,118	1,240	1,024	1,048	1,193	769	n/a
Judgments filed	7,725	7,039	4,810	5,203	4,394	4,075	3,754	3,911	3,605	n/a
Administrative cases	35	28	23	35	40	2	n/a	n/a	n/a	n/a
Criminal cases	7,762	8,153	8,058	7,874	6,997	5,709	5,614	5,887	5,552	5,227
Juvenile cases	967	1,241	1,169	1,138	1,207	1,123	1,006	1,045	1,023	1,186
Miscellaneous cases	2,883	2,624	2,605	2,319	1,909	1,586	1,578	1,799	1,653	1,918
Summary appeals	596	550	548	473	472	428	411	464	492	507
Domestic relations										
active cases	14,495	15,363	16,077	16,699	17,084	17,035	17,125	17,015	16,867	n/a
Firearm permits issued	6,181	5,605	7,908	3,879	3,556	3,743	4,350	8,338	3,851	n/a
Probation										
Adult caseload	9,306	9,104	8,805	7,401	7,235	6,616	6,264	5,732	5,328	4,163
Juvenile referrals	2,003	2,264	2,389	2,148	2,198	2,378	2,426	2,287	2,342	2,796
Corrections										
Average daily population	2,256	2,253	2,134	2,036	1,833	1,831	1,778	1,916	1,902	1,682
Annual admissions	23,415	24,831	19,129	13,535	11,777	11,802	12,078	11,834	10,531	9,757
Pleasant Acres										
Nursing home beds	355	375	375	375	375	375	375	375	435	436
Independent living beds	32	32	32	32	32	32	32	32	n/a	n/a
Available bed days	129,575	137,250	136,875	136,875	136,875	137,250	136,875	136,875	142,275	159,210
Actual resident days	126,395	130,203	130,782	136,875	132,825	132,393	130,752	123,788	116,571	110,369
Percent occupancy	97.5%	94.9%	95.5%	100.0%	97.0%	96.5%	95.5%	90.4%	81.9%	69.3%

**COUNTY OF YORK, PENNSYLVANIA**

**Operating Indicators by Function (Continued)**

**Last Ten Years**

<b>Function</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
<b>Human Services</b>										
<b>Adult Services</b>										
Housing	-	529	542	617	900	413	533	175	438	606
Emergency shelter	655	610	801	420	511	250	865	696	645	10
Information/referral	32,842	40,199	38,194	35,945	35,018	31,936	32,191	27,291	27,382	29,266
<b>Adult/Children Services</b>										
Bridge housing	105	135	137	150	158	129	115	111	81	76
Rental assistance	4,096	4,050	5,098	5,875	4,863	4,107	3,277	3,150	1,274	1,398
Emergency shelter	612	576	696	617	480	521	777	726	338	170
Individual shelter nights	12,568	10,754	10,630	10,706	10,223	8,606	2,462	11,650	10,618	11,172
Medical transportation	1,587	1,940	1,482	1,141	805	517	596	477	385	393
<b>Area Agency on Aging</b>										
<b>Home delivered meals</b>										
Meals served	123,816	145,811	136,420	143,568	136,980	134,407	129,154	125,168	132,145	174,124
Persons served	755	1,052	991	1,011	1,113	1,029	1,033	1,008	1,067	1,387
<b>Congregate meals</b>										
Meals served	81,188	78,565	83,966	89,479	84,543	78,968	79,166	88,440	87,549	92,538
Persons served	1,829	1,751	1,846	1,846	1,667	1,757	1,712	1,744	1,792	1,845
<b>Transportation</b>										
Trips	94,248	110,764	104,884	108,600	104,718	101,136	105,867	117,152	120,351	118,410
Persons served	n/a	n/a	n/a	4,310	4,498	3,645	3,235	3,007	2,981	2,691
<b>Children &amp; Youth Services</b>										
Children served	7,810	8,483	8,622	8,619	8,277	8,219	8,605	9,798	8,969	10,021
Placement days	238,011	272,312	282,924	249,118	249,736	253,595	239,379	235,628	249,989	266,366
Child abuse reports	1,060	1,000	996	982	904	775	808	858	831	841
<b>Mental Health</b>										
<b>Emergency/Crisis</b>										
intervention hours	25,144	24,710	20,754	20,210	19,223	19,252	22,364	21,793	21,337	20,881
Community treatment team hrs	4,393	4,393	n/a							
Community residential days	25,672	27,364	27,859	19,824	20,432	19,073	17,720	20,796	20,320	19,844
Community employment hours	8,126	9,152	10,575	8,165	6,119	6,327	6,229	8,812	9,306	9,800
Community vocational rehab hours	58,797	56,100	56,804	54,938	58,077	59,025	60,665	57,897	57,479	57,060
Service case management hours	58,071	54,696	51,406	51,959	47,494	47,056	43,511	35,679	34,070	32,460
Day treatment hours	4,462	4,906	4,559	2,289	4,450	4,981	2,800	5,684	5,212	4,740
Psychiatric outpatient hours	36,786	37,322	36,041	34,733	29,483	23,494	30,969	33,013	32,676	32,338
Social rehab hours	56,870	58,861	54,830	55,991	52,902	46,144	35,772	40,510	35,558	30,605
Family based support hours	11,388	9,744	7,480	5,525	4,977	5,575	5,306	5,483	3,918	2,352
Housing support days	18,044	18,135	21,047	17,145	14,168	16,878	11,921	10,860	10,318	9,775
Psychiatric inpatient days	161	109	234	293	98	363	65	200	255	311
<b>Mental Retardation</b>										
Community hab (ADT) hours	117,596	87,742	76,749	113,169	83,871	142,957	140,154	134,292	127,545	120,799
Vocational rehabilitation hours	250,802	197,655	195,359	294,772	213,771	202,109	190,446	198,746	234,422	270,100
Supported employment hours	7,795	7,957	7,923	14,774	14,514	17,528	20,541	19,862	19,225	18,588
Home & community hab hours	327,312	278,730	252,436	184,155	178,064	n/a	n/a	n/a	n/a	n/a
Respite service hours	60,588	52,201	61,187	n/a						
Specialized treatment hours	23,744	23,602	18,919	n/a						
Transportation	7,773	7,437	7,414	7,198	6,999	6,952	6,829	6,504	6,411	6,315
Early intervention clients	1,348	1,322	1,324	1,360	1,246	1,135	1,044	951	993	916
Family support clients	228	238	292	611	582	571	543	542	561	578
Residential clients	632	618	627	609	591	579	569	553	549	546
<b>Drug &amp; Alcohol</b>										
Intake evaluations	2,180	2,258	1,507	1,494	1,297	1,459	806	779	686	671
Inpatient treatment clients	242	535	902	393	459	328	1,537	406	249	203
Detoxification days	2,346	1,864	1,904	835	1,343	515	1,537	1,207	1,056	922
Methadone visits	734	553	651	574	512	837	737	605	319	478
Outpatient hours	24,860	21,908	19,689	3,723	9,862	16,224	7,005	7,534	7,005	7,497

**COUNTY OF YORK, PENNSYLVANIA**

**Operating Indicators by Function (Continued)**

**Last Ten Years**

Function	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Human Services (continued)										
York HealthChoices										
Ancillary										
Members	176	68	88	83	72	1,530	53	18	n/a	n/a
Units	1,084	386	477	512	586	3,282	274	206	n/a	n/a
BHRS										
Members	1,621	1,401	1,320	1,223	1,088	948	851	795	n/a	n/a
Units	1,260,764	1,112,149	1,083,439	990,092	1,029,126	913,124	591,111	500,838	n/a	n/a
Community supports										
Members	1,849	1,465	1,440	1,577	1,340	1,040	883	646	n/a	n/a
Units	259,858	247,277	263,603	245,345	227,703	198,918	132,422	50,632	n/a	n/a
Inpatient drug & alcohol										
Members	14	14	18	17	14	12	13	23	n/a	n/a
Units	145	166	213	143	122	77	56	159	n/a	n/a
Inpatient mental health										
Members	808	699	717	724	565	531	526	392	n/a	n/a
Units	10,917	9,778	10,070	10,321	8,294	7,792	6,353	4,475	n/a	n/a
Non-hospital drug & alcohol										
Members	666	460	385	343	274	213	199	130	n/a	n/a
Units	24,428	17,066	15,056	10,740	7,721	6,129	5,901	2,946	n/a	n/a
Other services										
Members	492	329	194	227	106	164	20	15	n/a	n/a
Units	128,722	90,553	56,322	44,401	6,446	4,723	1,198	1,408	n/a	n/a
Outpatient drug & alcohol										
Members	1,243	1,093	711	732	593	522	401	246	n/a	n/a
Units	30,341	17,427	11,110	16,996	11,708	7,497	5,197	3,192	n/a	n/a
Outpatient mental health										
Members	8,971	7,997	7,000	6,415	5,536	4,540	4,391	3,406	n/a	n/a
Units	240,717	212,434	202,660	169,647	148,066	128,667	152,028	96,771	n/a	n/a
RTF accredited										
Members	134	180	215	188	169	122	86	83	n/a	n/a
Units	23,964	33,036	38,418	169,647	148,066	128,667	152,028	96,771	n/a	n/a
RTF non-accredited										
Members	21	20	18	19	23	27	9	8	n/a	n/a
Units	3,731	3,734	2,726	2,191	2,535	3,433	1,358	805	n/a	n/a

**COUNTY OF YORK, PENNSYLVANIA**

**Operating Indicators by Function (Continued)**

Last Ten Years

Function	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Human Services (continued)										
Adams HealthChoices										
Ancillary										
Members	26	5	8	7	1	220	4	n/a	n/a	n/a
Units	129	28	50	34	4	475	20	n/a	n/a	n/a
BHRS										
Members	366	311	270	250	223	204	208	173	n/a	n/a
Units	373,428	278,591	243,382	211,977	221,953	264,246	164,081	133,406	n/a	n/a
Community supports										
Members	343	238	249	248	208	146	175	95	n/a	n/a
Units	49,725	45,500	53,551	51,063	32,626	19,863	15,230	8,881	n/a	n/a
Inpatient drug & alcohol										
Members	2	1	4	1	2	1	1	3	n/a	n/a
Units	18	8	80	13	12	7	3	37	n/a	n/a
Inpatient mental health										
Members	122	89	77	90	80	91	85	50	n/a	n/a
Units	1,777	1,872	1,197	1,654	1,310	1,366	1,197	636	n/a	n/a
Non-hospital drug & alcohol										
Members	99	61	57	56	29	30	22	16	n/a	n/a
Units	4,466	2,541	2,217	1,505	882	796	558	277	n/a	n/a
Other services										
Members	104	46	50	54	44	44	5	5	n/a	n/a
Units	4,984	3,384	3,633	4,420	2,572	3,084	606	395	n/a	n/a
Outpatient drug & alcohol										
Members	200	162	160	167	104	95	91	55	n/a	n/a
Units	2,850	2,111	2,527	3,884	2,497	1,665	1,495	1,112	n/a	n/a
Outpatient mental health										
Members	1,382	1,141	993	937	896	756	717	539	n/a	n/a
Units	29,029	26,645	16,998	22,200	20,933	16,517	19,548	11,815	n/a	n/a
RTF accredited										
Members	40	46	49	50	38	31	31	22	n/a	n/a
Units	7,785	8,917	7,968	8,826	5,643	4,829	4,790	2,352	n/a	n/a
RTF non-accredited										
Members	1	5	5	1	0	4	2	2	n/a	n/a
Units	128	683	772	52	0	381	62	148	n/a	n/a

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

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

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

Source: York County Fixed Asset System

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