

COUNTY OF LANCASTER, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL
REPORT

For the Year Ended December 31, 2000

PREPARED BY THE CONTROLLER'S OFFICE

Benj. H. Hess, Jr., Controller
Walter L. Rogers, Deputy Controller
Darlene T. Davis, Assistant Deputy Controller
Andrew D. Sapovchak, CPA, Accounting/Auditing Supervisor
Kathryn B. Kunkel, Accounts Payable/Payroll Supervisor
Rebecca M. Dittenhafer, Systems Administrator

INDEPENDENT AUDITORS
Ernst & Young LLP

CONTROLLER'S SOLICITOR
George D. Alspach

Cover photographs by Glenn Davis

Top photo: B17 Flying Fortress which was used extensively in WWII in combat over Europe.

Bottom Photo: B24 Liberator which was used both in Europe and Asia during WWII.

We wish to pay tribute and extend thanks to all service men and women.

COUNTY OF LANCASTER, PENNSYLVANIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the year ended December 31, 2000

TABLE OF CONTENTS

Page No.

INTRODUCTORY SECTION

Letter of Transmittal	1
List of Principal Officials	15
GFOA Certificate of Achievement	16
Organizational Chart	17
Controller's Office Organizational Chart	18
Map of Lancaster County Public School Districts	19

FINANCIAL SECTION

Report of Independent Auditors	21
General Purpose Financial Statements	23
Combined Balance Sheet - All Fund Types and Account Groups	24
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types	26
Combined Statement of Revenues, Expenditures, and Changes In Fund Balances Budget and Actual - General and Budgeted Special Revenue Funds - Budgetary Basis	27
Statement of Revenues, Expenses, and Changes in Retained Earnings - Enterprise Fund	28
Statement of Cash Flows - Enterprise Fund	29
Statement of Changes in Plan Net Assets - Pension Trust Fund	30
Notes to Financial Statements	31

Required Supplementary Information:

Schedule of Employer Contributions	57
--	----

Combining Fund Statements and Account Group Schedules

 Special Revenue Funds:

Combining Balance Sheet	61
Combining Statements of Revenues, Expenditures, and Changes In Fund Balances	62

 Budgeted Special Revenue Funds:

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Budgetary Basis	63
---	----

 Trust and Agency Funds:

Combining Balance Sheet	68
Agency Fund - Statement of Changes in Assets and Liabilities	69

 General Fixed Assets Account Group:

Schedule of General Fixed Assets - By Source	72
Schedule of General Fixed Assets - By Function and Activity	73
Schedule of Changes in General Fixed Assets - By Function and Activity	74

(This page intentionally left blank)

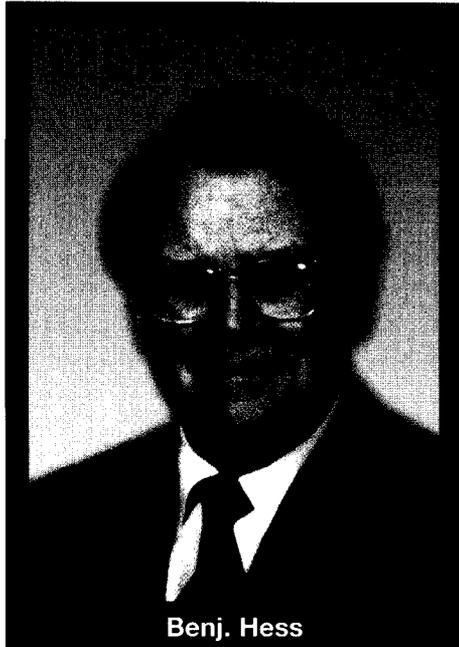
COUNTY OF LANCASTER, PENNSYLVANIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended December 31, 2000

TABLE OF CONTENTS (Continued)

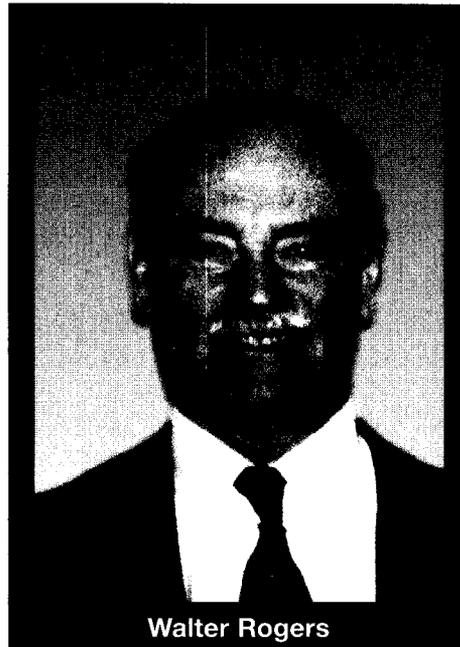
Page No.

STATISTICAL SECTION

General Governmental Expenditures by Function - Table 1	76
General Governmental Revenues by Source - Table 2	77
Property Tax Levies and Collections - Table 3	78
Assessed and Estimated Actual Value of Taxable Property - Table 4	79
Property Tax Rates, Direct and Overlapping Governments - Table 5	80
Principal Taxpayers - Table 6	82
Computation of Legal Debt Margin - Table 7	83
Ratio of General Obligation Bonded Debt to Assessed Value and General Obligation Bonded Debt Per Capita - Table 8	84
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Governmental Expenditures Table 9	85
Computation of Direct and Overlapping Bonded Debt - General Obligation Bonds - Table 10	86
Demographic Statistics - Table 11	88
Property Value, Construction, and Bank Deposits - Table 12	90
Salaries and Surety Bonds of Principal Officials - Table 13	91
Miscellaneous Statistics - Table 14	92
Schedule of Insurance In-Force - Table 15	93



Benj. Hess



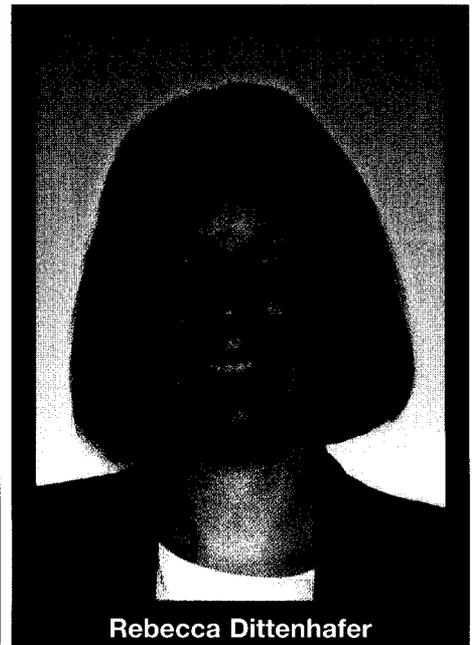
Walter Rogers



Darlene Davis



Kathryn Kunkel



Rebecca Dittenhafer

Benj. Hess, Jr., Controller
Walter Rogers, Deputy Controller
Darlene Davis, Assistant Deputy Controller
Andrew Sapovchak, CPA, Accounting/Auditing Supervisor *unavailable for photo
Kathryn Kunkel, Accounts Payable/Payroll Supervisor
Rebecca Dittenhafer, Systems Administrator

LANCASTER COUNTY

CONTROLLER'S OFFICE

50 NORTH DUKE STREET
PO BOX 83480
LANCASTER, PA 17608-3480
TELEPHONE: 717-299-8262

BENJ. H. HESS, JR.
Controller



June 13, 2001

To the Citizens of the County of Lancaster, Pennsylvania:

The comprehensive annual financial report of the County of Lancaster, Pennsylvania, for the year ended December 31, 2000, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County's management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

The comprehensive annual financial report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, a list of the County's principal officials, the Certificate of Achievement for Excellence in Financial Reporting for the year ended December 31, 1999, the County's organizational chart, the Controller's Office organizational chart, and a map of Lancaster County public school districts. The financial section includes the general-purpose financial statements, the required supplementary information, and the combining fund statements and account group schedules, as well as the report of independent auditors. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

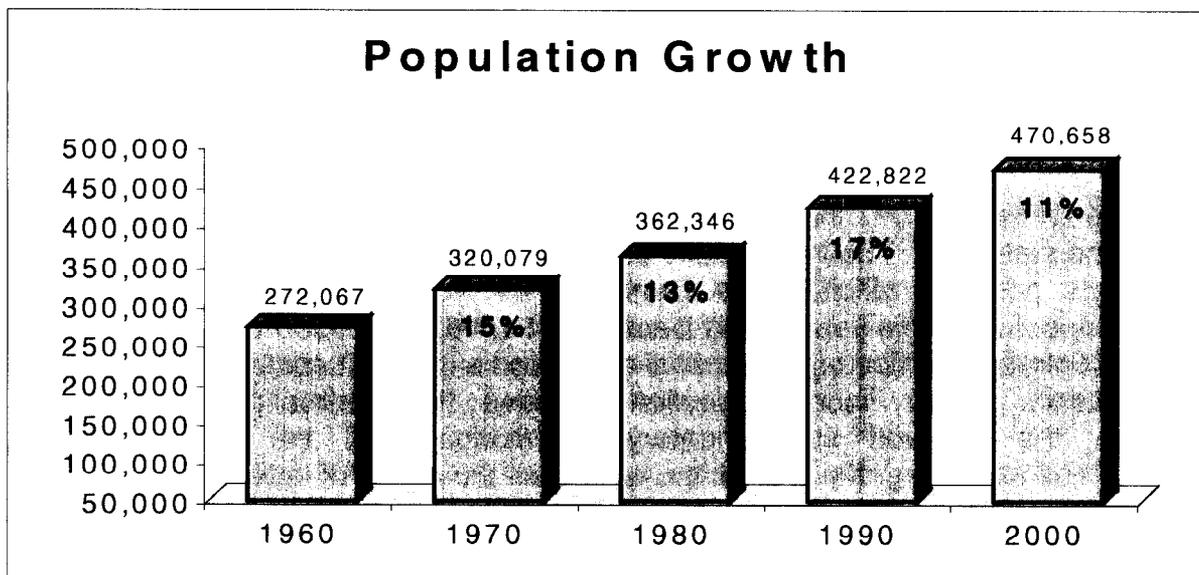
This report includes all funds and account groups of the County and reflects the extensive range of countywide services including, but not limited to, emergency services; health care and social services; construction and maintenance of highways, streets, and infrastructure; recreational activities; and cultural events. The following entities have not met the established criteria, as set forth by the Governmental Accounting Standards Board, for inclusion in the reporting entity and therefore, are excluded from this report: (a) Lancaster County Redevelopment Authority, (b) Lancaster Airport Authority, (c) Lancaster County Hospital Authority, (d) Lancaster County Housing Authority, (e) Lancaster County Solid Waste Management Authority, (f) Red Rose Transit Authority, (g) Lancaster County Conservation District, (h) Lancaster County Private Industry Council, and (i) Lancaster County Transportation Authority.



ECONOMIC CONDITION AND OUTLOOK

Located in south central Pennsylvania, approximately 60 miles west of Philadelphia and 240 miles east of Pittsburgh, Lancaster County covers a 946 square mile area. Initially a part of Chester County, the area became a separate county in 1729, the fourth in Pennsylvania. A third class county since 1962, it consists of 60 municipal divisions including the City of Lancaster, 18 boroughs, and 41 townships. Neighboring counties include York, Dauphin, Lebanon, Berks, and Chester.

With an estimated population of 470,658, the number of people living in Lancaster County grew by 47,836 or 11.3 percent during the 1990's, a rate of growth that experts call consistent, solid and healthy. Industrial development and proximity to the Pennsylvania Turnpike and urban centers, such as Reading and Harrisburg have spurred growth in the outlying areas. Overall, Lancaster County remains the sixth most populous county in Pennsylvania, after Philadelphia, Allegheny, Montgomery, Bucks and Delaware counties.



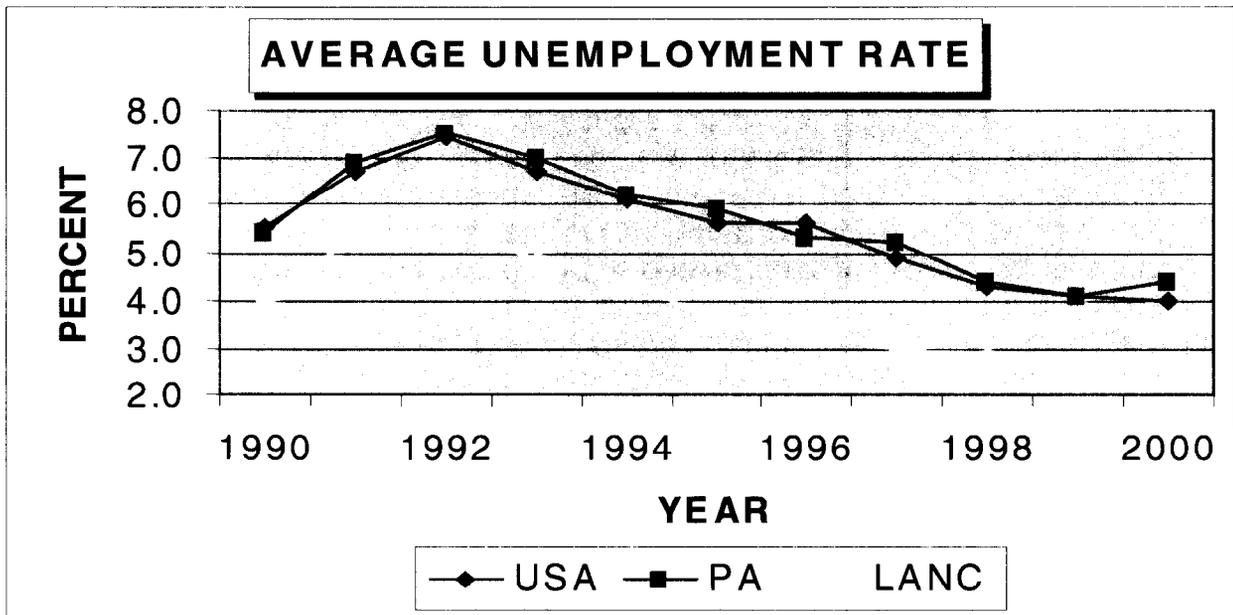
Source: U.S. Census Bureau

Continued population growth has necessitated the need for careful planning and land management. Countywide, companies and local government are partnering to establish and implement sensible ideas and realistic plans for growth, ideas and plans with which both residents and businesses can live comfortably.

One of the most fertile agricultural areas in the land, Lancaster County produces more agricultural products and yields more food than any other non-irrigated county in the nation. The county currently houses 4,930 farms that occupy nearly 418,500 acres. Almost 30,000 acres of farmland were lost to development in the 10 years from 1980 to 1990, but that rate has slowed considerably thanks to the preservation effort.

Among the leading industrial areas in the state, Lancaster County is considered a prime location for manufacturing, away from congested areas, yet close to the major East Coast markets. Businesses in the county manufacture among other things, floor coverings, printed and published goods, electron tubes, farm machinery, food and kindred products, castings, steel fabrications, tobacco products, and pharmaceuticals. With the development of more than a dozen retirement communities in the county in recent years, the retirement business has become a major industry here also. The high diversity of business and industry in the county helps to maintain the economic stability.

Lancaster County's unemployment rate of 2.7% remains consistently lower than the state and national averages of 4.4% and 4.0% respectively. The unemployment rate in the county continues to be low due to the fact that the growing number of jobs here has kept pace with the growing number of potential workers living in the county.



Source: PA Department of Labor and Industry, Office of Employment Security

Sound management of the County's steady growth and balanced economy is an on going challenge requiring the involvement, cooperation, and action of local organizations, government officials, agencies, and citizens of Lancaster County. The goal of preserving the County's heritage and natural resources without undermining the economy is forcing government officials and the public to rethink plans in a more comprehensive, regional way. Municipalities need to continue to work together on issues such as transportation, zoning and land use to ensure the County uses its resources in the most efficient ways possible.

MAJOR INITIATIVES

For the Year

- * Children and Youth Agency successfully launched its drug and alcohol program. Through a purchase of service agreement with the Freedom Center, a certified

addiction specialist was placed in the agency three days a week to work with the caseworkers and families where an addiction problem is suspected. In collaboration with Millersville University, the Agency received a grant to provide cross training with several other substance abuse counseling agencies about shared clients.

Along with the Commissioners, the County Administrator and several elected officials, Children and Youth met with spokesmen from the Amish and Mennonite communities to discuss emergency foster placement of Amish and Mennonite children. An Amish Emergency Placement Plan was devised in the event that placement of Amish children would be necessary.

Children and Youth Agency added twenty-three new foster homes in 2000 and also staffed an expansion unit to provide services to sexually abused children and their families.

- * The Agricultural Preserve Board utilized a points-based appraisal system to evaluate some of the backlogged easement applicants. This allowed the board to preserve farms more quickly. Settlement was made on 67 easements with approximately 6,200 acres of farmland preserved. That brought the County total to 367 farms preserved on 33,100 acres of farmland, making Lancaster County number one in the nation for the number of acres preserved by a publicly funded program.
- * The County awarded ten matching grants totaling \$624,848 to various municipalities and non-profit organizations, resulting in a total investment of \$1,386,328 towards preservation of 431 acres of parkland and the development of recreational facilities for the enjoyment of county residents.
- * The County established a Brownfield Redevelopment Program with a \$250,000 grant from the United States Environmental Protection Agency for brownfield identification and testing. This is the first step in a long-term effort aimed at converting abandoned industrial and commercial properties with real or perceived environmental contamination (brownfields) into economically viable, community-enhancing uses through environmental testing, clean-up and redevelopment.
- * Barnes Hall Juvenile Detention Facility has implemented treatment programs to better serve our youth during their detainment. Every resident who stays thirty (30) days or more is provided with an Individual Service Plan (ISP) that focuses on behavior modification. A curriculum has been designed for use as a tool to redirect residents' thinking. Also, every resident is assessed for mental-health issues at admission. A parental support class has been designed and will be implemented in 2001.
- * Geographic Information System (GIS) is collecting satellite imagery and infrared photography and will conduct an outreach program through WGAL news programs and the Ag Extension. The purpose of this program is to educate farmers on how to

make use of the satellite imagery. Farmers will learn to compare their fields to other neighboring farms to help them determine the relative economic value of their crops.

- * The Parks and Recreation Department completed the first phase of a skate park. This first-phase facility, with considerable drainage and stormwater-management improvements to the area in which it is located, cost over \$600,000. The department received a grant from the PA Department of Conservation and Natural Resources (PA-DCNR) for \$270,000, as a model project. The skating portion of the facility, a free form, concrete bowl with a quarter-acre footprint, is the first public skate park of its kind in Pennsylvania. The facility features a 200' long, meandering snake run; 4', 6', and 10' deep bowls, a full pipe which is 16' in diameter and 25' long, and some 600' of meandering, skateable access paths. The facility was completed in December and hosts hundreds of skaters on a regular basis. A grand opening is slated for June of 2001.



Photo courtesy Lancaster County Department of Parks and Recreation

- * The first true “one stop” system was developed through the opening of the Career Link Center at Liberty Place. Fourteen agencies that provide a full range of job search and training services are now housed in the Center. The Lancaster

Employment and Training Agency (LETA) and the Office of Aging (OOA) were key to the successful opening of the Center.

- * Construction of the new Youth Intervention Center is on schedule. Work is approaching the 40% completion point. Minor design changes have been made to the sheltered care area to allow for future use. The anticipated date of completion is January 2002.
- * Plans to build a new Emergency Training Facility continue. The foundry site has been cleaned up and a land development plan is in place. The design of the facility should be completed by late spring, with a bid to be completed in the early summer. Construction is expected to start late summer/early fall of this year, with a "grand opening" planned for the first quarter of 2003.

For the Future

- * Lancaster County has been selected by the State to be the recipient of the first web portal project between State and county governments. The Office of Information Technology (OIT) and the Governor's Center for Local Government Services are heading up the project. The State will provide web portal software and professional services through their partners PPT and Microsoft at no cost to the County. Data Processing will purchase the hardware and system software needed to support the new web portal. PPT is the local web development vendor who will be supplying the application (DSF) and the professional services for this project. DSF is a web-based application platform and Dynamic Content Management system. This scalable platform is designed to handle Internet and/or Intranet e-government web initiatives. The primary benefit to the County will be an enhanced dynamic, interactive web site. The new web portal will enhance the way the County delivers information and services to the public. Our goal is to allow public access to County information through the Internet/Intranet replacing the current method of dial-up access (Winframe) and counter top MAPPER access.
- * The Lancaster County Prison plans to implement a transition to community pilot program. Developed by the prison chaplain's office, the program will utilize the idea of mentorship to assist those incarcerated. The program will attempt to reduce prison recidivism by a cooperative effort between County offices and the faith based community. It is based on the idea that the rehabilitative efforts that occur within the prison must continue with help from the community.
- * The Agricultural Preserve Board plans to enter into a software development contract to develop a comprehensive database to manage all information from monitoring of preserved farms to financials. The hope is to have this project funded primarily with grant monies. The end result will be a product that can be shared with other county agricultural preserve boards and private non-profit land preservation organizations.

- * Lancaster County Wide Communications plans to implement the new 800 MHz radio system for the emergency community. A contract has been signed to build the system, a major accomplishment that has been twenty years in the making. In addition to voice communications, this system will support data, allowing agencies that could not afford to pay for wireless data communications to participate in the mobile applications.
- * The County will begin implementation of the Health Choices program for managed care of mental health and drug and alcohol services in October of 2001. Final stages of negotiation are being completed with the Department of Public Welfare and a managed care organization. The introduction of a managed care model is designed to increase the availability of and access to services for people who are funded by Medical Assistance.

Departmental Focus

Each year the government focuses on the efforts and accomplishments of a particular department. This year, the Office of the Controller was selected for this purpose.

Briefly stated as outlined in Title 16, Counties, of *Purdon's Pennsylvania Statutes Annotated*, the controller supervises "the fiscal affairs of the county including the accounts and official acts relating thereto of all officers or other persons who shall collect, receive, hold, or disburse the public monies of the county". The controller also serves as a member and secretary of the Salary Board, Prison Board, and Retirement Board; and serves as a member of the Youth Intervention Facility Board.

The Office of the Controller is the financial business office of the County. All invoices and other county obligations are reviewed for reasonableness and legality, and then processed for payment. The County payroll and retirement obligations including all tax and support payments and reporting are also handled there. Bond principal and interest payments as well as arbitrage rebate are tracked and arranged for at the appropriate times.

Further, the office is responsible for maintaining the financial records of the county as well as preparing all of the financial statements and reports including the Comprehensive Annual Financial Report and annual budget and revenue/expense filings with the Pennsylvania Department of Community and Economic Development. The preparation of the preliminary annual budget for the county commissioners is another important responsibility, along with monitoring the budget throughout the year. Members of the controller's staff are also responsible for auditing various County departments and agencies that receive county, state, or federal funds to assure conformance with all governmental regulations and procedures.

Six years ago the controller recommended replacement of the County's twenty-five plus year old homegrown legacy payroll system because it could no longer be upgraded to meet the increasing demands placed upon it. Implemented in April, 1995, the new

Human Resource Management System has supported many benefits to employees which were not formerly possible such as direct deposit, flexible spending accounts, reporting of benefits on employee pay stubs, etc. It has been a boon to management as well by providing the data base and the tools by which statistical reporting may be accomplished accurately and in a fraction of the time required in the past - if it could be done at all.

Similarly, recognizing the power of the new Human Resource Management System the controller recommended replacement of the County's aging homegrown legacy financial accounting software, possibly with software provided by the same vendor. A cross-departmental committee was organized by the controller to determine specific functional requirements and then investigate replacement software. The decision was made to recommend purchase of the software from the same vendor. The first of the modules, fixed assets, was implemented in October 1999, to replace a non-Y2K compliant system. This module will enable the County to fully comply with the new accounting rules for fixed assets and infrastructure under GASB-34. The general ledger module was implemented in January 2000, followed by the accounts payable and purchasing modules in July.

The purchasing module is expected to enable the County to realize substantial savings, estimated at more than \$100,000 per year, as the database is built and analyzed. For instance bid specifications will become easier to determine as items and quantities purchased Countywide become better known. Meanwhile, departments, starting with the larger ones, are being trained to requisition their supplies and materials on-line. The requisitions are then approved on-line by the department head and then electronically moved to the Purchasing Department for approval and creation of the actual purchase order. Purchase requisitions from various departments may be combined on one purchase order, which can be printed and mailed or faxed, or electronically transmitted to the vendor via the Internet. When products and supplies are delivered to the County, they are electronically "received" so that the invoices may be matched up and processed for payment more quickly.

Other modules of our new Financial Accounting Information System will be implemented over the next year or so, as time and staffing permit, and as familiarity with the system increases. The implementation, application support, and training have been done largely in-house thus far to keep costs, which can be quite high with client/server applications, to a minimum. Both the Human Resource Management System and the Financial Accounting Information System should be web-enabled after major upgrading takes place, thus providing even greater flexibility.

Among the leaders in the County for utilizing new technologies, the Office of the Controller was among the first departments to utilize personal computers, a local area network, and client/server technology. The office was the first to utilize computer output microfiche as a means of cutting down retrieval time as well as paper archiving and storage costs. The office also worked with the Fulton Bank during 2000 to be among

the first to receive imaged canceled checks, further reducing retrieval time and storage costs.

FINANCIAL INFORMATION

The management of Lancaster County is responsible for establishing and maintaining internal control designed to ensure that the assets of the County are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (a) the cost of a control should not exceed the benefits likely to be derived; and (b) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the County is also responsible for ensuring that internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management.

To ensure that internal control is adequate and functioning, an internal audit department was established. The internal audit function is, by state statute, the responsibility of the Controller. The internal audit staff consists of an audit supervisor, a grant coordinator, and six auditors/accountants. Audits are performed on all county departments to ascertain the accuracy of financial records and compliance with federal, state, and county regulations.

Budgeting Controls

The County Commissioners must adopt an annual budget for the County by December 31 of each year for the subsequent year. The annual budget estimates revenues and expenditures for all governmental funds except the Community Development Block Grant special revenue fund, the debt service fund, and the capital projects fund. The debt service fund is controlled through a general obligation bond indenture provision. Project-length financial plans are adopted for all capital projects. The legal level of budgetary control is established by fund. It is the prerogative of management to also maintain an enhanced level of control at the function and object level. Supplemental appropriations, which alter the total expenditures of any fund, require resolution by the County Commissioners. Appropriations lapse at the end of each year and must be reappropriated.

General Government Functions

The following schedule presents a summary of revenues for the combined general fund, special revenue funds, capital projects fund, and debt service for the year ended December 31, 2000, and a comparison to the prior year.

Revenues	2000	1999	Increase (Decrease) From 1999	Percent of Increase (Decrease)
Real estate taxes	\$56,347,904	\$54,265,591	\$2,082,313	3.84
Intergovernmental	84,176,629	69,668,080	14,508,549	20.83
Departmental	12,844,848	13,043,400	(198,552)	(1.52)
Fines and costs	3,121,137	2,961,714	159,423	5.38
Interest	4,885,056	1,966,978	2,918,078	148.35
Miscellaneous	802,947	1,616,854	(813,907)	(50.34)
Total	\$162,178,521	\$143,522,617	\$18,655,904	13.00

Intergovernmental revenues rose due to increased state and federal funding for various human service programs.

The increase in interest income is due to the issuance of two new bonds.

Due to the reclassification of revenue sources to the various categories, miscellaneous revenue decreased by 50.34 percent.

The following schedule presents a summary of expenditures for the combined general fund, special revenue funds, capital projects fund, and debt service fund for the year ended December 31, 2000, and a comparison to the prior year.

Expenditures	2000	1999	Increase (Decrease) from 1999	Percent of Increase (Decrease)
Current:				
General government	\$25,892,225	\$21,518,895	\$4,373,330	20.32
Public safety	5,971,456	5,206,259	765,197	14.70
Roads and bridges	-	560,989	(560,989)	(100.00)
Health, education And welfare	78,419,782	66,239,229	12,180,553	18.39
Judicial	24,527,754	23,284,151	1,243,603	5.34
Corrections	12,567,146	11,721,069	846,077	7.22
Culture and recreation	2,016,937	1,881,487	135,450	7.20
Community development	5,133,874	3,965,971	1,167,903	29.45
Depreciation in Fair Value of Investments	-	210,073	(210,073)	100.00
Capital outlay	22,364,395	6,535,965	15,828,430	242.17
Debt service:				
Principal retirement	4,810,000	4,360,000	450,000	10.32
Interest and fiscal charges	3,198,789	1,875,940	1,322,849	70.52
Total	\$184,902,358	\$147,360,028	\$37,542,330	25.48

The increase in capital outlay is due to the construction of new courtrooms and the youth intervention center.

Interest and fiscal charges increased due to the issuance of two new bonds.

Health, education and welfare expenditures increased due to an increase of state and federal funding, which allowed for more services to be provided.

Community development expenditures increased by 29.45 percent due to an increase in funding.

The increase in public safety is due to additional rent for the new communications building and the addition of several positions.

General government expenditures rose by 20.32 percent due to an increase in the budget.

The decrease of 100 percent in roads and bridges is the result of the bridge project at the Sunnyside peninsula being completed in 1999.

General Fund Balance

The general fund modified accrual fund balance increase of 18 percent is primarily due to a conservative spending policy.

Enterprise Operations

Conestoga View is the County's one enterprise operation. Located at 900 East King Street in Lancaster City, this 449-bed facility is a County home and hospital providing skilled nursing and intermediate care for indigent persons requiring public care. The Home is funded through patient charges to medical assistance and insurance companies and any operating deficits are covered by the County's General Fund. In 2000, Conestoga View recognized operating loss of \$247,955, which is (0.97) percent of their total operating revenues.

Pension Trust Fund Operations

The County maintains a single-employer contributory defined benefit pension plan with mandatory membership for all full-time County employees. Participants in the Plan contribute 5 percent of their gross pay, with an option of an additional contribution of up to 10 percent of their gross pay. On December 31, 2000, total membership of the Lancaster County Employees' Retirement System was 2,707 and the net pension benefit obligation was \$1,997,178. The funding policy of this system provides for periodic employer contributions at actuarially determined rates that are sufficient to

accumulate enough assets to pay benefits when due. There were no employer contributions in 2000.

Debt Administration

On December 31, 2000, the County of Lancaster had \$98,605,913 in general obligation bonds outstanding. In January the Commissioners issued general obligation bonds of \$25,000,000 and in June the Commissioners issued general obligation bonds of \$32,000,000 for capital projects, capital grant programs, and capitalized interest on the bonds. The 2000 and 2000A general obligation bond issues carry a municipal bond insurance commitment from Financial Guaranty Insurance Company (FGIC) which assures payment of the respective principal and interest to the registered owners of the bonds. Moody's Investor Service, Inc. and Standard & Poor's Corporation rated all issues insured by FGIC "Aaa" and "AAA," respectively, based upon a contractual agreement with the respective rating agencies and the claims paying ability of the insurer. The county's nonelectoral debt limit, defined by statute, is 300% of a three-year average of unrestricted general government revenue. As of December 31, 2000, the County's general obligation debt was \$98,605,913 with a legal debt limit of \$193,662,286.

Cash Management

Temporarily idle cash was invested by the Treasurer in repurchase agreements and certificates of deposit using numerous competitive agents, including banks and brokerage houses in the State, to actively maximize the County's rate of return.

The amounts of this and the prior year's interest revenues are shown in the table below.

Fund Type	2000	1999
General fund	\$1,628,869	\$1,448,507
Special revenues	513,528	276,232
Capital projects	1,891,827	242,239
Debt service	850,832	-
Total	\$4,885,056	\$1,966,978

Risk Management

The County is self-insured for workers' compensation in accordance with Article III of the Pennsylvania Workmen's Compensation Act of 1915 as Reenacted and Amended. The liability is recorded as estimated by the plan administrator. The required retention amounts are accrued in a trust fund in accordance with 34 Pa. Code Section 125.10, as a liability of the general fund. The Bureau of Workers' Compensation uses a loss

development analysis system to project a self-insurer's outstanding liability for the purpose of setting the required amount of the self-insurer's security or funding. Loss development analysis is an actuarial technique of projecting the ultimate cost of a group of claims by analyzing the past changes in value of similar claims as they mature. The Bureau issued an exemption permit renewing the County's self-insurance status on March 6, 1998. In addition, the County is in compliance with state requirements that mandate training courses designed to minimize accident-related losses.

The County is also self-insured for unemployment compensation. The liability for claims is estimated at two times the average of the benefits paid for the three highest claim years.

Beginning in 1994, the commissioners elected to self-insure several medical insurance plans available to eligible retirees and full-time employees. Claims against the self-insured plans are reviewed and processed by a third party administrator. Re-insurance is maintained to limit liability for large specific and/or aggregate claims. Liability is calculated as the uninsured portion of all incurred claims over the expected claim level as determined by the insurer.

OTHER INFORMATION

Independent Audit

State statutes require that an annual audit be performed by independent certified public accountants. The Lancaster County Commissioners selected Ernst & Young LLP. The independent auditors report on the general-purpose financial statements and give an "in relation to" opinion on the required supplementary information and on the combining fund statements and account group schedules included in the financial section of this report. The independent auditors disclaim an opinion on the introductory and statistical sections of the report.

Single Audit

In addition to meeting the requirements set forth in state statutes, this audit was designed to meet the requirements of the federal Single Audit Act Amendments of 1996 and the related OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." The single audit for 2000 will be completed during August 2001. Information related to this single audit, including the supplementary schedule of expenditures of federal awards, findings and recommendations, and independent auditors' reports on internal control and compliance with applicable laws and regulations, and major program requirements, will be included in a separately issued single audit report.

Certificate of Achievement Award

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Lancaster for its comprehensive annual financial report for the year ended December 31, 1999. In order to be awarded a Certificate of Achievement, the County published an easily readable and efficiently organized comprehensive annual financial report (CAFR), which conformed to program standards. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe 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.

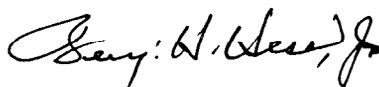
Other Awards

The Pennsylvania Prison Warden's Association (PPWA) honored Vincent A. Guarini, warden of the Lancaster County Prison, at its Spring Training Symposium. Warden Guarini was the recipient of the "PPWA Lifetime Achievement Award", in recognition of his accomplishments in the field of corrections over the last two decades. He is only the second person to receive all three Pennsylvania Prison Warden's Association awards, the Warden of the Year in 1989; the Presidents Award in 1997; and this year the Lifetime Achievement Award.

The Lancaster County Planning Commission was the proud recipient of the 2000 Pennsylvania Planning Association Education Award for Excellence for its Master Planner education program. The "Master Planner" course consists of seven sessions and a commencement ceremony. It is designed to help participants learn new tools for land use and help to eliminate sprawl. The course provides personal access to experts in the field and hands-on practice putting ideas into action. The course is offered twice during the year and is administered by Sandra Monck, AICP, Land Use Planning Education Specialist.

Acknowledgments

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated services of the Controller's office staff, the cooperation of all County departments, various elected and appointed officials, and the assistance of our independent auditors, Ernst & Young LLP. We appreciate the contributions made in the preparation of this report.



Benj. H. Hess, Jr.

COUNTY OF LANCASTER, PENNSYLVANIA
LIST OF PRINCIPAL OFFICIALS

December 31, 2000

COMMISSIONERS

Paul R. Thibault, Chairman
Howard "Pete" Shaub, Vice-Chairman
Ron Ford

PROTHONOTARY

Robert H. Getz

RECORDER OF DEEDS

Stephen J. McDonald

CLERK OF COURT OF COMMON PLEAS

David S. Hickernell

JUDGES OF COURT OF COMMON PLEAS

Michael A. Georgelis, President Judge
Paul K. Allison
David L. Ashworth
James P. Cullen
Louis J. Farina
Leslie Gorbey
Wayne-G. Hummer, Jr.
Henry S. Kenderdine, Jr.
Joseph C. Madenspacher
Michael J. Perezous
Lawrence F. Stengel
Wilson Bucher, Senior Judge
D. Richard Eckman, Senior Judge

CONTROLLER

Benj. H. Hess, Jr.

TREASURER

Gregory A. Sahd

REGISTER OF WILLS

Donna Reinaker

JURY COMMISSIONERS

Kathleen Angermier
Linda Schwanger

DISTRICT ATTORNEY

Donald R. Totaro

SHERIFF

Terry Bergman, Acting Sheriff

CORONER

Barry D. Walp

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Lancaster,
Pennsylvania

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1999

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.

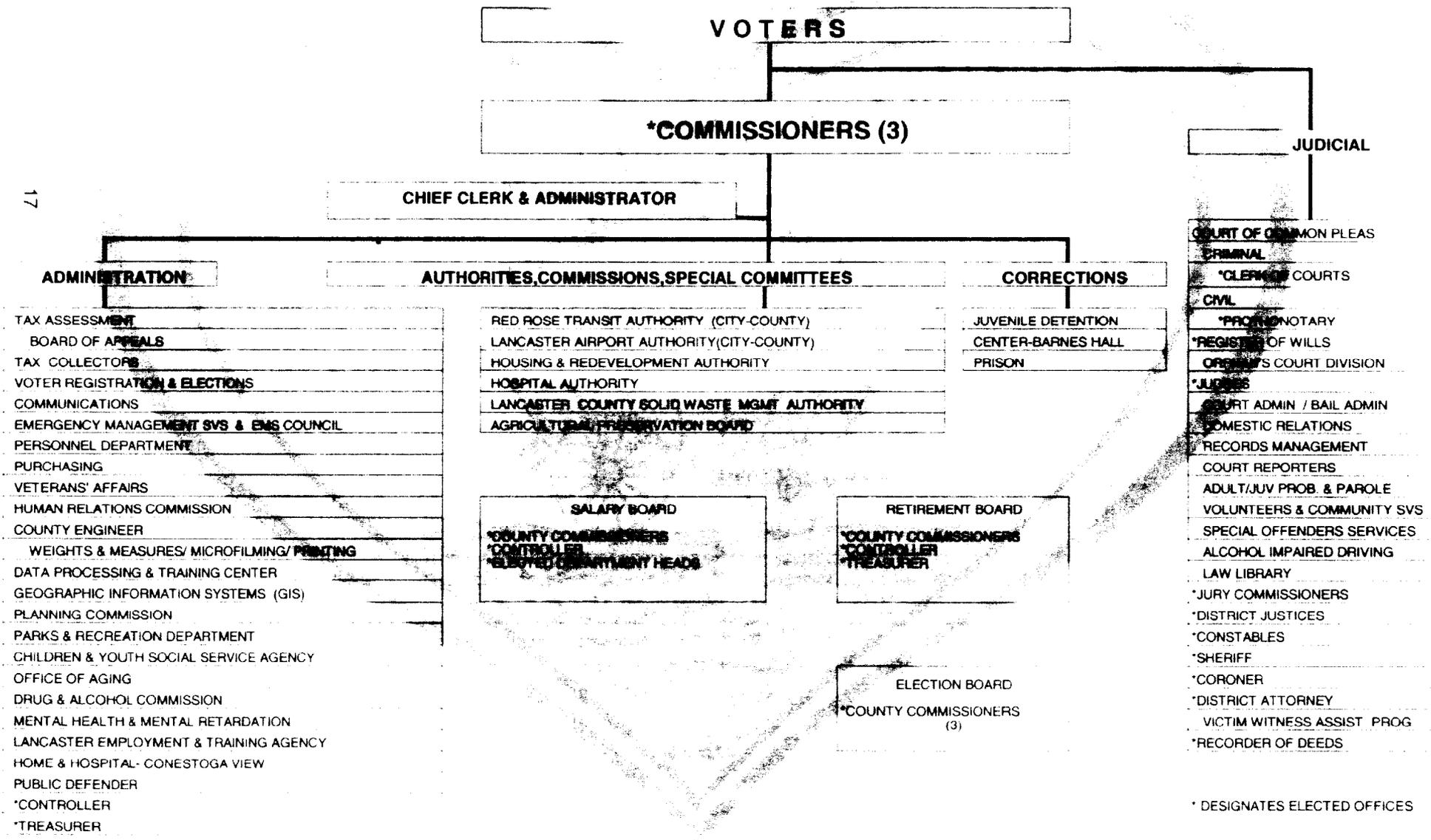


Anne Spray Kinney
President

Jeffrey L. Esler
Executive Director

LANCASTER COUNTY ORGANIZATIONAL CHART

3RD CLASS COUNTY



17

* DESIGNATES ELECTED OFFICES

Benj. H. Hess, Jr., B.S.
Controller

Walt Rogers, B.S.
Chief Deputy

Kathy Kunkel, B.A.
A/P, Payroll Supervisor

Sharon Keen
Assistant A/P, Payroll
Supervisor

18 **Debbie Bramble**
Payroll Clerk

Mack Fisher
Accountant

Betty Cramer
Account Clerk Sr.

Patsy Sensenig
Dolores Wimer
Mary Lapp
Account Clerks

Darlene Davis, B.S.
Assistant Deputy

Marsha Kauffman, B.S.
Staff Assistant

Judy Peifer
Cash Control Specialist

Jean Lannigan
Secretary

Shirley Hostetler
Account Clerk

Becky Dittenhafer, B.S./B.A.
Systems Administrator

Tracy McFatridge
Systems Analyst

Andrew Sapovchak, B.S., C.P.A.
Director of Audits

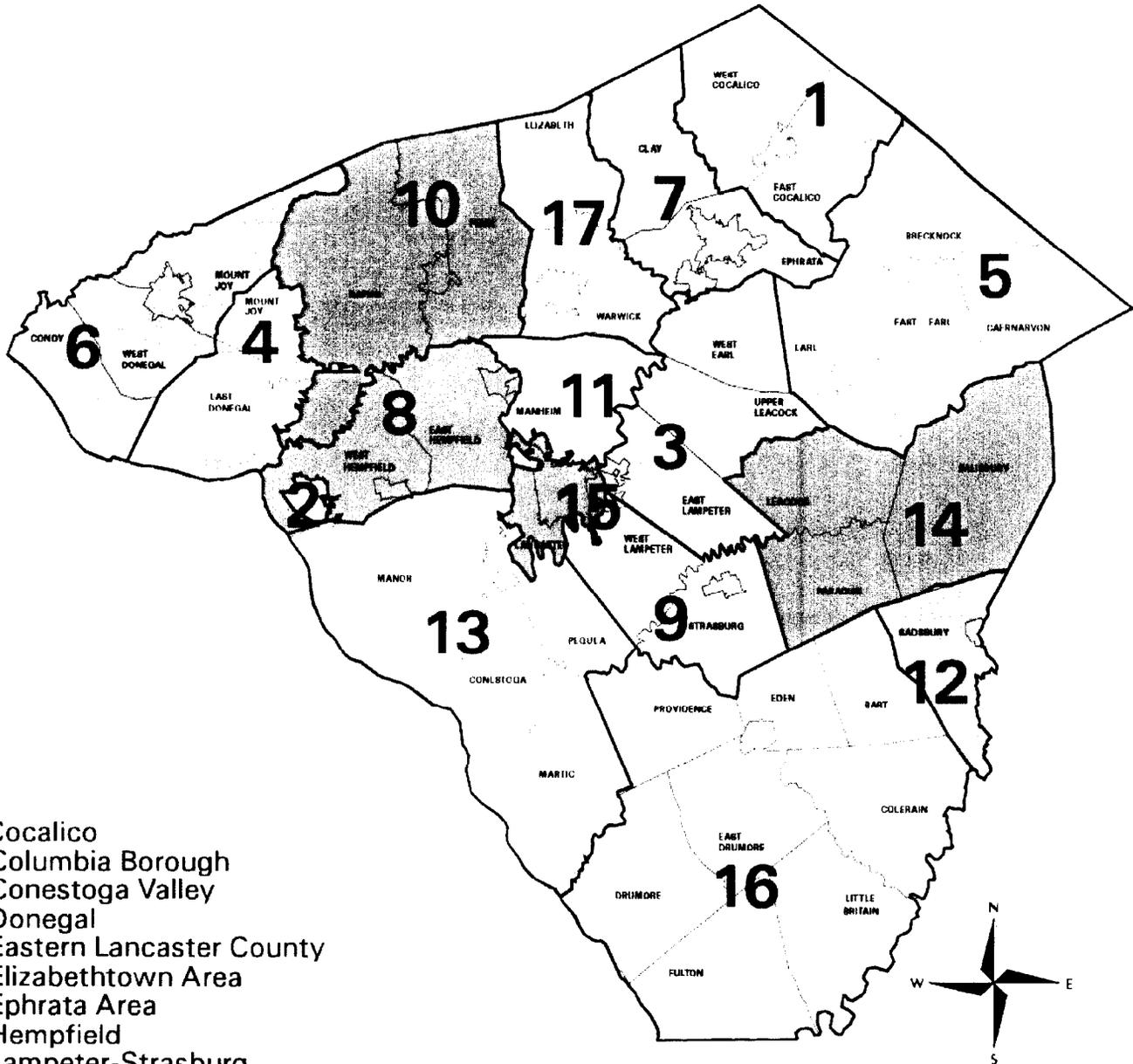
Mary Jo Weaver, B.A.
Grant Coordinator

Amy Hoffman, B.S., C.P.A.
Billie Hotchkiss, B.S.
Dale Brubaker, B.S.
Sr. Auditor/Accountants

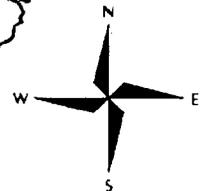
Matthew Luciani, B.S., C.P.A.
Mica Saunders, B.A.
Vacant position
Auditor/Accountants

LANCASTER COUNTY
CONTROLLER'S OFFICE

LANCASTER COUNTY PUBLIC SCHOOL DISTRICTS



1. Cocalico
2. Columbia Borough
3. Conestoga Valley
4. Donegal
5. Eastern Lancaster County
6. Elizabethtown Area
7. Ephrata Area
8. Hempfield
9. Lampeter-Strasburg
10. Manheim Central
11. Manheim Township
12. Octorara
13. Penn Manor
14. Pequea Valley
15. School District of Lancaster
16. Solanco
17. Warwick



(This page intentionally left blank)

Report of Independent Auditors

County Commissioners
County of Lancaster

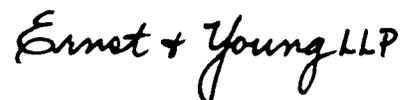
We have audited the accompanying general purpose financial statements of the County of Lancaster, Pennsylvania, as of and for the year ended December 31, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the County of Lancaster, Pennsylvania, at December 31, 2000, and the results of its operations and cash flows of its enterprise fund for the year then ended in conformity with accounting principles generally accepted in the United States.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining fund financial statements and account group schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the County of Lancaster, Pennsylvania. Such information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

We did not audit the data included in the introductory and statistical sections of this report and, therefore, express no opinion thereon.



June 13, 2001

(This page intentionally left blank)

General Purpose Financial Statements

County of Lancaster, Pennsylvania
 Combined Balance Sheet - All Fund Types and Account Groups
 December 31, 2000

	Governmental Fund Types			Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Trust and Agency	General Fixed Assets		General Long- Term Debt
Assets and other debits									
Cash and temporary investments:									
Operating	\$13,960,335	\$9,194,584	\$34,720,058	\$ -	\$2,721,485	\$5,650,345	\$ -	\$ -	
Other		375,329	570,286		208,122				
Cash with fiscal agents	327							327	
Investments				8,136,843		105,236,985		113,373,828	
Receivables:									
Taxes	470,550							470,550	
Fines and costs	422,121							422,121	
Accounts	15,241					2,737,897		2,753,138	
Due from other funds	495,975							495,975	
Due from other governments	1,208,685	6,143,990			3,342,787			10,695,462	
Advances to providers	198,147	1,669,846						1,867,993	
Loans receivable	1,067,425							1,067,425	
Fixed assets (net, where applicable, of accumulated depreciation)					4,531,715		102,194,855	106,726,570	
Restricted cash	513,492		-					513,492	
Other debits:									
Amount available in debt service fund								8,136,843	
Amount to be provided for retirement of general long-term debt								97,409,536	
Total assets and other debits	\$18,352,298	\$17,383,749	\$35,290,344	\$8,136,843	\$10,804,109	\$113,625,227	\$102,194,855	\$105,546,379	\$411,333,804

County of Lancaster, Pennsylvania
 Combined Balance Sheet - All Fund Types and Account Groups (continued)
 December 31, 2000

	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Trust and Agency	General Fixed Assets	General Long- Term Debt	
Liabilities, equity, and other credits									
Liabilities:									
Accounts payable	\$1,637,714	\$4,167,738	\$ -	\$ -	\$690,845	\$ -	\$ -	\$ -	\$6,496,297
Contracts payable		294,735	3,348,248						3,642,983
Due to other funds		385,776				110,199			495,975
Matured bonds and interest payable	327								327
Deferred revenue	788,181	4,590,310				1,997,178			7,375,669
Deposits and advances						794,843			794,843
General obligation bonds payable								98,605,913	98,605,913
Capital lease obligation								548,466	548,466
Escrow liability						1,575,819			1,575,819
Payroll related accruals	3,162,263	612,348			676,494	761,971			5,213,076
Due to other governments						2,061,614			2,061,614
Claims and judgments								778,221	778,221
Accrued vacation and sick pay						849,276		3,181,613	4,030,889
Net pension obligation						443,120		1,554,058	1,997,178
Workers' compensation claims liability								878,108	878,108
Patient funds held in safekeeping						208,122			208,122
Total liabilities	5,588,485	10,050,907	3,348,248	-	2,867,857	7,301,624	-	105,546,379	134,703,500
Equity and other credits:									
Investment in general fixed assets							102,194,855		102,194,855
Contributed capital					1,407,946				1,407,946
Retained earnings:									
Unreserved					6,528,306				6,528,306
Fund balances:									
Net assets held in trust for pension benefits							106,323,603		106,323,603
Reserved for advances	198,147								198,147
Reserved for loans receivable	1,067,425								1,067,425
Reserved for debt service								8,136,843	8,136,843
Unreserved:									
Designated for programmatic expenditures		7,332,842							7,332,842
Undesignated	11,498,241		31,942,096						43,440,337
Total equity and other credits	12,763,813	7,332,842	31,942,096	8,136,843	7,936,252	106,323,603	102,194,855	-	276,630,304
Total liabilities, equity, and other credits	\$18,352,298	\$17,383,749	\$35,290,344	\$8,136,843	\$10,804,109	\$113,625,227	\$102,194,855	\$105,546,379	\$411,333,804

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

County of Lancaster, Pennsylvania
 Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types
 For the Year Ended December 31, 2000

	General	Special Revenue	Capital Projects	Debt Service	Totals (Memorandum Only)
Revenues:					
Real estate taxes	\$56,347,904	\$ -	\$ -	\$ -	\$56,347,904
Intergovernmental	5,622,780	78,553,849			84,176,629
Departmental	11,200,041	1,644,807			12,844,848
Fines and costs	3,121,137				3,121,137
Interest	1,628,869	513,528	1,891,827	850,832	4,885,056
Other	301,202	342,665	159,080		802,947
Total revenues	78,221,933	81,054,849	2,050,907	850,832	162,178,521
Expenditures:					
Current:					
General government	19,203,247		6,688,978		25,892,225
Public safety	5,971,456				5,971,456
Roads and bridges					-
Health, education, and welfare:					
Drug and alcohol		4,086,542			4,086,542
Employment and training		1,637,120			1,637,120
Mental health/mental retardation		34,639,492			34,639,492
Office of aging		7,136,854			7,136,854
Children and youth		30,258,567			30,258,567
Other	661,207				661,207
Judicial	21,622,561	2,905,193			24,527,754
Corrections	12,567,146				12,567,146
Cultural and recreation	2,016,937				2,016,937
Community development		5,133,874			5,133,874
Capital outlay	1,954,209	1,018,818	19,391,368		22,364,395
Debt service:					
Principal retirement	4,810,000				4,810,000
Interest and fiscal charges	3,198,789				3,198,789
Total expenditures	72,005,552	86,816,460	26,080,346	-	184,902,358
Excess (deficiency) of revenues over (under) expenditures	6,216,381	(5,761,611)	(24,029,439)	850,832	(22,723,837)
Other financing sources (uses):					
Operating transfers in	2,161,147	6,441,012			8,602,159
Operating transfers out	(6,441,012)	(510,573)	(1,650,574)		(8,602,159)
Proceeds from general obligation bonds			57,352,014		57,352,014
Total other financing sources (uses)	(4,279,865)	5,930,439	55,701,440	-	57,352,014
Excess of revenues and other financing sources over expenditures and other financing uses	1,936,516	168,828	31,672,001	850,832	34,628,177
Fund balances, January 1	10,827,297	7,164,014	270,095	7,286,011	25,547,417
Fund balances, December 31	\$12,763,813	\$7,332,842	\$31,942,096	\$8,136,843	\$60,175,594

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

County of Lancaster, Pennsylvania
 Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual -
 General and Budgeted Special Revenue Funds - Budgetary Basis
 For the Year Ended December 31, 2000

	General Fund			Budgeted Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Real estate taxes	\$55,856,935	\$56,297,399	\$440,464	\$ -	\$ -	\$ -
Intergovernmental	8,425,162	5,289,766	(3,135,396)	72,878,883	66,765,773	(6,113,110)
Departmental	11,870,722	11,220,838	(649,884)	1,440,507	1,505,891	65,384
Fines and costs	3,617,546	3,083,397	(534,149)	-	-	-
Interest	1,146,000	1,636,600	490,600	282,068	513,528	231,460
Indirect reimbursement	1,705,789	1,587,574	(118,215)	-	-	-
Other	249,816	305,557	55,741	40,700	206,862	166,162
Total revenues	82,871,970	79,421,131	(3,450,839)	74,642,158	68,992,054	(5,650,104)
Expenditures:						
Current:						
General government	32,289,967	31,964,457	325,510	-	-	-
Public safety	6,546,509	5,835,747	710,762	-	-	-
Roads and bridges	-	-	-	1,096,873	204,153	892,720
Health, education, and welfare:						
Drug and alcohol	-	-	-	4,167,037	4,101,175	65,862
Employment and training	-	-	-	4,106,570	1,610,614	2,495,956
Mental health/mental retardation	-	-	-	36,409,844	32,877,184	3,532,660
Office of aging	-	-	-	6,857,440	6,840,247	17,193
Children and youth	-	-	-	27,282,865	25,790,516	1,492,349
Other	673,596	893,264	(219,668)	-	-	-
Judicial	22,970,027	21,504,378	1,465,649	3,636,181	2,909,076	727,105
Corrections	12,639,336	12,484,357	154,979	-	-	-
Cultural and recreation	2,281,383	1,979,979	301,404	-	-	-
Community development	-	-	-	-	-	-
Depreciation in fair value of investments	-	-	-	-	-	-
Capital outlay	2,915,041	1,954,209	960,832	1,859,077	1,036,193	822,884
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	80,315,859	76,616,391	3,699,468	85,415,887	75,369,158	10,046,729
Excess (deficiency) of revenues over (under) expenditures	2,556,111	2,804,740	(248,629)	(10,773,729)	(6,377,104)	4,396,625
Other financing sources (uses):						
Operating transfers in	500,000	500,000	-	8,967,516	(6,441,012)	(15,408,528)
Operating transfers out	(8,959,076)	-	8,959,076	(500,000)	500,000	1,000,000
Total other financing sources (uses)	(8,459,076)	500,000	8,959,076	8,467,516	(5,941,012)	(14,408,528)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$(5,902,965)</u>	<u>3,304,740</u>	<u>\$9,207,705</u>	<u>\$(2,306,213)</u>	<u>(436,092)</u>	<u>\$1,870,121</u>
Net (decrease) in assets and liabilities		(1,079,962)			-	
Fund balances, January 1		<u>12,249,049</u>			<u>9,962,979</u>	
Fund balances, December 31		<u>\$14,473,827</u>			<u>\$9,569,913</u>	

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

County of Lancaster, Pennsylvania

Statement of Revenues, Expenses, and Changes in Retained Earnings
 Enterprise Fund
 For the Year Ended December 31, 2000

Operating revenues:	
Net patient service revenue	\$25,194,640
Other	272,289
Total operating revenues	<u>25,466,929</u>
Operating expenses:	
Administration	1,569,590
Nursing	12,903,698
Dietary	2,846,108
Housekeeping	1,403,851
Medical services	102,121
Operations and maintenance	1,635,184
Pharmacy	519,357
Laundry	677,453
Recreation therapy	573,280
Admissions	92,770
Staff development	225,674
Barber and beautician	61,905
Personnel	269,751
Physical therapy	1,344,897
Social services	418,349
Volunteers	36,535
Depreciation	602,529
Security	207,295
Respiratory	224,537
Total operating expenses	<u>25,714,884</u>
Operating and net loss	(247,955)
Retained earnings, January 1	<u>6,776,261</u>
Retained earnings, December 31	<u><u>\$6,528,306</u></u>

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

County of Lancaster, Pennsylvania
Statement of Cash Flows - Enterprise Fund
For the Year Ended December 31, 2000

Cash flows from operating activities:	
Cash received on patient accounts	\$24,318,024
Cash payments to suppliers for goods and services	(6,666,425)
Cash payments to employees for services	(14,270,546)
Cash payments for taxes	(1,096,413)
Cash payments for employee benefits	(2,487,076)
Other operating revenues	<u>272,289</u>
Net cash provided by operating activities	69,853
Cash flows from capital and related financing activities:	
Purchases of capital assets	<u>(400,622)</u>
Net cash used in capital and related financing activities	(400,622)
Net increase in cash and cash equivalents	(330,769)
Cash and cash equivalents, January 1	<u>3,260,376</u>
Cash and cash equivalents, December 31	<u><u>\$2,929,607</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating loss	\$(247,955)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	602,529
Changes in assets and liabilities:	
Increase in due from other governments	(847,841)
Increase in accounts payable	324,178
Increase in accrued expenses	107,045
Decrease in patient funds held in safekeeping	(28,775)
Increase in other liabilities	<u>160,672</u>
Total adjustments	<u>317,808</u>
Net cash provided by operating activities	<u><u>\$69,853</u></u>

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

County of Lancaster, Pennsylvania
Statement of Changes in Plan Net Assets - Pension Trust Fund
For the Year Ended December 31, 2000

Additions:	
Plan member contributions	\$3,504,404
Investment income:	
Net (depreciation) in fair value of investments	(8,383,636)
Interest and dividends	3,488,458
	(4,895,178)
Less investment expense	481,053
Net investment loss	(5,376,231)
Total additions (decrease)	(1,871,827)
Deductions:	
Benefits paid to plan members and beneficiaries	4,097,014
Refunds of contributions paid to plan members and beneficiaries	1,365,848
Administrative expenses	53,867
Total deductions	5,516,729
Net decrease	(7,388,556)
Net assets held in trust for pension benefits, January 1	113,712,159
Net assets held in trust for pension benefits, December 31	\$106,323,603

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

County of Lancaster, Pennsylvania

Notes to Financial Statements

December 31, 2000

1. Summary of Significant Accounting Policies

The financial statements of the County of Lancaster (the County) have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below:

Reporting Entity

In evaluating how to define the County of Lancaster for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 14, "The Reporting Entity." GASB Statement No. 14 defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board and either the ability to impose will by the primary government or the possibility that the component unit will provide a financial benefit or impose a financial burden on the primary government. Conditions that would indicate the ability to impose will by the primary government include but are not limited to the primary government's ability to remove appointed members of the organization's governing board at will, the ability to modify or approve the budget of the organization, the ability to modify or approve rate or fee changes affecting revenues, the ability to veto, over rule, or modify the decisions of the organization's governing body, and the ability to appoint, hire, reassign, or dismiss management of the organization. Conditions that would indicate the possibility that the component unit will provide a financial benefit or impose a financial burden on the primary government include but are not limited to the legal entitlement or access by the primary government to the organization's resources, legal obligation by the primary government to finance the deficits of or provide financial support to the organization, and the obligation by the primary government for the debt of the organization. Based upon the application of these criteria, no potential component units met the requirements to be included in the County's reporting entity.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

RELATED ORGANIZATIONS. The County's Board of Commissioners is responsible for appointing some of the members of the board of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. These organizations include:

- Lancaster County Redevelopment Authority
- Lancaster Airport Authority
- Lancaster County Hospital Authority
- Lancaster County Housing Authority
- Lancaster County Solid Waste Management Authority
- Lancaster City and County Joint Transfer System
(Red Rose Transit Authority)
- Lancaster County Conservation District
- Lancaster County Private Industry Council
- Lancaster County Transportation Authority

Fund Accounting

The County uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain County functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental funds are used to account for all or most of the County's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the accumulation of resources for the payment of principal and interest on certain general obligation bonds payable (debt service fund), and the acquisition or construction of general fixed assets (capital projects fund). The general fund is used to account for all activities of the general government not accounted for in some other fund. The County uses its general fund to account for debt service on certain general obligation bonds payable not accounted for in the debt service fund.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies (internal service funds). (The County has no internal service funds.)

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the County. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund, or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the County is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the County holds on behalf of others as their agent. (The County has no nonexpendable or expendable trust funds.)

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The enterprise fund and pension trust fund are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Enterprise Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "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 they are collected within 60 days after year end. A 60-day availability period is also used for revenue recognition

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

for all other applicable governmental fund revenues. Those revenues susceptible to accrual are property taxes, fines and costs, interest revenue, and intergovernmental revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

The accrual basis of accounting is utilized by the enterprise fund and pension trust fund. Under this method, revenues are recorded when earned and expenses are recorded at the time they are incurred.

With respect to the enterprise fund, the County has elected to apply only FASB Statements issued prior to November 30, 1989 that do not conflict with GASB Statements.

The County reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred 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 deferred revenue is removed from the combined balance sheet and revenue is recognized.

Pooled Cash and Temporary Investments

The majority of cash balances and temporary investments of most governmental funds, the enterprise fund, and the agency fund are pooled by the County. Balances are segregated by fund but accounted for centrally for receipt and disbursement purposes. Interest on investments is reported in the general fund except for amounts allocated to those funds where there is a statutory requirement to do so as dictated in program and/or grant requirements. Individual fund pooled cash and temporary investment deficits are subsidized through operating transfers by the general fund at year end.

For purposes of the statement of cash flows, the enterprise fund (Conestoga View) considers all highly liquid investments (temporary investments) with a maturity of three months or less when purchased to be cash equivalents.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Investments

Investments are stated at fair value as provided by GASB Statement No. 31. Unrealized appreciation or depreciation on investments due to changes in fair value are recognized in individual fund operations each year.

Other than cash equivalents in the enterprise fund, investments which are expected to be realized in cash within twelve months or less are reported as temporary investments. Temporary investments are reported at fair value (typically using published market prices) except for nonparticipating interest-bearing contracts such as repurchase agreements and nonnegotiable certificates of deposit, which are reported at amortized cost. Investments expected to be realized in cash after twelve months are reported as long-term investments. Long-term investments are reported at fair value, except for certain nonparticipating interest-bearing contracts, which are reported at cost. Fair values are based on published market prices, quotations from national securities exchanges and securities pricing services, or by the respective fund managers for securities which are not actively traded.

In accordance with authorized investment laws, the County invests in various mortgage-backed securities issued by federal agencies, collateralized mortgage obligations, and U.S. Treasury interest-only strips. These securities are reported at fair value in the balance sheet.

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The receivables and payables resulting from these transactions are classified as "due from other funds" or "due to other funds" on the balance sheet.

Inventories

The cost of governmental fund-type inventories are recorded as expenditures at the time of purchase.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2000 are recorded as expenditures at the time of payment for the governmental fund types.

Restricted Assets and Related Liabilities

Temporary investments in the enterprise fund of \$208,122 at December 31, 2000 represent assets restricted for the payment of patient funds held in safekeeping. See also Note 3.

Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition, construction, and assets under capital lease are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at historical cost. Donated fixed assets are valued at the estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated (for the enterprise fund only) over the remaining useful lives of the related fixed assets.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized, as these assets are immovable and of value only to the County.

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings/improvements and furniture/equipment for the enterprise fund is computed using the straight-line method over the assets' estimated useful lives.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Interest is capitalized on enterprise fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period.

Compensated Absences

Liabilities for vacation and sick leave reported in accordance with GASB Statement No. 16 that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay it. Liabilities for vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts. Liabilities for vacation and sick leave of \$849,276 of the enterprise fund are recorded as an expense and liability of that fund in the year that the liability is deemed reportable in accordance with GASB Statement No. 16.

Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors, and omissions, and natural disasters, as well as from self-insured unemployment compensation and employees' workers' compensation programs and self-insurance under several medical insurance plans available to eligible retirees and full-time employees. The general fund and general long-term debt account group are used to account for the risks associated with the self-insured employees' workers' compensation program and the general fund is used to account for all other risk financing activities.

The County purchases commercial insurance for risks of loss related to torts, theft of, damage to, and destruction of assets, and errors and omissions. There have been no significant changes in insurance coverage in the past three years, and settled claims have not exceeded the commercial coverage in those years.

The County manages the financial risk of unemployment benefits through retention of all liability exposure. The liability for claims is estimated at two times the average benefits paid for the three highest claim years.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

The County is self-insured for workers' compensation in accordance with Article III of the Pennsylvania Workman's Compensation Act of 1915 as Reenacted and Amended. The exposure of risk is financed mostly through retention of all liability exposure, with limited purchase of commercial excess insurance. The liability is recorded as estimated by the plan administrator. Claims are paid from the general fund and the required retention amounts are accrued as a liability of the general fund.

The current portion of the liability is recorded in the general fund and the balance is reported in the general long-term debt account group.

The County has self-insured several medical insurance plans available to eligible retirees and full-time employees. Claims against the self-insured plans are reviewed and processed by a third-party administrator. Reinsurance is maintained to limit liability for large specific and/or aggregate claims. The claim liability is determined by the third-party administrator and is calculated as the uninsured portion of all incurred claims over the expected claim level as determined by the insurer plus estimated, unpaid claims incurred during the fiscal year. The medical insurance claim liability of \$612,015 is based on the requirements of GASB Statement No. 10, as amended by GASB Statement No. 30, which requires that a liability for claims be reported if information prior to the issuance of financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from enterprise fund operations are accounted for in that fund.

County of Lancaster, Pennsylvania
Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Fund Equity

Contributed capital is recorded in the enterprise fund for capital grants or contributions received from developers, customers, or other funds. Reserves represent those portions of fund equity not appropriable for expenditure or that are legally segregated for a specific future use.

Intergovernmental Revenues

Intergovernmental revenues represent revenues received from the Commonwealth and federal agencies generally to fund specific programs. Awards made on the basis of entitlement periods are recorded as intergovernmental revenues when entitlement occurs and the revenues are measurable and available. Reimbursement type grants are recorded as revenues when the related expenditures or expenses are incurred. The amounts reported as due from other governments consist primarily of amounts due from the Commonwealth.

Interest Revenue

Interest revenue includes interest, dividends, realized gains and losses, and the change in the fair value of investments, if any, during the fiscal year.

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments due to future audits, reviews, and investigations by third-party payors. 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.

Bond Discounts/Issuance Costs

Bond discounts and issuance costs are recognized in the period paid.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Pending Changes in Accounting Principles

In November 1997, the GASB issued Interpretation No. 5 of the Governmental Accounting Standards Board, "Property Tax Revenue Recognition in Governmental Funds." This Interpretation amends NCGA Interpretation 3, "Revenue Recognition-Property Taxes," by modifying the definition of "available" as the term relates to property tax revenue recognition using the modified accrual basis of accounting. The County is required to adopt Interpretation No. 5 beginning with the calendar year 2001.

In December 1998, the GASB issued Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions," (e.g., most taxes, grants, and donations). Under Statement No. 33, the accounting and reporting for a nonexchange transaction depends upon the nature of the transaction as well as the basis of accounting. The County is required to adopt Statement No. 33 beginning with the calendar year 2001.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

In June 1999, the GASB issued Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis for State and Local Governments." Statement No. 34 establishes significant new financial reporting requirements for state and local governments. The County is required to adopt Statement No. 34 for their calendar year 2002 financial statements.

In March 2000, the GASB issued Interpretation No. 6 of the Governmental Accounting Standards Board, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements." This Interpretation clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen or potentially could arise, in interpretation and practice. The County is required to adopt Interpretation No. 6, along with the adoption of GASB Statement No. 34 for their calendar year 2002 financial statements.

In April 2000, the GASB issued Statement No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenues." GASB Statement No. 36 supersedes paragraph 28 of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions," to provide symmetrical accounting treatment for certain shared revenues. The County is required to adopt Statement No. 36 simultaneously with Statement No. 33 beginning with the calendar year 2001.

The County has not yet completed the varied and in some cases complex analyses required to estimate the financial statement impact of these new pronouncements.

2. Budgets and Budgetary Accounting

The County adopts budgets for the general fund and all special revenue funds, except the Community Development Block Grant Fund. The Debt Service Fund is controlled through a general obligation bond indenture provision. Project-length financial plans are adopted for the capital projects funds.

The County's budgetary basis is substantially on a cash basis but includes some payroll related accruals and related interfund transactions. The legal level of budgetary control is established by fund. It is the prerogative of management to also maintain an enhanced level of control at the function and object level. Appropriations lapse at the end of each year and must be reappropriated. Encumbrances are not reported; however, they are considered by management in the budgeting process.

The County Administrator is authorized to transfer budget amounts between departments within any fund; however, any supplemental appropriations which alter the total expenditures of any fund require resolution of the County Commissioners.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

2. Budgets and Budgetary Accounting (continued)

Budgeted amounts are as originally adopted or as amended by the Commissioners at various times. During the year, several supplemental appropriations were necessary for the general and special revenue funds as a result of additional revenues made available from state grants and other sources.

Adjustments necessary to convert the results of operations and fund balances on the budgetary basis to the GAAP basis for the general fund and special revenue funds are as follows:

	General Fund	Special Revenue Funds
Ending fund balance - budgetary basis	\$ 14,473,827	\$ 9,569,913
Accruals at December 31, 2000:		
Due from other funds	495,795	-
Due from other governments	1,208,685	6,143,990
Advances to providers	198,147	1,669,846
Loans receivable	1,067,425	-
Other receivables	907,912	-
Accounts payable	(1,637,714)	(4,167,738)
Contracts payable	-	(294,735)
Due to other funds	-	(385,776)
Deferred revenue	(788,181)	(4,590,310)
Payroll related accruals	(3,162,263)	(612,348)
Ending fund balance - GAAP basis	<u>\$ 12,763,813</u>	<u>\$ 7,332,842</u>

3. Deposits and Investments

Deposits

At December 31, 2000, the carrying amount of the County's deposits, including cash with fiscal agents, was \$5,052,176 and the bank balances totaled \$14,024,926. Of the bank balances, \$2,149,821 was covered by federal depository insurance. The remainder was categorized as uncollateralized (bank balances collateralized with securities held by the pledging financial institution's agent but not in the County's name).

At December 31, 2000, \$513,492 in County deposits represented restricted cash. This cash balance is maintained in an escrow account in the name of the County, for the City of Lancaster. This amount was escrowed as part of an agreement between the County and the City of Lancaster for required Phase I improvements related to the construction of a facility. Disbursement of funds from the account for construction related expenses are subject to City approval. All of the improvements are required to be completed by June 2, 2004. Once the project is completed, the remaining cash balance in the escrow account will again be available to the County, subject to a 15% retainage that can be held by the City of Lancaster for a period of eighteen months

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

3. Deposits and Investments (continued)

after completion in order to ensure proper completion of the project and construction of the facility in accordance with all City code building specifications.

Investments

The County utilizes various temporary investment sources in an effort to maximize interest earnings on its cash balances. Commonwealth statutes limit the County to the types of investments it may make. Allowable investments include repurchase agreements, U.S. government and related agency obligations, and Commonwealth and related agency obligations. (See Note 13 for Pension Trust Fund allowable investments.)

The County uses an external investment pool to ensure safety and maximize efficiency, liquidity, and yield for County funds. These funds are invested by the Commonwealth of Pennsylvania's Treasury Department in the INVEST Program for Local Governments, which separately issues audited financial statements which are available to the public. Written requests for financial statements should be directed to the following address:

Commonwealth of Pennsylvania
Treasury Department
INVEST Program
Finance Building
Harrisburg, Pennsylvania 17120

At December 31, 2000, all of the County's investments other than the County's investment in the external investment pool, international equity mutual fund, and stock index funds were categorized as uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the County's name. The investments in the external investment pool, international equity mutual fund, and stock index funds were not categorized.

The fair value of the County's position in the external investment pool is equivalent to the value of the pool shares. There is no formal external regulatory oversight for the external investment pool.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

3. Deposits and Investments (continued)

Investments by type were as follows at December 31, 2000:

	<u>Carrying Value</u>
Temporary investments:	
Repurchase Agreements	\$ 58,377,565
U.S. government securities	2,187,703
Commonwealth of Pennsylvania sponsored external investment pool	36,919
Municipal obligations	2,260,000
	<u>\$ 62,862,187</u>
Investments:	
Domestic common stock	\$ 12,224,059
Stock index funds	31,207,603
International equity mutual fund	15,242,174
Corporate bonds	17,513,537
U.S. government agency-mortgage backed securities	14,914,819
U.S. treasury interest-only strips	17,427,676
Collateralized mortgage obligations	4,843,960
	<u>\$ 113,373,828</u>

The County invests in various U.S. government agency-mortgage backed securities and collateralized mortgage obligations that provide a cash flow "pass through" of principal and interest payments by mortgagees from an underlying pool of mortgage loans. Mortgage backed securities and collateralized mortgage obligations do not have a contractual maturity date and the County is subject to the risk of prepayment on this portfolio.

4. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 and are levied on March 1. Taxes are collected at a discount until April 30, at their face amount from May 1 until June 30, and include a penalty thereafter. The County bills and collects its own taxes relating to property within the City of Lancaster and certain other municipalities that do not elect tax collectors. Taxes relating to all other municipalities in the County are collected by elected tax collectors. The County collects delinquent taxes on behalf of itself and other taxing authorities. Delinquent tax collections and remittances are accounted for through the County's Agency Fund.

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 2000 was 2.515 mills.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

5. Changes in Fixed Assets

A summary of changes in general fixed assets for 2000 follows:

	Balance January 1, 2000	Additions	Retirements	Balance December 31, 2000
General fixed assets:				
Land and improvements	\$ 4,732,170	\$ -	\$ -	\$ 4,732,170
Buildings and improvements	60,028,196	1,710,292	-	61,738,488
Furniture and equipment	23,202,160	2,131,977	(1,024,215)	24,309,922
Assets under capital lease	1,371,165	-	-	1,371,165
Construction in progress	2,385,411	7,657,699	-	10,043,110
	<u>\$ 91,719,102</u>	<u>\$ 11,499,968</u>	<u>\$ (1,024,215)</u>	<u>\$ 102,194,855</u>

As of December 31, 2000, the County has \$3,809,200 in commitments outstanding related to contracts for the acquisition, construction, and renovation of various facilities.

The following is a summary of enterprise fund (Conestoga View) fixed assets at December 31, 2000:

Land and improvements	\$ 462,836
Buildings and improvements	7,827,461
Furniture and equipment	5,306,574
Less accumulated depreciation	<u>(9,065,156)</u>
Net fixed assets	<u>\$ 4,531,715</u>

For the enterprise fund, the following estimated useful lives are used to compute depreciation:

Land and improvements	10-20 years
Buildings and improvements	10-40 years
Furniture and equipment	5-20 years

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

6. Leases

Operating Leases

The County is committed under various leases for building and office space and data processing and other equipment. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended December 31, 2000 amounted to \$1,604,965. Future minimum lease payments for these leases are as follows:

<u>Year Ending</u>	<u>Amount</u>
2001	\$ 1,291,014
2002	732,739
2003	499,287
2004	3,307,445
2005	13,277
Total	<u>\$ 5,843,762</u>

Capital Lease

The County is committed under a capital lease agreement for data processing equipment. The leased assets and related obligations are accounted for in the General Fixed Assets Account Group and General Long-Term Debt Group, respectively. Assets under capital leases totaled \$1,371,165 as of December 31, 2000. The following is a schedule of the future minimum lease payments under this capital lease, together with the net present value of minimum lease payments as of December 31, 2000.

<u>Year Ending</u>	<u>Amount</u>
2001	\$ 308,000
2002	308,000
Total minimum lease payment	616,000
Less: Amount representing interest	67,534
Present value of minimum lease payments	<u>\$ 548,466</u>

7. Long-Term Debt

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

7. Long-Term Debt (continued)

As determined under the Commonwealth of Pennsylvania Local Government Unit Debt Act of 1972, the legal debt margin of the County at December 31, 2000 was \$193,662,286.

Long-term debt consisted of the following at December 31, 2000:

General Long-Term Debt Account Group	
Capital appreciation General Obligation Bonds, to advance refund the General Obligation Bonds, Series of 1988, dated March 14, 1991, principal payable semi-annually in varying amounts from \$105,000 to \$2,740,000 from January 1, 2003 to July 1, 2007	\$ 10,665,913
5.00% current interest bearing General Obligation Bonds, Series A of 1997, to refund the current interest-bearing General Obligation Bonds, Series of 1991, dated January 2, 1997, principal payable annually, varying in amounts from \$2,555,000 to \$2,690,000 from May 1, 2001 to May 1, 2002	5,245,000
4.10 - 5.50% current interest bearing General Obligation Bonds, Series B of 1997, to advance refund a portion of the General Obligation Bonds, Second Series of 1992, dated January 3, 1997, and to finance various capital projects, principal payable annually, varying in amounts from \$90,000 to \$745,000 from November 1, 2001 to November 1, 2016	7,265,000
3.65 - 4.60% current interest bearing General Obligation Bonds, Series of 1998, to partial advance refund the current interest bearing General Obligation Bonds, Series 1996, dated December 15, 1998, principal payable annually, varying in amounts from \$435,000 to \$760,000 from November 1, 2001 to November 1, 2016	9,405,000
4.00 - 4.90% current interest bearing General Obligation Bonds, Series of 1999, to current refund the current interest bearing General Obligation Bonds, Series of 1994, and to partially current refund the current interest bearing General Obligation Bonds, Second Series of 1992, dated November 1, 1999, principal payable annually, varying in amounts from \$425,000 to \$1,245,000 from November 1, 2001 to November 1, 2010	9,025,000
Variable rate interest bearing General Obligation Bonds, Series of 2000, to finance the County's agricultural land preservation efforts as well as other projects, dated January 20, 2000, principal payable annually, varying in amounts from \$100,000 to \$2,480,000 from November 2001 to May 2030.	25,000,000
5.00 - 6.25% interest bearing General Obligation Bonds, Series 2000A, to finance the County's capital projects, dated June 15, 2000, principal payable annually, ranging in amounts from \$5,000 to \$4,885,000, from May 2002 to May 2015.	32,000,000
Total general obligation bonds payable	<u>98,605,913</u>
Claims and judgments	778,221
Accrued vacation and sick pay	3,181,613
Net pension obligation	1,554,058
Workers' compensation claims liability	878,108
Obligation under capital lease agreement	548,466
Total general long-term debt	<u>\$ 105,546,379</u>

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

7. Long-Term Debt (continued)

A summary of the County's total debt service commitments for debt outstanding as of December 31, 2000 is set forth below:

	General Long-Term Debt		
	Principal	Interest	Total
Bonds payable:			
2001	\$ 4,835,778	\$ 4,650,139	\$ 9,485,917
2002	4,605,000	4,442,171	9,047,171
2003	4,632,926	5,791,190	10,424,116
2004	4,688,304	5,739,430	10,427,734
2005	4,135,268	5,690,048	9,825,316
2006-2017	75,708,637	45,975,662	121,684,299
	<u>98,605,913</u>	<u>72,288,640</u>	<u>170,894,553</u>
Other general long-term debt:			
Claims and judgments	778,221	—	778,221
Accrued vacation and sick pay	3,181,613	—	3,181,613
Net pension obligation	1,554,058	—	1,554,058
Workers' compensation claims liability	878,108	—	878,108
Obligation under capital lease agreement	548,466	67,534	616,000
	<u>\$ 105,546,379</u>	<u>\$ 72,356,174</u>	<u>\$ 177,902,553</u>

On January 20, 2000 and June 15, 2000, the County issued \$25,000,000 and \$32,000,000 in general obligation bonds, Series 2000 and 2000 A respectively, to finance the County's agricultural land preservation efforts as well as to finance various capital projects. The bonds were issued at a premium and proceeds of \$25,000,000 and \$32,352,014, respectively, were recorded in the capital projects fund before payment of underwriting fees, insurance, and other costs.

The remaining \$670,679 of the 2000 additions to general obligation bonds payable represent 2000 accretion on the capital appreciation general obligation bonds dated March 14, 1991.

On December 31, 2000, \$8,930,000 of bonds outstanding are considered defeased.

General long-term debt is expected to be repaid primarily from general fund tax revenues.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

7. Long-Term Debt (continued)

Changes in Long-Term Liabilities

During the year ended December 31, 2000, the following changes occurred in liabilities reported in the general long-term debt account group:

	Balance January 1, 2000	Additions	Reductions	Balance December 31, 2000
Claims and judgments	\$ -	\$ 778,221	\$ -	\$ 778,221
Obligation under capital lease agreement	822,699	-	274,233	548,466
Accrued vacation and sick pay	3,097,505	4,296,529	4,212,421	3,181,613
General obligation bonds payable	45,745,234	57,670,679	4,810,000	98,605,913
Net pension obligation	1,133,593	420,465	-	1,554,058
Workers' compensation claims liability	721,169	156,939	-	878,108
	<u>\$ 51,520,200</u>	<u>\$ 63,322,833</u>	<u>\$ 9,296,654</u>	<u>\$ 105,546,379</u>

8. Self-Insurance Claims Liability

Changes in the County's self-insurance claims liabilities for the years ended December 31, 2000 and 1999 were as follows:

	Liability Balance as of January 1, 2000	Current Year Claims and Changes in Estimates	Claim Payments	Liability Balance as of December 31, 2000
General Fund-Unemployment Compensation	\$ 263,060	\$ 10,368	\$ 136,714	\$ 136,714
General Fund and General Long-Term Debt Account Group Workers' Compensation	1,178,299	779,629	539,910	1,418,018
General Fund-Medical Insurance	664,757	6,329,520	6,382,262	612,015
Total General Fund and General Long-Term Debt Account Group-Unemployment Compensation, Workers' Compensation, and Medical Insurance	<u>\$ 2,106,116</u>	<u>\$ 7,119,517</u>	<u>\$ 7,058,886</u>	<u>\$ 2,166,747</u>

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

8. Self-Insurance Claims Liability (continued)

	Liability Balance as of January 1, 1999	Current Year Claims and Changes in Estimates	Claim Payments	Liability Balance as of December 31, 1999
General Fund-Unemployment Compensation	\$ 263,060	\$ 155,846	\$ 155,846	\$ 263,060
General Fund and General Long-Term Debt Account Group Workers' Compensation	1,252,738	564,953	639,392	1,178,299
General Fund-Medical Insurance	814,782	4,893,756	5,043,781	664,757
Total General Fund and General Long-Term Debt Account Group-Unemployment Compensation, Workers' Compensation, and Medical Insurance	\$ 2,330,580	\$ 5,614,555	\$ 5,839,019	\$ 2,106,116

Of the above general fund and general long-term debt account group workers' compensation balance at December 31, 2000 and 1999, \$878,108 and \$721,169, respectively, was reported in the general long-term debt account group.

9. Interfund Assets/Liabilities

Individual fund receivable and payable balances at December 31, 2000 were as follows:

Fund	Interfund Receivables	Interfund Payables
General	\$ 495,975	\$ -
Special revenue funds:		
Children and Youth	--	244,875
Employment and training	--	140,782
Liquid fuels	--	119
Drug and alcohol	--	--
Agency	--	110,199
	\$ 495,975	\$ 495,975

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

10. Due From Other Governments

Amounts "Due from Other Governments" are primarily grants receivable from the Commonwealth of Pennsylvania at December 31, 2000. Additionally, the Enterprise Fund (Conestoga View) has a "Due from Other Governments" in the amount of \$3,342,787 principally relating to billing for patient services rendered under the Commonwealth's Medical Assistance Program.

Conestoga View has agreements with third-party payors that provide for payments at amounts different from their established rates. Payment arrangements include prospectively determined rates, reimbursed costs, and per diem payments. Net revenue from the Medicare and Medical Assistance programs accounted for a significant percentage of Conestoga View's intergovernmental revenue for the year ended December 31, 2000. Conestoga View is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the programs' fiscal intermediaries. Intergovernmental revenue increased by approximately \$457,163 and \$209,704 in 2000 and 1999, respectively, as a result of favorable settlements and adjustments of prior years' cost reports.

Laws and regulations governing Medicare and Medical Assistance regulations are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Conestoga View believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations by any third-party entity. While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medical Assistance programs.

Significant concentrations of net patient accounts receivable include \$3,342,787 and \$2,494,946 from Medical Assistance at December 31, 2000 and 1999, respectively.

11. Commitments and Contingent Liabilities

On April 30, 1991, the County executed an agreement with the Fulton Opera House Foundation (Foundation) whereby the County agreed to loan the Foundation up to \$1,100,000 for purposes of funding costs of the Fulton Opera House Rehabilitation Project, as defined (Project). The term of the loan will be for a period of up to 30 years from the date of the initial draw on the loan. As of December 31, 2000, the outstanding loan balance to the Foundation under this agreement was \$1,067,425.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

11. Commitments and Contingent Liabilities (continued)

The County receives funds from the Commonwealth of Pennsylvania and various federal agencies to fund specific programs. Final determination of various amounts is subject to audit under the Federal Single Audit Act Amendments of 1996 and by the responsible agencies. County officials believe that any audit adjustments resulting from final settlements will be immaterial in relation to the County's financial resources.

On June 1, 2000, the Pennsylvania Supreme Court issued a ruling affecting the personal property tax, which had been imposed by the County up until January 1, 1996. The County had averaged approximately \$5 million in annual County revenues related to this tax. The Court ruled that the practice of exempting from the tax the stock of certain Pennsylvania companies is unconstitutional. The Court directed the counties that imposed this tax, including Lancaster County, to provide a retrospective remedy. The Court did not prescribe or require any specific remedy or establish a time within which the remedy must be provided. The County has not as yet determined a course of action relative to this matter. Possible remedies may include refunding some or all of the taxes paid for a particular period of time, imposing the tax on previously exempt stock, or some other course of action. However, significant uncertainty exists as to the amounts involved and the legality of various alternative remedies. Provision for this matter, as required, will be made upon resolution of these uncertainties.

The County is involved as either plaintiff or defendant in several lawsuits and claims. However, it is the opinion of County solicitors that potential claims against the County not covered by insurance resulting from such litigation would not materially affect the financial position of the County.

12. Postretirement Healthcare Benefits

In addition to providing pension benefits, the County provides certain postretirement healthcare benefits to all former employees who were members of the Employee Retirement Plan for a minimum of five years and are currently receiving retirement income. The provisions of the plan are stated in the County's personnel manual. The County is under no statutory or contractual obligation to provide these postretirement healthcare benefits. Currently, 397 retirees meet those eligibility requirements. These benefits are provided through insurance companies whose premiums, in some cases, are based on the benefits paid during the year. Premiums under the plan for certain healthcare benefits are paid in part by the County. Retirees desiring such coverage are responsible for co-pays in accordance with rates established by the County. The County recognizes the cost of providing these benefits, which totaled \$1,055,277 for 2000, as premiums are paid.

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

13. 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 does not issue a stand-alone financial report.

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, 2000, the Plan's membership consisted of the following:

Retirees and beneficiaries receiving benefits	566
Terminated plan members enrolled but not yet receiving benefits	38
Active plan members	<u>2,103</u>
Total members	<u><u>2,707</u></u>

The Plan provides retirement, death, and disability benefits. Retirement benefits vest after eight years of credited service. Employees who retire at age 60, or with 20 years of service, if at least 55 years of age, 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 from .833% to 1.25% (depending on the date the employee entered the Plan) of the employee's high three-year salary times years of service.

Cost-of-living adjustments (COLA) are provided at the discretion of the Lancaster County Employees' Retirement Board.

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 which is also credited with interest, calculated to yield 5 1/2% compounded annually. Accumulated employee contributions and credited interest, which amounted to

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

13. Employee Retirement Plan (Pension Trust Fund) (continued)

\$29,276,455 as of December 31, 2000, vest immediately and are returned upon termination of service if the employee is not eligible for other benefits.

The County is required to contribute to the Plan at an actuarially determined rate. The Act establishes the contribution requirements of the County and may be amended by the General Assembly of the Commonwealth of Pennsylvania.

The Plan's investments are held in a bank-administered trust fund. The Retirement Board authorizes, within a 5% margin, the pension trust fund to invest the following asset allocations:

Large Cap Core Equity	15%
Large Cap Value Equity	15%
Small Cap Growth Equity	15%
International Equity	15%
Fixed Income	40%

The following individual investments represent 5% or more of the Plan's fair value of net assets available for benefits as of December 31, 2000:

	<u>Fair Value</u>
International equity mutual fund	\$ 15,242,174
Stock index fund	\$ 14,691,437
Large cap value stock index fund	\$ 16,516,166

Administrative costs of the Plan, in accordance with a 1991 amendment to the Act, may be paid from Plan assets unless it is determined by the actuary that such payment will impair the actuarial soundness of the Plan. During 2000, all administrative costs totaling \$53,867 were paid from Plan assets.

The Act makes no provision for termination of the Plan.

Summary of Significant Accounting Policies

The Plan'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 to each plan are recognized when due and the employer

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

13. Employee Retirement Plan (Pension Trust Fund) (continued)

has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments.

The Plan's funding policy provides for periodic member contributions as discussed above and employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. Level percentage of payroll employer contribution rates and the actuarial value of assets are determined using the aggregate actuarial funding method. Separate determination and amortization of the unfunded accrued actuarial liability are not part of the aggregate actuarial cost method and are not required when that method is used. Significant actuarial assumptions used to compute the annual employer required contribution for the current year are the same as those used to compute the net pension obligation as follows:

The net pension obligation and the annual required contribution were determined as part of an actuarial valuation at December 31, 2000. Significant actuarial assumptions used include (a) a rate of return on the investment of present and future assets of 7.5% per year compounded annually, (b) projected salary increases of 4.5% per year compounded annually, (c) no inflation rate as it is reflected in assumptions (a) and (b), and (d) no postretirement benefit increases.

Annual Pension Cost and Net Pension Obligation

The County's annual pension cost and net pension obligation for the current year were as follows:

Annual required contribution	\$ 609,240
Interest on net pension obligation	109,307
Adjustment to annual required contribution	(178,797)
Annual pension cost	<u>539,750</u>
Contributions made	<u>-</u>
Increase in net pension obligation	539,750
Net pension obligation beginning of year	1,457,428
Net pension obligation, end of year	<u>\$ 1,997,178</u>

County of Lancaster, Pennsylvania

Notes to Financial Statements (continued)

13. Employee Retirement Plan (Pension Trust Fund) (continued)

Available Trend Information

Year Ending	Annual Pension Cost (APC)	Percentage of APC Computed	Net Pension Obligation
1998	\$ 585,980	\$ —	\$ 585,980
1999	\$ 871,448	\$ —	\$ 1,457,428
2000	\$ 539,750	\$ —	\$ 1,997,178

Legally Required Reserves

At December 31, 2000, the County has a balance of \$29,276,455 in Members' Annuity Reserve Account. This account is the total of the contributions deducted from the salaries of the active and terminated vested members of the retirement system and the IRC 414(h)(2) pickup contributions together with the interest additions as of December 31, 2000. Since those accumulations represent the present value of future benefits as of December 31, 2000, the reserve balance and liability are equal and this reserve is fully funded.

The County has a balance of \$45,595,861 in the County Annuity Reserve Account as of December 31, 2000. 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 assets allocated to this reserve account as of December 31, 2000 amounted to \$30,594,458.

14. Enterprise Fund Equity

The Conestoga View enterprise fund had a contributed capital balance of \$1,407,946 at December 31, 2000. There were no additions to contributed capital during 2000.

County of Lancaster, Pennsylvania
 Employee Retirement Plan
 Required Supplementary Information
 Schedule of Employer Contributions

Year Ended December 31	Annual Required Contribution	Percentage Contributed
1995	\$ 2,088,180	27%
1996	2,360,563	13%
1997	2,617,040	0%
1998	585,980	0%
1999	899,728	0%
2000	609,240	0%

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, 2000
Actuarial cost method	Aggregate
Amortization method	Not applicable*
Remaining amortization period	Not applicable*
Asset valuation method	Five year smoothed market

Actuarial assumptions:

Investment rate of return	7.5%
Projected salary increases	4.5%
Includes inflation at:	Reflected in previous two assumptions
Cost of living adjustments	None

- * The aggregate actuarial cost method does not identify or separately amortize unfunded actuarial liabilities.

(This page intentionally left blank)

Special Revenue Funds

Special revenue funds are used to account for revenues that are legally restricted to expenditures for particular purposes.

Children and Youth Services Fund

This fund is used to account for amounts received from various federal, state, and local sources. These funds are restricted to provide support services to underprivileged juveniles.

Domestic Relations Fund

This fund is used to account for amounts received from various federal and local sources. These funds are restricted to enforce the support obligations owed by absent parents, locate absent parents, and establish paternity to obtain child and spousal support.

Employment and Training Fund

This fund is used to account for amounts received from various federal and state sources. These funds are restricted to operate programs wherein job training and employment opportunities are provided for the economically disadvantaged, unemployed, or under employed citizens of Lancaster County.

Office of Aging Fund

This fund is used to account for amounts received from various federal, state, and local sources. These funds are restricted to operate programs which assist citizens age 60 and older to maintain maximum independence and dignity in a home environment.

Mental Health and Mental Retardation Fund

This 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.

Drug and Alcohol Fund

This fund is used to account for amounts received from various federal, state, and local sources. These funds are restricted to plan, coordinate, and administer service programs for the control of alcohol and drug abuse.

Liquid Fuels Fund

This fund is used to account for amounts received from the state. These funds are restricted to building and improving local roads and bridges.

Agricultural Land Preservation Fund

This fund is used to account for amounts appropriated by the County, as well as funds received from the state. These funds are used in the deed restriction program to help preserve farmland in Lancaster County.

Community Development Block Grant Fund

This fund is used to account for amounts received from various federal and state sources. These funds are passed through to the Lancaster County Redevelopment Authority to be used for the development of decent housing, a suitable living environment, and expanded economic opportunities within the County.

County of Lancaster, Pennsylvania

Special Revenue Funds
Combining Balance Sheet

December 31, 2000

	Children and Youth Services	Domestic Relations	Employment and Training	Office of Aging	Mental Health and Mental Retardation	Drug and Alcohol	Liquid Fuels	Agricultural Land Preservation	Community Development Block Grant	Total
Assets										
Cash and temporary investments:										
Operating	\$ -	\$1,970,191	\$ -	\$325,460	\$3,534,880	\$66,560	\$3,002,758	\$294,735	\$ -	\$9,194,584
Other	5,811			369,518						375,329
Due from other governments	4,350,205	587,585	260,186	399,014	316,162	227,786	3,052			6,143,990
Advances to providers				5,227	1,662,129	2,490				1,669,846
Total assets	\$4,356,016	\$2,557,776	\$260,186	\$1,099,219	\$5,513,171	\$296,836	\$3,005,810	\$294,735	\$ -	\$17,383,749
Liabilities and fund balances										
Liabilities:										
Accounts payable	\$1,616,992	\$16,278	\$94,204	\$546,040	\$1,608,259	\$283,674	\$2,291	\$ -	\$ -	\$4,167,738
Contracts payable								294,735		294,735
Due to other funds	244,875		140,782				119			385,776
Deferred revenue	858,974			150	3,731,186					4,590,310
Payroll-related accruals	218,298	81,032	25,200	100,930	173,726	13,162				612,348
Total liabilities	2,939,139	97,310	260,186	647,120	5,513,171	296,836	2,410	294,735	-	10,050,907
Fund balances:										
Unreserved:										
Designated for programmatic expenditures	1,416,877	2,460,466		452,099			3,003,400		-	7,332,842
Total fund balances	1,416,877	2,460,466	-	452,099	-	-	3,003,400	-	-	7,332,842
Total liabilities and fund balances	\$4,356,016	\$2,557,776	\$260,186	\$1,099,219	\$5,513,171	\$296,836	\$3,005,810	\$294,735	\$ -	\$17,383,749

County of Lancaster, Pennsylvania
Special Revenue Funds
Combining Statements of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2000

	Children and Youth Services	Domestic Relations	Employment and Training	Office of Aging	Mental Health and Mental Retardation	Drug and Alcohol	Liquid Fuels	Agricultural Land Preservation	Community Development Block Grant	Total
Revenues:										
Intergovernmental	\$24,144,621	\$2,325,244	\$1,637,090	\$6,736,737	\$33,870,524	\$3,880,127	\$825,632	\$ -	\$5,133,874	\$78,553,849
Departmental	1,412,139	88,288			142,925	1,455				1,644,807
Interest	1,513	154,467			191,285	11,477	154,786			513,528
Other	7,130		1,505	147,622	45,844	27	140,537			342,665
Total revenues	25,565,403	2,567,999	1,638,595	6,884,359	34,250,578	3,893,086	1,120,955	-	5,133,874	81,054,849
Expenditures:										
Current:										
Health, education, and welfare:										
Drug and alcohol						4,086,542				4,086,542
Employment and training			1,637,120							1,637,120
Mental health/mental retardation					34,639,492					34,639,492
Office of aging				7,136,854						7,136,854
Children and youth	30,258,567									30,258,567
Community development									5,133,874	5,133,874
Judicial		2,905,193								2,905,193
Capital outlay	144,871	42,270	1,475	112,625	48,471	19,211	649,895			1,018,818
Total expenditures	30,403,438	2,947,463	1,638,595	7,249,479	34,687,963	4,105,753	649,895	-	5,133,874	86,816,460
Excess (deficiency) of revenues over (under) expenditures	(4,838,035)	(379,464)	-	(365,120)	(437,385)	(212,667)	471,060	-	-	(5,761,611)
Other financing sources (uses):										
Operating transfers in	4,960,449	536,432		294,079	437,385	212,667				6,441,012
Operating transfers out		(510,573)								(510,573)
Total other financing sources	4,960,449	25,859	-	294,079	437,385	212,667	-	-	-	5,930,439
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	122,414	(353,605)	-	(71,041)	-	-	471,060	-	-	168,828
Fund balances, January 1	1,294,463	2,814,071	-	523,140	-	-	2,532,340	-	-	7,164,014
Fund balance, December 31	\$1,416,877	\$2,460,466	\$ -	\$452,099	\$ -	\$ -	\$3,003,400	\$ -	\$ -	\$7,332,842

County of Lancaster, Pennsylvania
 Budgeted Special Revenue Funds
 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Budgetary Basis

For the Year Ended December 31, 2000

	Children and Youth Services			Domestic Relations			Employment and Training		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:									
Intergovernmental	\$19,811,530	\$18,208,796	\$(1,602,734)	\$2,712,561	\$2,127,346	\$(585,215)	\$4,152,615	\$1,621,046	\$(2,531,569)
Departmental	1,167,207	1,273,223	106,016	105,000	88,288	(16,712)	-	-	-
Interest	1,200	1,513	313	90,000	154,467	64,467	-	-	-
Other	-	7,130	7,130	-	-	-	-	1,505	1,505
Total revenues	20,979,937	19,490,662	(1,489,275)	2,907,561	2,370,101	(537,460)	4,152,615	1,622,551	(2,530,064)
Expenditures:									
Current:									
Health, education, and welfare:									
Employment and training							4,106,570	1,610,614	2,495,956
Children and youth	27,282,865	25,790,516	1,492,349	-	-	-	-	-	-
Judicial	-	-	-	3,636,181	2,909,076	727,105	-	-	-
Capital outlay	190,007	144,871	45,136	284,661	42,270	242,391	51,065	1,475	49,590
Total expenditures	27,472,872	25,935,387	1,537,485	3,920,842	2,951,346	969,496	4,157,635	1,612,089	2,545,546
Excess (deficiency) of revenues over (under) expenditures	(6,492,935)	(6,444,725)	48,210	(1,013,281)	(581,245)	432,036	(5,020)	10,462	(15,482)
Other financing sources (uses):									
Operating transfers in	6,445,979	4,960,449	(1,485,530)	879,267	536,432	(342,835)	-	-	-
Operating transfers out	-	-	-	(500,000)	(500,000)	-	-	-	-
Total other financing sources (uses)	6,445,979	4,960,449	(1,485,530)	379,267	36,432	(342,835)	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$(46,956)</u>	<u>(1,484,276)</u>	<u>\$(1,437,320)</u>	<u>\$(634,014)</u>	<u>(544,813)</u>	<u>\$89,201</u>	<u>\$(5,020)</u>	<u>10,462</u>	<u>\$(5,442)</u>
Net increase (decrease) in due to other funds		244,875						(10,462)	
Fund balances at January 1, cash basis		1,245,212			2,515,004			-	
Fund balances at December 31, cash basis		5,811			1,970,191			-	
Differences from modified accrual basis:									
Due from other governments		4,350,205			587,585			260,186	
Advances to providers									
Accounts payable		(1,616,992)			(16,278)			(94,204)	
Contracts payable									
Due to other funds		(244,875)						(140,782)	
Deferred revenue		(858,974)							
Payroll related accruals		(218,298)			(81,032)			(25,200)	
Fund balances at December 31, modified accrual basis		<u>\$1,416,877</u>			<u>\$2,460,466</u>			<u>\$ -</u>	

(Continued)

County of Lancaster, Pennsylvania
 Budgeted Special Revenue Funds
 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Budgetary Basis

For the Year Ended December 31, 2000

	Office of the Aging			Mental Health and Mental Retardation			Drug and Alcohol		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:									
Intergovernmental	\$6,487,206	\$6,084,599	\$(402,607)	\$35,147,694	\$33,744,039	\$(1,403,655)	\$3,967,277	\$4,152,707	\$185,430
Departmental			-	164,600	142,925	(21,675)	3,700	1,455	(2,245)
Interest			-	140,000	191,285	51,285	5,868	11,477	5,609
Other	36,000	147,696	111,696	2,700	45,844	43,144	2,000	27	(1,973)
Total revenues	6,523,206	6,232,295	(290,911)	35,454,994	34,124,093	(1,330,901)	3,978,845	4,165,666	186,821
Expenditures:									
Current:									
Health, education, and welfare:									
Drug and alcohol			-			-	4,167,037	4,101,175	65,862
Mental health/mental retardation			-	36,409,844	32,877,184	3,532,660			-
Office of aging	6,857,440	6,840,247	17,193			-			-
Capital outlay	128,397	112,625	15,772	72,513	48,471	24,042	39,343	19,211	20,132
Total expenditures	6,985,837	6,952,872	32,965	36,482,357	32,925,655	3,556,702	4,206,380	4,120,386	85,994
Excess (deficiency) of revenues over (under) expenditures	(462,631)	(720,577)	(257,946)	(1,027,363)	1,198,438	2,225,801	(227,535)	45,280	272,815
Other financing sources (uses):									
Operating transfers in	411,484	294,079	(117,405)	1,005,730	437,385	(568,345)	225,056	212,667	(12,389)
Total other financing sources (uses)	411,484	294,079	(117,405)	1,005,730	437,385	(568,345)	225,056	212,667	(12,389)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$(51,147)</u>	<u>(426,498)</u>	<u>\$(375,351)</u>	<u>\$(21,633)</u>	1,635,823	<u>\$1,657,456</u>	<u>\$(2,479)</u>	257,947	<u>\$260,426</u>
Net increase (decrease) in due to other funds								(191,387)	
Fund balances at January 1, cash basis		<u>1,121,476</u>			<u>1,899,057</u>			<u>-</u>	
Fund balances at December 31, cash basis		694,978			3,534,880			66,560	
Differences from modified accrual basis:									
Due from other governments		399,014			316,162			227,786	
Advances to providers		5,227			1,662,129			2,490	
Accounts payable		(546,040)			(1,608,259)			(283,674)	
Contracts payable									
Due to other funds									
Deferred revenue		(150)			(3,731,186)				
Payroll related accruals		(100,930)			(173,726)			(13,162)	
Fund balances at December 31, modified accrual basis		<u>\$452,099</u>			<u>\$ -</u>			<u>\$ -</u>	

(Continued)

County of Lancaster, Pennsylvania
 Budgeted Special Revenue Funds
 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Budgetary Basis
 For the Year Ended December 31, 2000

	Liquid Fuels			Agricultural Land Preservation			Total Budgeted Special Revenue Fund		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:									
Intergovernmental	\$600,000	\$827,240	\$227,240	\$ -	\$ -	\$ -	\$72,878,883	\$66,765,773	\$(6,113,110)
Departmental			-			-	1,440,507	1,505,891	65,384
Interest	45,000	154,786	109,786			-	282,068	513,528	231,460
Other	-	4,660	4,660			-	40,700	206,862	166,162
Total revenues	645,000	986,686	341,686	-	-	-	74,642,158	68,992,054	(5,650,104)
Expenditures:									
Current:									
Roads and bridges	1,096,873	204,153	892,720			-	1,096,873	204,153	892,720
Health, education, and welfare:									
Drug and alcohol			-			-	4,167,037	4,101,175	65,862
Employment and training			-			-	4,106,570	1,610,614	2,495,956
Mental health/mental retardation			-			-	36,409,844	32,877,184	3,532,660
Office of aging			-			-	6,857,440	6,840,247	17,193
Children and youth			-			-	27,282,865	25,790,516	1,492,349
Judicial			-			-	3,636,181	2,909,076	727,105
Capital outlay	1,075,716	649,895	425,821	17,375	17,375	-	1,859,077	1,036,193	822,884
Total expenditures	2,172,589	854,048	1,318,541	17,375	17,375	-	85,415,887	75,369,158	10,046,729
Excess (deficiency) of revenues over (under) expenditures	(1,527,589)	132,638	1,660,227	(17,375)	(17,375)	-	(10,773,729)	(6,377,104)	4,396,625
Other financing sources (uses):									
Operating transfers in			-			-	8,967,516	6,441,012	(2,526,504)
Operating transfers out			-			-	(500,000)	(500,000)	-
Total other financing sources (uses)	-	-	-	-	-	-	8,467,516	5,941,012	(2,526,504)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$(1,527,589)</u>	132,638	<u>\$1,660,227</u>	<u>\$(17,375)</u>	(17,375)	<u>\$ -</u>	<u>\$(2,306,213)</u>	(436,092)	<u>\$1,870,121</u>
Net increase (decrease) in due to other funds								43,026	
Fund balances at January 1, cash basis		<u>2,870,120</u>			<u>312,110</u>			<u>9,962,979</u>	
Fund balance at December 31, cash basis		3,002,758			294,735			9,569,913	
Differences from modified accrual basis:									
Due from other governments		3,052						6,143,990	
Advances to providers								1,669,846	
Accounts payable		(2,291)						(4,167,738)	
Contracts payable					(294,735)			(294,735)	
Due to other funds		(119)						(385,776)	
Deferred revenue								(4,590,310)	
Payroll related accruals								(612,348)	
Fund balances at December 31, modified accrual basis		<u>\$3,003,400</u>			<u>\$ -</u>			<u>\$7,332,842</u>	

(This page intentionally left blank)

Trust And Agency Funds

Trust funds are used to account for assets held by the government in a trustee capacity. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments, and/or other funds.

Pension Trust Fund

This fund is used to account for the accumulation of resources for pension benefit payments to qualified County employees.

Agency Fund

This fund is used to account for assets held by the County as agent for individuals, private organizations, other governmental units, and/or other funds. The following agencies collect fees, fines, and taxes for distribution to other governmental units and citizens for whom it was collected:

Prothonotary	Domestic Relations Office (Support Account)
Recorder of Deeds	Sheriff
Treasurer	Clerk of Courts
Register of Wills	District Justices

County of Lancaster, Pennsylvania

Trust and Agency Funds
Combining Balance Sheet

December 31, 2000

	Pension Trust		
	Fund	Agency Fund	Total
Assets			
Cash and temporary investments-operating	\$345,899	\$5,304,446	\$5,650,345
Accounts receivable	2,737,897	-	2,737,897
	3,083,796	5,304,446	8,388,242
Investments, at fair value:			
U.S. Government securities	\$7,932,892		7,932,892
U.S. Treasury strips	1,357,941		1,357,941
U.S. Government agency-mortgage backed securities	14,914,819		14,914,819
Domestic corporate bonds	17,513,537		17,513,537
Collateralized mortgage obligations	4,843,960		4,843,960
Domestic common stock	12,224,059		12,224,059
Stock index funds	31,207,603		31,207,603
International equity fund	15,242,174		15,242,174
Total investments	105,236,985	-	105,236,985
Total assets	\$108,320,781	\$5,304,446	\$113,625,227
Liabilities and net assets			
Liabilities:			
Due to other funds	\$ -	\$110,199	\$110,199
Deferred revenue	1,997,178		1,997,178
Deposits and advances		794,843	794,843
Escrow liability		1,575,819	1,575,819
Payroll related accruals		761,971	761,971
Due to other governments		2,061,614	2,061,614
Total liabilities	1,997,178	5,304,446	7,301,624
Net assets held in trust for pension benefits	106,323,603		106,323,603
Total liabilities and net assets	\$108,320,781	\$5,304,446	\$113,625,227

County of Lancaster, Pennsylvania
 Agency Fund
 Statement of Changes in Assets and Liabilities
 For the Year Ended December 31, 2000

	Balance January 1, 2000	Additions	Deletions	Balance December 31, 2000
Assets				
Cash and temporary investments-operating	\$4,751,927	\$91,494,546	\$90,942,027	\$5,304,446
Total assets	\$4,751,927	\$91,494,546	\$90,942,027	\$5,304,446
Liabilities				
Due to other funds	\$118,424	\$110,199	\$118,424	\$110,199
Deposits and advances:				
Bail and advanced costs	397,771	982,300	1,064,599	315,472
Civil debt held	-	193,585	193,499	86
Sheriff's office	582,467	2,913,084	3,028,647	466,904
All others	11,810	9,211	8,640	12,381
Total deposits and advances	992,048	4,098,180	4,295,385	794,843
Escrow liability:				
Bail escrow	297,619	514,611	571,094	241,136
Child support	13,961	1,041,703	1,039,811	15,853
County prison	542,260	2,853,203	2,879,548	515,915
Courts, restitution	109,648	1,012,682	980,781	141,549
All others	131,574	1,348,253	818,461	661,366
Total escrow	1,095,062	6,770,452	6,289,695	1,575,819
Other:				
All others	398,434	7,119,240	6,755,703	761,971
Total other	398,434	7,119,240	6,755,703	761,971
Due to other governments:				
Fines and costs	2,067,037	72,889,718	72,985,310	1,971,445
All others	80,922	506,757	497,510	90,169
Total due to other governments	2,147,959	73,396,475	73,482,820	2,061,614
Total liabilities	\$4,751,927	\$91,494,546	\$90,942,027	\$5,304,446

(This page intentionally left blank)

General Fixed Assets Account Group

County of Lancaster, Pennsylvania
 Schedule of General Fixed Assets - By Source
 December 31, 2000

General fixed assets:	
Land and improvements	\$4,732,170
Buildings and improvements	61,738,488
Furniture and equipment	24,309,922
Assets under capital lease	1,371,165
Construction in progress	<u>10,043,110</u>
Total general fixed assets	<u>\$102,194,855</u>
Investment in general fixed assets by source:	
General fund	
General fund revenues	\$33,197,206
Capital lease obligations	1,371,165
Special revenue funds	1,910,822
Capital projects funds	37,289,263
Prior years not identified by source	<u>28,426,399</u>
Total investment in general fixed assets	<u>\$102,194,855</u>

County of Lancaster, Pennsylvania

Schedule of General Fixed Assets - By Function and Activity

December 31, 2000

Function and Activity	Land and Improvements	Buildings and Improvements	Furniture and Equipment	Assets Under Capital Lease	Construction in Progress	Total
General government:						
Administration	\$561,734	\$44,999	\$2,814,215	\$1,371,165	\$ -	\$4,792,113
Community services	-	7,684	1,594,645	-	-	1,602,329
Finance	-	3,566	664,475	-	-	668,041
Planning commission	-	6,045	493,767	-	-	499,812
Recorder of deeds	-	1,300	284,090	-	-	285,390
Registration and elections	115	216,316	504,353	-	-	720,784
General government buildings	371,668	49,534,314	3,794,735	-	-	53,700,717
Total general government	933,517	49,814,224	10,150,280	1,371,165	-	62,269,186
Roads and bridges	-	72,117	201,975	-	-	274,092
Public safety	10,842	650,889	4,624,261	-	-	5,285,992
Health, education, and welfare:						
Mental health/mental retardation and drug and alcohol	3,400	27,410	1,104,049	-	-	1,134,859
Office of aging	-	24,108	517,553	-	-	541,661
Children and youth	115	626,076	1,002,279	-	-	1,628,470
Total health, education, and welfare	3,515	677,594	2,623,881	-	-	3,304,990
Judicial	46,810	888,051	5,017,663	-	-	5,952,524
Corrections	6,710	6,928,054	623,990	-	-	7,558,754
Cultural and recreation	3,730,776	2,707,559	1,067,872	-	-	7,506,207
Construction in progress	-	-	-	-	10,043,110	10,043,110
Total general fixed assets	\$4,732,170	\$61,738,488	\$24,309,922	\$1,371,165	\$10,043,110	\$102,194,855

County of Lancaster, Pennsylvania

Schedule of Changes in General Fixed Assets - By Function and Activity

For the Year Ended December 31, 2000

Function and Activity	General Fixed Assets January 1, 2000	Additions	Deductions	General Fixed Assets December 31, 2000
General government:				
Administration	\$4,467,348	\$673,842	\$349,077	\$4,792,113
Community services	1,374,636	246,589	18,896	1,602,329
Finance	635,317	66,210	33,486	668,041
Planning commission	538,282	6,629	45,099	499,812
Recorder of deeds	287,620	2,410	4,640	285,390
Registration and elections	725,758	-	4,974	720,784
General government buildings	52,333,107	1,372,636	5,026	53,700,717
Total general government	<u>60,362,068</u>	<u>2,368,316</u>	<u>461,198</u>	<u>62,269,186</u>
Roads and bridges	268,098	5,994	-	274,092
Public safety	5,167,601	275,347	156,956	5,285,992
Health, education, and welfare:				
Mental health/mental retardation and drug and alcohol	1,116,485	67,983	49,609	1,134,859
Office of aging	462,582	112,624	33,545	541,661
Children and youth	1,569,537	115,606	56,673	1,628,470
Total health, education, and welfare	<u>3,148,604</u>	<u>296,213</u>	<u>139,827</u>	<u>3,304,990</u>
Judicial	5,677,330	519,434	244,240	5,952,524
Corrections	7,372,040	199,282	12,568	7,558,754
Cultural and recreation	7,337,950	177,683	9,426	7,506,207
Construction in progress	2,385,411	7,657,699	-	10,043,110
Total general fixed assets	<u>\$91,719,102</u>	<u>\$11,499,968</u>	<u>\$1,024,215</u>	<u>\$102,194,855</u>

(This page intentionally left blank)

County of Lancaster, Pennsylvania
General Governmental Expenditures by Function (1)
Last Ten Years

Table 1

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Expenditures:										
General Government	\$10,495,939	\$13,072,388	\$17,378,648	\$18,921,034	\$17,647,304	\$17,399,700	\$17,985,934	\$20,373,098	\$21,518,895	\$25,892,225
Public Safety	1,758,541	1,949,884	2,192,256	2,808,901	3,711,190	4,357,884	4,534,442	5,282,574	5,206,259	5,971,456
Roads and Bridges	307,763	334,914	445,643	551,955	309,163	708,795	817,071	182,156	560,989	-
Health, education and welfare										
Drugs and Alcohol	1,786,462	1,935,976	1,876,855	1,872,718	1,749,674	2,268,085	3,433,610	3,852,526	3,839,594	4,086,542
Employment and Training	1,908,605	2,563,534	3,022,472	3,296,063	2,877,233	2,487,666	2,769,095	2,540,502	2,426,380	1,637,120
County Nursing Home										
Mental Health/Mental Retardation	13,150,048	14,981,011	15,308,700	17,455,452	20,448,922	22,499,247	23,417,171	29,056,207	26,077,370	34,639,492
Office of Aging	4,310,372	4,914,214	5,239,323	4,951,555	5,735,513	5,657,919	5,895,116	6,092,531	5,968,260	7,136,854
Children and Youth	12,565,485	13,322,895	13,636,037	16,117,597	16,389,065	18,698,602	20,181,165	23,066,567	27,331,900	30,258,567
Other	933,384	749,686	3,173,556	3,308,767	3,296,100	3,414,825	3,195,669	529,528	595,725	661,207
Judicial	13,289,933	15,231,123	16,312,366	16,737,228	18,505,088	19,408,229	21,537,416	22,368,920	23,284,151	24,527,754
Corrections	7,180,389	8,150,675	8,609,422	9,276,720	9,836,218	9,980,618	10,747,625	11,449,924	11,721,069	12,567,146
Culture and Recreation	1,043,825	1,139,425	1,239,644	1,310,412	1,397,709	1,546,124	1,685,611	1,737,960	1,881,487	2,016,937
Community Development	3,367,044	3,232,737	3,760,985	4,492,277	4,337,264	3,936,044	5,026,949	6,407,530	3,965,971	5,133,874
Arbitrage expense		300,240								
Other Programs Supported										
Depreciation in Fair Value of Investments									210,073	-
Capital Outlay	9,490,420	2,257,307	1,760,353	3,614,040	5,439,413	4,904,226	2,214,934	4,320,602	6,535,965	22,364,395
Capital Lease				979,655				1,371,165		
Debt service (2)										
Principal Retirement	1,830,000	2,270,000	2,720,000	3,320,000	3,070,000	3,205,000	3,220,000	4,530,000	4,360,000	4,810,000
Other advance refunding escrow		683,243								
Interest and fiscal charges	2,161,900	1,820,958	1,955,036	1,998,930	1,977,657	2,149,283	2,435,404	2,119,684	1,875,940	3,198,789
Bond issuance costs		470,781								
Total Expenditures	\$85,580,110	\$89,380,991	\$98,631,296	\$111,013,304	\$116,727,513	\$122,622,247	\$129,097,212	\$145,281,474	\$147,360,028	\$184,902,358

(1) Amounts include all governmental fund types

(2) Amounts do not include debt service payments for bond issues refunded pursuant to advance refunding

County of Lancaster, Pennsylvania
General Governmental Revenues by Source (1)
Last Ten Years

Table 2

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Revenues:										
Real Estate Taxes	\$25,399,091	\$26,017,714	\$37,199,071	\$38,515,705	\$39,355,004	\$36,653,736	\$41,268,634	\$53,380,671	\$54,257,481	\$56,347,904
Personal Property Taxes	4,014,640	4,508,936	4,776,742	5,212,350	5,255,102	-	395	38,544	8,110	-
Intergovernmental	38,872,590	42,985,473	48,030,835	53,014,168	57,087,622	59,221,424	64,891,091	72,619,983	69,668,080	84,176,629
Departmental	6,016,034	6,795,105	13,314,547	7,851,462	10,934,728	10,955,572	10,925,017	11,894,457	13,043,400	12,844,848
Fines and Costs	1,937,004	1,897,667	1,996,624	2,209,316	2,300,402	2,471,293	2,569,576	2,745,813	2,961,714	3,121,137
Interest	1,807,900	898,119	1,027,038	1,755,014	2,415,281	2,609,775	1,535,983	3,031,788	1,966,978	4,885,056
Other	659,745	604,357	757,120	1,218,745	639,833	396,521	418,961	328,169	1,616,854	802,947
Total Revenues	\$78,707,004	\$83,707,371	\$107,101,977	\$109,776,760	\$117,987,972	\$112,308,321	\$121,609,657	\$144,039,425	\$143,522,617	\$162,178,521

(1) Amounts include all governmental fund types.

County of Lancaster, Pennsylvania
Property Tax Levies and Collections
Last Ten Years

Table 3

Year	Total Tax Levy (1)	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections (2)	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
1991	\$28,950,596	\$28,504,782	98.46%	\$860,166	\$29,364,948	101.43%	\$1,308,999	4.52%
1992	30,664,597	29,107,070	94.92%	407,161	29,514,231	96.25%	1,460,495	4.76%
1993	42,873,577	40,146,668	93.64%	564,086	40,710,754	94.96%	1,981,762	4.62%
1994	44,913,793	42,181,228	93.92%	1,470,128	43,651,356	97.19%	1,422,146	3.17%
1995	45,542,247	43,055,615	94.54%	1,592,116	44,647,731	98.04%	1,501,395	3.30%
1996	36,892,678	35,136,945	95.24%	1,444,628	36,581,573	99.16%	1,366,560	3.70%
1997	42,146,876	39,882,529	94.63%	1,291,192	41,173,721	97.69%	1,798,106	4.27%
1998	54,955,971	51,723,264	94.12%	1,478,664	53,201,928	96.81%	1,974,835	3.59%
1999	55,167,820	52,320,144	94.84%	1,996,662	54,316,806	98.46%	1,075,483	1.95%
2000	56,401,307	55,125,390	97.74%	1,176,172	56,301,562	99.82%	618,847	1.10%

(1) Total tax levy includes real estate and personal property taxes for 1990 - 1995. On 5/22/96, the Board of Commissioners repealed the personal property tax effective January 1, 1996. Real estate tax levy is not adjusted by exonerations.

(2) Total tax collections include penalties and interest.

County of Lancaster, Pennsylvania
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Table 4

Year	Real Property			Personal Property (2)			Total Assessed Value
	Assessed Value	Estimated Actual Value (1)	Millage Rate	Assessed Value to Estimated Actual Value	Assessed Value	Millage Rate	
1991	\$3,492,869,440	\$3,069,906,760	8.500	100%	\$1,127,357,557	\$4	\$4,620,226,997
1992	3,550,262,860	3,118,915,690	8.500	100%	1,141,799,500	4.00	4,692,062,360
1993	3,636,842,160	3,189,464,720	12.000	100%	1,225,112,070	4.00	4,861,954,230
1994	3,738,993,750	3,283,418,320	12.000	100%	1,325,733,683	4.00	5,064,727,433
1995	3,805,378,700	3,345,542,010	12.000	100%	1,332,173,660	4.00	5,137,552,360
1996	3,804,594,810	3,353,879,840	11.000	100%	-	-	3,804,594,810
1997	24,001,100,700	21,340,190,400	1.975	100%	-	-	24,001,100,700
1998	24,470,843,500	21,678,884,200	2.535	100%	-	-	24,470,843,500
1999	22,561,137,200	20,674,588,900	2.515	100%	-	-	22,561,137,200
2000	25,267,114,100	22,863,582,100	2.515	100%	-	-	25,267,114,100

(1) 1991-1996 estimated actual value is based on a market value appraisal made in 1960 by the Lancaster County Assessment Board which is updated as additions and new construction occur. In 1997, county-wide reassessment was implemented.

(2) The Lancaster County Personal Property Tax was a tax on intangible personal property. Assessed value represents the estimated actual value of the property. On 5/22/96, the Board of Commissioners repealed the personal property tax effective January 1, 1996.

County of Lancaster, Pennsylvania
Property Tax Rates
Direct and Overlapping Governments (1)
Last Ten Years
(In Mills)

Table 5

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
City:										
Lancaster	112.5	116.25	119.75	130.2	131.6	144.1	24.505	25.515	26.455	26.455
Borough:										
Adamstown	83.5	87.5	91	96	97.5	100	16.265	17.825	18.555	18.555
Akron	71.5	71.5	75	84	86	85.5	14.569	16.225	16.205	17.205
Christiana	97	95	100.5	105.5	102	115	16.625	17.945	19.485	21.075
Columbia	94.75	98.5	105	114	116.5	115.5	18.601	22.161	23.091	23.675
Denver	85.25	88.75	92.25	97.25	98.75	101.25	16.585	18.145	18.375	18.375
East Petersburg	69.25	72.75	76.25	81.85	81.85	84.85	15.37	16.477	16.457	17.757
Elizabethtown	78	78	81.5	82.5	84.5	87.5	14.72	16.105	17.265	17.265
Ephrata	77.75	77.75	81.25	88	88	89.5	15.082	16.162	16.142	17.142
Lititz	76	77	80.5	94.7	97	97.9	16.2	16.76	16.74	16.74
Manheim	83.1	85	88.5	100	102.8	104.6	17.375	18.505	18.815	19.385
Marietta	95.5	95.5	104	108	109.5	108.5	16.275	17.135	17.975	18.205
Millersville	69.75	72.25	78.25	89.5	98.5	105.4	17.363	18.873	19.493	19.635
Mount Joy	89.5	89.5	94	98.5	100.5	99.5	15.775	16.385	16.725	17.105
Mountville	72.25	75.75	79.25	83.85	83.85	84.85	15.315	15.875	15.855	16.355
New Holland	83.3	84.3	89.3	90.8	90.8	92.55	14.815	15.375	15.355	15.355
Quarryville	60	60	63.5	70.5	73.5	73	11.155	11.715	11.995	11.995
Strasburg	74.5	76	79.5	81.2	85.6	90	15.455	16.835	17.005	17.465
Terre Hill	87.8	88.8	93.3	94.8	95.3	96.3	15.325	16.345	16.325	16.825
Townships:										
Bart	60	60	62.5	66	69	70	10.425	10.915	10.895	10.845
Brecknock	78.8	79.8	83.3	85.8	85.8	84.8	13.485	14.345	14.325	14.325
Caernarvon	79.3	80.3	83.8	85.3	85.3	86.3	13.685	14.245	14.225	14.225
Clay	73.5	73.5	77	83	83	83.5	14.13	15.2098	15.1898	16.1898
Colerain	54	54	57.5	62	65	66	9.955	10.515	10.495	10.495
Conestoga	65	64.5	68	78.5	85.5	90.4	15.002	16.512	17.132	17.442
Conoy	65	65	68.5	69.5	69.5	72.5	12.12	13.505	14.665	14.665
Drumore	51	51	54.5	59	62	63	9.555	10.115	10.095	10.095

(continued)

County of Lancaster, Pennsylvania
Property Tax Rates
Direct and Overlapping Governments (1)
Last Ten Years
(In Mills)

Table 5 (Cont.)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Earl	79.8	80.8	85.8	87.3	87.3	88.3	14.125	15.045	15.025	15.025
East Cocalico	81.25	82.25	87.75	92.75	94.25	96.75	15.835	17.395	17.675	17.625
East Donegal	82	82.5	86	91	92	92	14.868	15.535	15.875	16.105
East Drumore	53.5	53.5	57	61.5	64.5	65.5	9.955	10.515	10.495	10.495
East Earl	80.8	81.8	85.3	86.8	86.8	87.8	13.975	14.535	14.565	14.825
East Hempfield	70.75	74.25	78.5	83.1	83.85	84.85	15.495	16.155	16.135	16.635
East Lampeter	61	62.5	67	74	76.25	78.25	13.705	14.515	14.625	14.755
Eden	55	55	58.5	63	66	67	10.155	10.815	10.165	10.165
Elizabeth	69	70	73.5	87.7	90	90.9	15.075	15.635	15.615	15.615
Ephrata	72	72	76.5	82.5	84.5	87	14.705	15.845	16.055	17.055
Fulton	53	53	56.5	61	64	65	9.775	10.335	10.315	10.315
Lancaster	90.5	94.25	97.75	105.7	104.7	111.7	19.025	20.035	20.015	20.015
Leacock	71.5	74.25	77.75	83.25	85.25	86.75	13.586	14.535	15.215	15.415
Little Britain	54	54	57.5	62	65	66	9.975	10.535	10.515	10.515
Manheim	85.9	86.5	90	92.3	92.3	91.7	16.245	16.785	16.765	17.165
Manor	62	63.5	67	77.5	84.5	89.4	15.045	16.555	17.225	17.535
Martic	59	59.5	63	72.5	79.5	84.4	14.195	15.705	16.325	16.635
Mount Joy (Part)(2)	89.5	89.5	94	97	95	93	14.675	14.105	15.375	15.855
Mount Joy (Part)(3)	74	74	78.5	78.5	76.5	78.5	12.82	15.135	15.165	15.415
Paradise	75.5	78.25	81.75	87.25	89.25	90.75	14.125	14.985	15.665	15.865
Penn	73.6	75.5	79	89.5	92.3	94.1	15.875	17.005	17.565	18.135
Pequea	64.5	67	70.5	80	87	91.9	15.319	16.82865	17.4487	17.7587
Providence	53	53	56.5	60.5	63.5	64.5	9.775	10.335	10.315	10.315
Rapho	71.6	73.5	77	86.5	89.3	91.1	15.375	16.505	16.815	17.385
Sadsbury	98.5	96.5	100	104	97	108	15.825	17.145	17.735	19.325
Salisbury	71	73.75	77.25	82.75	84.75	86.25	13.505	14.265	14.945	15.145
Strasburg	69.5	70.5	74	75.7	78.6	83	14.255	15.635	15.805	16.065
Upper Leacock	60	61.5	65	71	75.25	77.25	13.575	14.485	14.665	14.925
Warwick	71	72	75.5	89.7	92	92.9	15.405	15.9654	15.9454	15.9454
West Cocalico	80.25	81.25	84.75	90.75	92.25	94.75	15.335	16.895	17.125	17.625
West Donegal	70	71	74.5	75.5	77.5	80.5	13.62	15.005	16.165	16.165
West Earl	59.25	60.75	64.25	70.25	73.25	75.25	13.24	14.185	14.295	14.925
West Hempfield	67.75	71.25	74.75	79.35	79.35	80.35	14.595	15.155	15.135	15.635
West Lampeter	68.75	69.75	73.25	74.95	77.85	82.25	14.19	15.47	15.6988	16.1057

(1) Includes millage for municipal, school, and county real estate tax per \$1,000 of assessed value. In 1997, the county wide reassessment was implemented.

(2) Applicable to the portion of Mount Joy situated in the Donegal School District.

(3) Applicable to the portion of Mount Joy situated in the Elizabethtown School District.

County of Lancaster, Pennsylvania
Principal Taxpayers
December 31, 2000

Table 6

Taxpayer	Type of Business	Assessed Value	Percentage of Total Assessed Valuation
PECO Energy Company	Electric Supplier	317,440,500	1.26%
Spitzer M James Etal (Park City)	Retailing	142,152,600	0.56%
Willow Valley Manor	Retirement Complex	122,309,600	0.48%
Lancaster General Hospital Foundation	Medical Services	70,172,700	0.28%
Armstrong Cork Co	Manufacturing	69,581,900	0.28%
American Stores	Warehouse	48,424,600	0.19%
Dart Container Corp of PA	Manufacturing	46,988,200	0.19%
FSA Enterprises (Rockvale Square)	Retailing	43,332,800	0.17%
Masonic Homes	Retirement Complex	41,191,700	0.16%
Garden Spot Village Inc	Retirement Complex	28,264,300	0.11%
High Properties	Real Estate	25,873,100	0.10%
Warner-Lambert Co	Manufacturing	25,647,900	0.10%
Mennonite Home Inc	Retirement Complex	23,564,900	0.09%
Wal Mart Stores	Retailing	22,281,600	0.09%
Rose City HMA	Medical Services	20,580,600	0.08%
Willow Valley Association Inc	Real Estate	20,473,600	0.08%
Brethren Home Inc	Retirement Complex	20,040,000	0.08%
Libernecht Karl Inc	Manufacturing	19,334,700	0.08%
Tanger Properties Limited Partners	Retailing	19,144,600	0.08%
Luthercare	Retirement Complex	18,546,200	0.07%
	Total	\$893,652,900	3.96%

County of Lancaster, Pennsylvania
 Computation of Legal Debt Margin
 December 31, 2000

Table 7

Borrowing base revenues (1):		
	1998	\$94,431,590
	1999	97,623,975
	2000	<u>100,212,634</u>
Total Revenue		<u>\$ 292,268,199</u>
Average borrowing base revenues		\$ 97,422,733
Debt limit percentage		<u>300%</u>
		292,268,199
Total amount of debt applicable to debt limit		<u>98,605,913</u>
Legal debt margin		<u>\$ 193,662,286</u>

(1) Borrowing base revenue represents total revenues less governmental grants received for a specific purpose.

County of Lancaster, Pennsylvania
Ratio of General Obligation Bonded Debt to Assessed Value
and General Obligation Bonded Debt Per Capita
Last Ten Years

Table 8

Year	Population (1)	Assessed Value (2)	Bonded Debt (3)	Ratio of Bonded Debt to Assessed Value	Bonded Debt Per Capita
1991	430,243	\$4,620,227	\$41,140,221	89.04%	95.62
1992	434,168	4,692,062	46,680,221	99.49%	107.52
1993	438,552	4,861,954	45,094,692	92.75%	102.83
1994	442,959	5,064,727	49,418,906	97.57%	111.57
1995	447,521	5,137,552	46,833,603	91.16%	104.65
1996	450,834	3,804,595	54,140,817	142.30%	120.09
1997	454,063	24,001,101	53,012,751	22.09%	116.75
1998	456,414	24,470,844	49,241,731	20.12%	107.89
1999	460,035	22,561,137	45,745,234	20.28%	99.44
2000	470,658	25,267,114	98,605,913	39.03%	209.51

(1) Population Sources: 2000 U.S. Census of Population; 1991-1996 Estimated by Lancaster County Planning Commission; 1997 - 1999 U.S. Census Bureau.

(2) From Table 4 (amounts expressed in thousands).

(3) Excludes issues refunded pursuant to advance refundings and any General Obligation Bonds reported in the enterprise fund.

County of Lancaster, Pennsylvania
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt (1)
to Total General Governmental Expenditures (2)
Last Ten Years

Table 9

Year	Principal (3)	Interest and Fiscal Charges	Total Debt Service	Total General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
1991	\$1,830,000	\$1,553,279	\$3,383,279	\$85,580,110	3.95%
1992	2,270,000	1,820,958	4,090,958	89,380,991	4.58%
1993	2,720,000	1,955,009	4,675,009	98,631,296	4.74%
1994	3,320,000	1,998,930	5,318,930	111,013,304	4.79%
1995	3,070,000	1,977,657	5,047,657	116,727,513	4.32%
1996	3,205,000	2,149,283	5,354,283	122,622,247	4.37%
1997	3,220,000	2,435,404	5,655,404	129,097,212	4.38%
1998	4,530,000	2,119,684	6,649,684	145,281,474	4.58%
1999	4,360,000	1,875,940	6,235,940	147,360,028	4.23%
2000	4,810,000	3,198,789	8,008,789	184,902,358	4.33%

(1) Any general obligation bonds reported in the enterprise fund have been excluded.

(2) Includes general, special revenue, and capital projects funds.

(3) Excludes expenditures for payments of tax revenue anticipation notes.

County of Lancaster, Pennsylvania
 Computation of Direct and Overlapping Bonded Debt
 General Obligation Bonds

December 31, 2000

Table 10

Jurisdiction	(1) Net General Obligation Bonded Debt and/or Revenue Bonds Outstanding
County of Lancaster	\$98,605,913 (2)
Overlapping:	
City of Lancaster	-
School Districts:	
Cocalico	26,976,723
Columbia Borough	6,306,097
Conestoga Valley	42,501,205
Donegal	17,169,112
Eastern Lancaster Co.	10,579,819
Elizabethtown Area	32,918,338
Ephrata Area	42,375,296
Hempfield	54,133,004
Lampeter-Strasburg	12,196,127
Lancaster	79,144,353
Manheim Central	25,658,065
Manheim Township	39,842,708
Octorara	21,991,500
Penn Manor	61,911,893
Pequea Valley	23,146,914
Solanco	25,612,791
Warwick	30,550,228
Total school districts	553,014,173
Municipal Authorities:	
Adamstown Borough Authority	1,635,000
Akron Borough	479,844
Bainbridge Water	-
Blue Ball Water Authority	-
Christiana Borough	882,823
East Cocalico Water and Sewer	4,854,253
Columbia Municipal	-
Denver Borough	-
East Donegal Township-Marietta Borough Sewer	324,080

(Continued)

County of Lancaster, Pennsylvania
 Computation of Direct and Overlapping Bonded Debt
 General Obligation Bonds

December 31, 2000

Table 10 (Cont.)

Jurisdiction	
East Donegal Township Water	1,915,026
East Hempfield Municipal Authority	-
East Lampeter Township Sewer	
Ephrata Borough	18,387,051
Ephrata Area Joint Authority	5,945,000
Ephrata Township Sewer Authority	1,556,178
Lancaster Airport	198,417
Lancaster Area Sewer	61,600,000
Lancaster County Hospital Authority	
Lancaster Parking	28,565,000
Lancaster Sewer	-
Leola Sewer	3,487,203
Lititz Sewer	1,023,391
Manheim Borough	13,700,000
Metropolitan Lancaster	-
Mount Joy Borough	11,595,000
Mount Joy Township Authority	14,399,468
Mountville Borough Water Authority	-
New Holland Borough	4,315,000
Northern Lancaster County	254,365
Northwestern Lancaster County Water and Sewer	2,729,536
Quarryville Borough Sewer Authority	733,380
Redevelopment Authority	-
Strasburg Borough	-
Suburban Lancaster Sewer	15,635,000
Warwick Township Municipal	13,670,000
West Cocalico Township Authority	1,215,730
West Donegal Township Authority	9,320,059
West Earl Sewer Authority	1,600,000
Total municipalities	220,020,804
Total overlapping debt	773,034,977
Total direct and overlapping debt	\$871,640,890

- (1) The debt of the city and school districts is tax based, and the majority of the municipal authorities are self-supporting.
- (2) Excluding any general obligation bonds reported in the enterprise fund.

Demographic Statistics
Last Ten Years

Table 11

Year	(1) Population	(2) Per Capita Personal Income	(3) School Enrollment	(4) Unemployment Rate
1991	430,243	\$19,051	75,573	5.4%
1992	434,168	20,062	76,853	5.5%
1993	438,552	21,070	78,160	4.2%
1994	442,959	22,147	79,980	3.8%
1995	447,521	22,997	81,609	3.5%
1996	450,834	24,138	82,754	3.3%
1997	454,063	25,057 (5)	84,132	3.0%
1998	456,414	26,053 (5)	84,985	2.9%
1999	460,035	26,889 (6)	85,647	2.6%
2000	470,658	27,309 (6)	85,569	2.7%

Data Sources:

- (1) Population Sources: 2000 U.S. Census; 1991 through 1996 estimated by Lancaster County Planning Commission; 1997 -1999 U. S. Census Bureau.
- (2) Lancaster, PA Office of Employment Security.
- (3) Commonwealth of Pennsylvania, Department of Education.
- (4) PA Department of Labor and Industry, Office of Employment Security.
- (5) Estimated by Lancaster County Controller's Office
- (6) U.S Department of Commerce , Bureau of Economic Analysis.

(Continued)

County of Lancaster, Pennsylvania
Demographic Statistics (continued)
Last Ten Years

Table 11 (Cont.)

Population Count and Age Distribution (1):

Census Year	Under 5	5-9	10-14	15-19	20-24	25-44	45-64	Over 65	Total Population
1940	17,188	17,587	18,727	19,525	18,016	60,462	42,135	18,864	212,504
1950	24,639	20,110	17,180	17,170	18,283	67,633	47,096	22,605	234,716
1960	31,338	28,457	25,147	21,003	16,916	72,159	55,220	28,119	272,067
1970	27,180	31,646	32,768	30,232	24,474	75,416	64,935	33,428	320,079
1980	26,950	27,048	28,783	34,324	33,935	97,793	71,175	42,338	362,346
1990	33,462	31,739	29,844	30,590	31,305	132,351	78,062	55,469	422,822
2000	32,680	35,939	36,290	34,329	29,246	133,185	102,929	66,060	470,658

County of Lancaster, Pennsylvania
Property Value, Construction, and Bank Deposits
Last Ten Years

Table 12

Year	Property Value (1)		Construction and Additions (2)		Bank Deposits (3)
	Taxable	Nontaxable	Number of Units	Value	
1991	\$3,069,906,760	\$422,962,680	5,699	\$90,824,310	\$4,971,346,000
1992	3,118,915,690	431,347,170	5,413	75,563,720	5,050,490,000
1993	3,189,464,720	447,377,440	5,317	85,650,840	5,023,843,000
1994	3,283,418,320	455,575,430	5,188	92,296,090	4,895,379,000
1995	3,345,542,010	459,836,690	4,460	75,563,950	5,016,543,000
1996	3,353,879,840	450,714,970	2,884	50,098,080	3,578,495,000
1997	21,340,190,400	2,660,910,300	4,722	467,926,900	5,237,152,000
1998	21,678,884,200	2,791,959,300	3,849	451,570,900	4,929,358,000
1999	20,674,588,900	1,886,548,300	3,504	434,999,300	5,434,834,000
2000	22,863,582,100	2,403,532,000	3,719	500,085,500	Not Available

- (1) Total appraised valuations and nontaxable appraised valuations were provided by the County Assessor's office. 1990-1996 property values are based on a 1960 market appraisal which is updated for additions and new construction. In 1997 county wide reassessment was implemented. Taxable property value is from Table 4, estimated actual value.
- (2) Amounts are based on interim appraisals for new construction and additions, which are added to the following year's real estate tax rolls.
- (3) Bank deposits include deposits for commercial banks, savings and loan associations, and credit unions. This information was compiled by Sheshunoff Info. Services, Inc., Austin, TX.

County of Lancaster, Pennsylvania
Salaries and Surety Bonds of Principal Officials
December 31, 2000

Table 13

<u>Name and Title of Official</u>	<u>Annual Salary</u>	<u>Amount of Surety Bond</u>
Paul Thibault, Commissioner	67,156	7,500
Howard "Pete" Shaub, Commissioner	66,156	7,500
Ronald Ford, Commissioner	66,156	7,500
David S Hickemell, Clerk of Courts	\$57,581	\$11,000
Benj. H. Hess, Jr., Controller	57,581	100,000
Barry D. Walp, Coroner	57,581	15,000
Timothea Kirchner, County Administrator	80,293	7,500
Terry L. Styer, Chief Clerk	45,000	7,500
Donald R. Totaro, District Attorney	112,789	(1)
Kathleen Angermier, Jury Commissioner	7,117	(1)
Linda Schwanger, Jury Commissioner	7,117	(1)
Robert H. Getz, Prothonotary	57,581	700,000
Stephen J. McDonald, Recorder of Deeds	57,581	225,750
Donna S. Reinaker, Register of Wills	59,581	25,000
Terry Bergman, Acting Sheriff	57,581	60,000
Gregory Sahd, Treasurer	57,581	500,000
42 bonded tax collectors	at \$.75 per parcel collected	20,634,120 (2)

(1) No bond required under Title 16, Section 402 of the County Code.

(2) The dollar value is stated at 75% of total county, school, and municipal tax levied in 2000. Bonds are valid for the tax collector's term, 1998-2001.

County of Lancaster
Miscellaneous Statistics
December 31, 2000

Table 14

Date of incorporation	May 10, 1729	
Form of government	Elected Board of Commissioners	
Number of employees (excluding police and fire):		
Full-time	1,857	
Part-time	686	
Area in square miles	984 miles	
Land	949	
Water	35	
County of Lancaster, facilities and services:		
Miles of streets:		
Federal	51.5 miles	
State	1,300 miles	
Local (municipal)	2,751 miles	
Number of street lights	15,708	
Number of traffic lights	340	
Cultural and recreation:		
Community centers	4	
Park land acreage:		
County parks	2003 acres	
State parks	224 acres	
State game lands	11,295 acres	
Middle Creek Wildlife Management Area	1,931 acres	
Fish Commission lands	413.7 acres	
Rails to Trails	11.8 miles	
Golf courses	20	
Fire protection:		
Number of stations	80	
Volunteer Fire Fighters	2800	
Career Fire Fighters	85	
Police protection:		
Number of stations	33	
Number of police personnel and officers	865	
Number of patrol units	112	(excluding boroughs and townships)
Emergency Medical Services:		
Number of Units	25	
Volunteer Personnel	850	
Career Personnel	260	
Facilities and services not included in reporting entity		
Education:		
Number of elementary schools	87	
Number of elementary school instructors	2,052	
Number of secondary schools	29	
Number of secondary school instructors	1,997	
Number of combined schools (both secondary and elementary)	16	
Number of colleges and universities	6	
Hospitals:		
Number of hospitals	5	
Number of patient beds	1,152	
Agriculture:		
Number of farms	4,930	
Farm acreage	418,500	
Libraries (public, school, and special)	75	
Airports:		
Number of commercial use	4	
Elections:		
Number of registered voters	265,877	
Number of votes cast in last general election	180,098	
Percentage of registered voters in last general election	67.74%	

County of Lancaster, Pennsylvania
 Schedule of Insurance In-Force
 December 31, 2000

Table 15

Name of Company/ Type of Coverage	Policy Number	Policy Period	Premium	Details of Coverage and Co-Insurance %	Liability Limit
ACE Fire Underwriters Insurance Co. Building and Contents	D21207822	02/01/00-02/01/01	\$ 286,576	Fire and extended coverage: \$1,000 deductible, 90% co-insurance buildings and contents.	\$ 133,801,485
Boiler & Machinery	D21207822	02/01/00-02/01/01		Property Damage: \$1000 deductible Extra Expense \$1,000 deductible Expediting Expense Ammonia Contamination Water Damage Hazardous Substance	\$ 5,000,000 Per accident \$ 100,000 Per accident \$ 25,000 Per accident \$ 25,000 Per accident \$ 25,000 Per accident \$ 25,000 Per accident
Money & Securities	D21207822	02/01/00-02/01/01		Destruction, disappearance and wrongful abstraction of money, checks, and other securities:	\$ 50,000 Blanket limit-monies and securities withir/ outside premise.
General Liability	D21207822	02/01/00-02/01/01		Third-party general liability insurance Bodily injury/property damage/personal injury Products & Completed Ops Personal & Advertising Injury Fire Damage Medical Expense	\$ 1,000,000 Each occurrence \$ 2,000,000 Aggregate \$ 2,000,000 Aggregate \$ 1,000,000 \$ 100,000 Any one fire \$ 5,000 Any one person
Commercial Property Coverages	D21207822	02/01/00-02/01/01		Earthquake \$50,000 deductible 90% Co-Insurance Earthquake \$50,000 deductible 90% Co-Insurance	\$ 1,000,000 \$ 20,000,000
Computers	D21207822	02/01/00-02/01/01		Hardware: \$500 deductible Software: \$500 deductible	\$ 3,592,259 \$ 1,364,707
Inland Marine	D21207822	02/01/00-02/01/01		Personal Property Off Premises \$250 deductible Fine Arts Floater: \$1,000 deductible Radio & Television Broadcasters - Transmission Towers - Replacement Cost; deductible \$1,000 Radio & Television Broadcasters - Transmission Towers - Replacement Cost; deductible \$1,000 Special Property Floater, deductible \$500	\$ 10,000 \$ 121,340 \$ 1,389,555 \$ 55,095 \$ 554,848 Covers newly acquired buildings till expire.
ACE Fire Underwriters Insurance Co. Auto Insurance	H02349103	02/01/00-02/01/01	\$ 47,520	Auto liability and physical damage insurance \$250 deductible collision/ \$100 deductible comprehensive	\$ 1,000,000 \$5,000 Personal injury \$ 500,000 Underinsured \$ 500,000 Uninsured
THE HARTFORD: Public Official Bond	44BPEAC2695	02/01/00-02/01/01	\$ 6,220	Public Employees Blanket Bond; Deductible \$2,500	\$ 1,000,000
BROTEMARKLE INS. (1) : Foster Parent Liability Ins.	FPE 100-01-38	07/01/00-06/30/01	\$ 10,044	Personal liability insurance for foster parents	\$ 300,000 Per person \$ 300,000 Per occurrence
NATIONAL UNION: Excess Workers Comp	4158441	01/01/99-01/01/01	\$ 63,941	Employers Liability	\$ 1,000,000 Each Accident \$ 1,000,000 Disease - Each Employee
COREGIS: Errors and Omissions	POD001980	07/07/00-07/07/01	\$ 102,852	Public Officials and Employees Liability	\$ 5,000,000 \$ 25,000 Deductible
AMERICAN: Umbrella Policy	BE7012414	02/01/99-02/01/01	\$ 85,031		\$ 10,000,000 Liability \$ 10,000,000 Annual Aggregate
Environmental Insurance Agency Inc. Pollution Liability	NTL2517512	7/1/99-6/30/09	\$ 33,447	Pollution insurance for the Training Facility location	\$ 5,000,000 \$ 100,000 Deductible
Covered Bridges Bridge Property Damage	I20442736	1/26/00 - 2/1/2003	\$ 32,352	Bridge damages \$25,000 deductible	

(1) Contracted directly by Children & Youth Agency

(This page intentionally left blank.)