COUNTY OF LANCASTER, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 1999

PREPARED BY THE CONTROLLER'S OFFICE

Benj. H. Hess, Jr., Controller
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Ernst & Young LLP

CONTROLLER'S SOLICITOR
George D. Alspach

Cover photographs by Glenn Davis

Top photo: Terminal Building, Lancaster Airport, Lancaster, PA

Bottom Photo: 2000 Mooney Aircraft N80HW with Lloyd E. Miller
Ben H. Hess, Jr., and Dale W. Mumper, Instrument Rate Private Pilots
Mr. Miller still flies 75 to 100 hours each year.

COUNTY OF LANCASTER, PENNSYLVANIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended December 31, 1999

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BENJ. H. HESS, Jr.
Controller

LANCASTER COUNTY

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BENJ. H. HESS, JR.
Controller

June 14, 2000

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, 1999, 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.

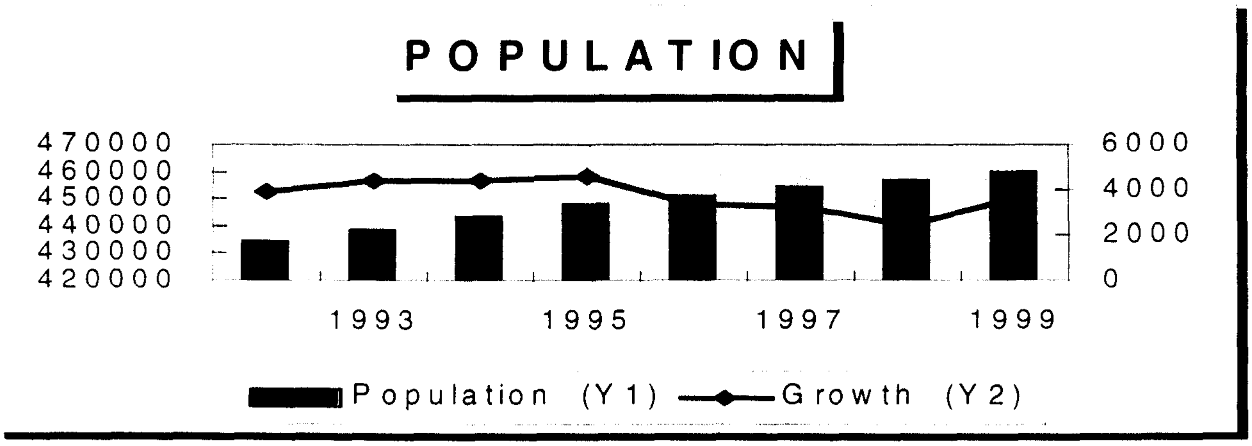
The comprehensive annual financial report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, a list of the County's principal officials, the Certificate of Achievement for Excellence in Financial Reporting for the year ended December 31, 1998, 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, and (h) Lancaster County Private Industry Council.

ECONOMIC CONDITION AND OUTLOOK

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

Lancaster County's population grew by 37,213 people during the 1990's, reaching an estimated 460,035. The increase was the fourth highest in Pennsylvania. Only the suburban Philadelphia counties of Chester, Bucks and Montgomery added more people.

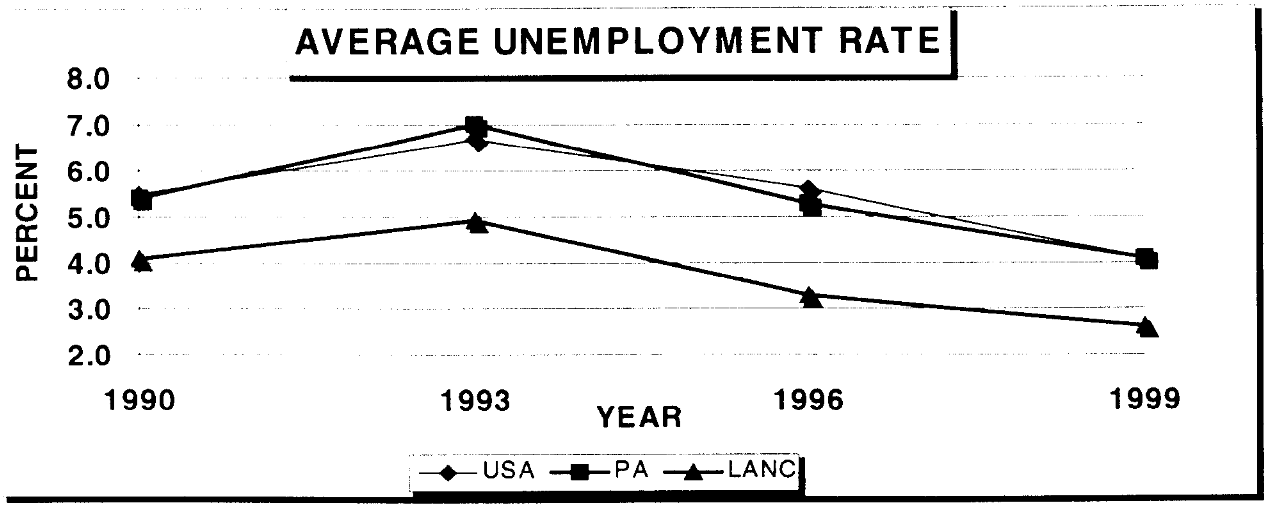


Source: U.S. Census Bureau; 1992-1996 estimated by Lancaster County Planning Commission

With the increasing population comes the need for careful land management. The county and most municipalities have development plans in place to try to balance the need for new construction with the need to preserve the county's history and beauty.

Lancaster County's tradition of economic stability continues, with agriculture, industry, and tourism all contributing to the overall strength of the economy. 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. Also, a leading industrial area of the state, the county is considered a prime location for manufacturing, away from congested areas, yet close to the major East Coast markets. Industry is highly diversified, which helps to maintain the economic stability. In recent years, more than a dozen retirement communities have been developed in the county making the retirement business a major industry here. Along with agriculture and industry, a keystone of the Lancaster County economy is tourism. Due to the area's historic sites, the city's architectural charm, the county's rolling, well-kept farmlands, and the large Amish community, Lancaster has become more and more attractive to tourists. In 1998 alone six million visitors generated an estimated $1.2 billion in revenues, including monies spent at the county's outlet stores.

In addition to enjoying a strong economy, Lancaster County's unemployment rate of 2.6% continues to be consistently lower than both the state and national averages of 4.1%. The unemployment rate in Lancaster County remains low because 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 a continual 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. Consequently, more and more major government initiatives are evolving as interdepartmental and/or intergovernmental projects.

MAJOR INITIATIVES
<u>For the Year</u>

- The County adopted an aggressive program (named broadbanding) to improve its human resource system. Every department in County government was involved in developing a competency-based evaluation system that ties employee compensation to performance.

- Four departments (Mental Health/Mental Retardation, Drug & Alcohol Commission, Office of Aging and Public Defender) moved from the Courthouse to a downtown location adjacent to the Courthouse. This move was made necessary to accommodate the expansion of the courts. The County continues to have a commitment to use downtown space for long-term space needs.

- The County Commissioners hosted the first annual Lancaster County Community Expo at the Lancaster Host Resort & Conference Center. All of the County departments were involved with the Community Expo. The purpose of the Expo was to promote the collaborative, ongoing projects in the County. More than 150 exhibitors participated.

- Assessment developed an 80-page directory to help improve access to County Government information. The directory contains descriptions of services, departments and phone numbers, maps and directions, and answers to "frequently asked questions". The directory was distributed to county and municipal offices, and school districts. The same information can be found on the County's website (www.lancaster.co.pa.us).

- Data Processing's Mobile Data Terminal Pilot Project involved the installation and evaluation of 20 units from three municipal police departments. During the very successful pilot project, officers used Vision Mobile Software, loaded on laptops and mounted in their cruisers, to communicate with each other. Officers were able to run person and vehicle checks against CLEAN/NCIC, the State and Federal criminal databases, as well as location history checks against locally stored databases. Previously, these types of queries were performed via radio to police dispatchers, which consumed radio airtime and allowed anyone with a scanner to listen to police conversations.

- The Planning Commission implemented the permit streamlining initiative, which necessitated both persuasion of municipal officials to participate and the redirection of the priorities of the Planning staff. The Planning Commission began to implement the Lancaster County Permitting Initiative, an innovative program of the Board of Commissioners, to promote a positive business climate and support the business community by expediting the review of selected economic development projects.

  Planning worked with the Economic Development Company, the City of Lancaster, and several boroughs to create the Keystone Opportunity Zones. The County Commissioners and the Planning Commission worked with the Governor's Action team to facilitate relocation of companies into Lancaster County and the expansion of existing businesses within the County. More than 2,000 jobs were either created or preserved.

  Created in 1998 and expanded in 1999, Planning's borough Circuit Rider program ensures that Lancaster County's boroughs have access to effective economic development tools. The circuit rider, a "floating" economic development specialist, assists boroughs in stimulating investment, creating jobs, and expanding the tax base. At the end of 1999, nine boroughs were participating in this program.

- As part of the County's System Reform Initiative and the County's goal of assuring that services are provided to the community in a collaborative and efficient manner, the Children and Youth Agency opened two community based service sites during the year. In collaboration with the Charter School, Children and Youth placed casework staff at the Buehrle School, located at 426 East Clay Street in Lancaster. In addition to Agency staff at this site, Children and Youth also contracts with the Spanish American Civic Association for three casework positions. These caseworkers work with primarily Spanish-speaking families living in Lancaster City. The caseworkers at this site provide services to families whose children live at home and who are in out of home care. In an effort to provide enhanced services to residents living in the County, the Agency developed a community site in Mount Joy. Located at 410-B Main Street, the casework staff at this site provides services to families and children residing in the western sections of the County. The staff at the Mount Joy office provides services to over 100 families and 200 children in six school districts within the County.

- The Parks and Recreation Department completed relocation of three ballfields from a settling landfill in Central Park to adjoining, gently sloping fields. The project, which received partial state funding for lights from PA-DCNR, will conclude in spring of 2000 with completion of light controls. The new-lighted ballfields feature a state-of-the art system of tracking lighted field use. Individual leagues will be issued an access code; upon their entry of the code, the lighting is recorded to their account by the minute. The department is able to print out a monthly statement of each league's usage, or the information downloaded via a laptop at the control panel for automatic transfer of records. This will provide for fairer assessment of lighted ballfield use.

  In the early summer of 1999, the Parks Department installed a $30,000 playground adjacent to the County pool. The new playground features play elements for toddlers through young teens, providing an alternate activity for the various day camps that visit the pool nearly every weekday in June and July.

Photos courtesy Lancaster County Depart. of Parks and Recreation

- Plans to build a new juvenile detention center continue. Work on the facility included final facility and site design work and obtaining municipal approvals. The site improvements, including bridge construction, and facility construction were bid and awarded during the year, with construction beginning on schedule in 2000.

- The County Commissioners selected a site in East Hempfield Township for the construction of a new emergency training facility. By the end of the year, the properties were obtained and a contract for site demolition and reclamation had been awarded. A task force will continue working on facility design during the next year. Tentatively, facility construction will also begin by the end of 2000.

For the Future

- Based upon the monthly meetings held by the Prison Care Task Force, recommendations will be submitted for forensic/mental health care for those incarcerated during the year 2000. The Lancaster County Prison hopes to establish a pilot forensic/psych program in the very near future.

- Children and Youth Agency plans to implement a drug and alcohol pilot program. This proposed service will pair a Children and Youth Agency caseworker with a substance abuse specialist to assess the level of the parents' drug and alcohol involvement and its impact on their ability to provide care for their children.

- The Agricultural Preserve Board plans to preserve 6000 acres of farmland. This will be made possible by an increase in state funding along with a bond issuance by the County Commissioners resulting in a record level budget. Along with increased funding, Ag Preserve is working on developing a points-based appraisal system to evaluate some of the backlogged easement applications. This will allow farms to be preserved more quickly and possibly save the County money.

- The Parks and Recreation Department spent much of 1999 recruiting professionals for, and developing a design for a new skate park, for skateboarders and in-line skaters. This facility, which will be constructed in an amphitheater-like area in Central Park, will include an 18,000 square foot free-form concrete structure, with three bowls, connecting runs, and a meandering access path. The project has received $136,000 in funding from PA-DCNR, and will be the first public skate park of this magnitude in the state of Pennsylvania. Construction is targeted for the fall of 2000. The County recruited a Fullerton, California firm for the design and construction administration of this project. The firm is experienced in the design of over four dozen skate parks on the West Coast and in Michigan.

- The County Commissioners will continue to promote inter-municipal cooperation. Along with holding regular meetings with the municipalities, they will again host the annual Community Expo. The Commissioners will also continue to award inter-municipal grants.

Departmental Focus

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

The County Engineer is responsible for the management, operation and maintenance of County owned buildings and facilities. In addition to the County Engineer, three Assistant County Engineers manage programs and projects and provide engineering/consulting expertise to the County's work program. A Director of

Administrative Services and two secretaries complete the administrative staff. The facilities staff includes eight full time and twenty-four part-time employees who provide maintenance, custodial and after-hours security services for the Courthouse complex. The Construction/Bridge staff includes five full time positions; however, four staff positions were vacant for most of 1999. The department also includes an additional six full time and two part-time employees in the Microfilm, Printing and Weights and Measures departments. Keeping pace with changing technologies, in-house staff installs and maintains computer and telecommunications wiring, including fiber-optic cabling, in addition to traditional maintenance repair work. Engineering staff provides design and construction management services for proposed County facilities and assist in locating and leasing space outside County buildings when required. They also provide technical advice, guidance and design assistance for miscellaneous projects that other departments may want to complete.

During 1999, the Engineer's Office, on behalf of the County Commissioners, were involved in a number of major facility construction projects. These included the Emergency Training Facility, Juvenile Detention Facility, Fourth Floor Courtroom Expansion Project, Conestoga View Improvements, and Children and Youth Building Improvements.

For the Emergency Training Facility, staff was involved with property acquisition and design activities at potential sites in two municipalities. By the end of the year, a site in East Hempfield Township had been selected, the properties were obtained, and a contract for site demolition and reclamation had been awarded. A task force will continue working on facility design in 2000; tentatively facility construction will also begin by the end of the year.

Work on the Juvenile Detention Facility included final facility and site design work and obtaining municipal approvals. The site improvements, including bridge construction, and facility construction were bid and awarded during 1999, with construction beginning on schedule in 2000.

During 1999, the Engineering staff also assisted with a number of improvement projects at the County's nursing facility, Conestoga View. These projects included the relocation of the telecommunications demarcation, resolution of the summer heat problem in the basement mechanical areas, and rapid action to correct underground water leaks that threatened the building, as well as building improvements to address miscellaneous Department of Health concerns.

Engineering staff also oversaw completion of renovations to the exterior of the Children and Youth building. Specifications were prepared, contract awarded and the work undertaken and completed during 1999.

A major project within the courthouse is the construction of three new courtrooms on the fourth floor of the new courthouse. This expansion will provide space for additional judges recently elected in the County. Also, the new courtrooms will be constructed to take advantage of new technology such as teleconferencing. Design work for the courtrooms was completed in 1999, bidding and project construction will begin in 2000 with a completion date of January 2001.

During 1999, the Engineer's Office worked with an internal County committee to look at the office and records storage space needs anticipated by the County over the next ten years. An immediate goal of the committee was to relocate offices to prepare for the construction of three additional courtrooms in 2000. By fall 1999, additional office and records storage space was leased at 29 East King Street, and four departments moved to that location. In order to keep cost to a minimum and meet department schedules, we also completed a number of courthouse renovation projects using in-house staff. These projects included remodeling of the seventh floor to improve layout for Geographic Information Systems, Data Processing and Tax Assessment, floor repairs to 40 East King Street, and improvements to 29 East King Street. Completing these projects in-house resulted in considerable savings versus the cost of having outside contractors complete this work.

Engineering staff is responsible for the maintenance, repair and restoration of the County Bridge system. This work includes annual inspections of all 62 County owned bridges in compliance with the Federal Bridge inspection program. In-house staff also performs all of the routine maintenance and repair work for all bridges. During 1999, work was also undertaken to construct a bridge off of Broad Street in Lancaster City to the Sunnyside peninsula.

County Engineer's staff completes stormwater management plan reviews, professional recommendations and assistance to the Planning Commission. Implementation of the Act 167 Stormwater Management plans for the Mill Creek and Little Conestoga Creek Watersheds has been completed. Staff has been recognized as leaders in the development of stormwater modeling for watersheds and has presented papers and presentations on their methods at National engineering conferences. This recognition has allowed us to continue to receive favorable funding from the DEP to complete watershed evaluations for additional areas within the County. In addition to the implementation of the Mill Creek and Little Conestoga Creek programs, we have begun work on the Cocalico Creek watershed study.

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 funds. 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 funds, and debt service for the year ended December 31, 1999, and a comparison to the prior year.

Revenues	1999	1998	Increase (Decrease) from 1998	Percent of Increase (Decrease)
Real estate taxes	$54,265,591	$53,419,215	$846,376	1.58
Intergovernmental	69,668,080	72,619,983	(2,951,903)	(4.06)
Departmental	13,043,400	11,894,457	1,148,943	9.66
Fines and costs	2,961,714	2,745,813	215,901	7.86
Interest	1,966,978	3,031,788	(1,064,810)	(35.12)
Miscellaneous	1,616,854	328,169	1,288,685	392.69
Total	$143,522,617	$144,039,425	($516,808)	(0.36)

Due to the reclassification of unspent deed restriction commitments, miscellaneous revenues increased by 392.69 percent.

The decrease in interest income is due to spending down of bond proceeds that resulted in fewer monies to invest.

The following schedule presents a summary of expenditures for the combined general fund, special revenue funds, capital projects funds, and debt service fund for the year ended December 31, 1999, and a comparison to the prior year.

Expenditures	1999	1998	Increase (Decrease) from 1998	Percent of Increase (Decrease)
Current:				
General government	$21,518,895	$20,373,098	$1,145,797	5.62
Public safety	5,206,259	5,282,574	(76,315)	(1.44)
Roads and bridges	560,989	182,156	378,833	207.97
Health, education and welfare	66,239,229	65,137,861	1,101,368	1.69
Judicial	23,284,151	22,368,920	915,231	4.09
Corrections	11,721,069	11,449,924	271,145	2.37
Culture and recreation	1,881,487	1,737,960	143,527	8.26
Community development	3,965,971	6,407,530	(2,441,559)	(38.10)
Depreciation in Fair Value of Investments	210,073	–	210,073	100.00
Capital outlay	6,535,965	4,320,602	2,215,363	51.27
Capital lease	–	1,371,165	(1,371,165)	(100.00)
Debt service:				
Principal retirement	4,360,000	4,530,000	(170,000)	(3.75)
Interest and fiscal charges	1,875,940	2,119,684	(243,744)	(11.50)
Total	$147,360,028	$145,281,474	$2,078,554	1.43

Roads and bridges expenditures increased due to construction of a new bridge off of Broad Street in Lancaster City to the Sunnyside peninsula.

The increase in capital outlay is due to monies spent on various projects that had previously been put on hold.

General Fund Balance

The general fund modified accrual fund balance increase of 74 percent is primarily due to an increase in revenues.

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 1999, Conestoga View recognized operating income of $160,486, which is 0.66 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, 1999, total membership of the Lancaster county Employees' Retirement System was 2,598 and the net pension benefit obligation was $1,457,428. 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 1999.

Debt Administration

On December 31, 1999, the County of Lancaster had $45,745,234 in general obligation bonds outstanding. In November the Commissioners issued general obligation bonds of $9,710,000 for partial refunding and redemption of the G.O.B. Second Series of 1992 and the full refunding and redemption of the G.O.B. Series of 1994. The 1999 general obligation bond issue carries 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 Investors Service, Inc. rated all issues insured by FGIC "Aaa" 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, 1999, the County's general obligation debt was $45,745,234 with a legal debt limit of $227,175,191.

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	1999	1998
General fund	$1,448,507	$1,277,941
Special revenues	276,232	401,727
Capital project	242,239	543,488
Debt service	–	808,632
Total	$1,966,978	$3,031,788

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 1999 will be completed during August 2000. 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, 1998. 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

Lancaster County was awarded one of the first annual Joint Center for Sustainable Communities Awards. The Joint Center represents a collaboration of the U.S. Conference of Mayors, the National Association of Counties, the U.S. Department of Agriculture, the U.S. Department of Commerce, the U.S. Department of Energy, the U.S. Environmental Protection Agency, and the U.S. Department of Housing and Urban Development. The County's award was presented for its "regional growth management strategy" which maps out local efforts to manage growth, contain sprawl, preserve greenspace and agricultural land, protect water quality and clean up brownfields.

The Lancaster County Board of Commissioners worked together with the City of Lancaster and the 59 other municipalities to put together the comprehensive plan. Hundreds of public meetings, countywide surveys, and citizen opinion polls resulted in the adoption of The Lancaster County Growth Management Strategy. The County's strategic growth plan emphasizes the needs of the county's small towns, the city and the desire to preserve the area's rural heritage.

In addition, Lancaster County was one of five communities in the nation to receive an award from the Secretary of the Department of Housing and Urban Development. The HUD Secretary Award was in recognition of the county's sustainable urban economic development achievements.

For the second consecutive year, the Lancaster County Local Emergency Planning Committee (LEPC), which is administered by the County's Emergency Management Agency, received an award from the PA Emergency Management Agency for "Excellence in Emergency Planning for Hazardous Material Incidents". The award demonstrates the commitment made by the LEPC, Haz Mat 2 (a volunteer haz mat response team), and the County's Emergency Management Agency to assure advanced planning for an emergency at any of the 157 facilities within the County that stock extremely hazardous substances.

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, 1999

COMMISSIONERS
Paul R. Thibault, Chairman
Terry L. Kauffman, Vice-Chairman
Ron Ford

PROTHONOTARY
Robert H. Getz

RECORDER OF DEEDS
Stephen J. McDonald

CLERK OF COURT OF COMMON PLEAS
Diana L. Thompson

JUDGES OF COURT OF COMMON PLEAS
Michael A. Georgelis, Acting President Judge
Paul K. Allison
James P. Cullen
Louis J. Farina
Wayne G. Hummer, Jr.
Henry S. Kenderdine, Jr.
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
C. Thomas Walker, Jr.

JURY COMMISSIONERS
Kathleen Angermier
Linda Schwanger

DISTRICT ATTORNEY
Joseph C. Madenspacher

SHERIFF
Philip E. Bomberger III

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, 1998

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

President

Executive Director

LANCASTER COUNTY ORGANIZATIONAL CHART

3RD CLASS COUNTY

VOTERS

*COMMISSIONERS (3)

CHIEF CLERK & ADMINISTRATOR

ADMINISTRATION

- TAX ASSESSMENT
  - BOARD OF APPEALS
- TAX COLLECTORS
- VOTER REGISTRATION & ELECTIONS
- COMMUNICATIONS
- EMERGENCY MANAGEMENT SVS & EMS COUNCIL
- PERSONNEL DEPARTMENT
- PURCHASING
- VETERANS' AFFAIRS
- HUMAN RELATIONS COMMISSION
- COUNTY ENGINEER
  - WEIGHTS & MEASURES/ MICROFILMING/ PRINTING
- DATA PROCESSING & TRAINING CENTER
- GEOGRAPHIC INFORMATION SYSTEMS (GIS)
- PLANNING COMMISSION
- PARKS & RECREATION DEPARTMENT
- CHILDREN & YOUTH SOCIAL SERVICE AGENCY
- OFFICE OF AGING
- DRUG & ALCOHOL COMMISSION
- MENTAL HEALTH & MENTAL RETARDATION
- LANCASTER EMPLOYMENT & TRAINING AGENCY
- HOME & HOSPITAL- CONESTOGA VIEW
- PUBLIC DEFENDER
- *CONTROLLER
- *TREASURER

AUTHORITIES,COMMISSIONS,SPECIAL COMMITTEES

- RED ROSE TRANSIT AUTHORITY (CITY-COUNTY)
- LANCASTER AIRPORT AUTHORITY(CITY-COUNTY)
- HOUSING & REDEVELOPMENT AUTHORITY
- HOSPITAL AUTHORITY
- LANCASTER COUNTY SOLID WASTE MGMT AUTHORITY
- AGRICULTURAL PRESERVATION BOARD

CORRECTIONS

- JUVENILE DETENTION
- CENTER-BARNES HALL
- PRISON

SALARY BOARD

*COUNTY COMMISSIONERS
*CONTROLLER
*ELECTED DEPARTMENT HEADS

RETIREMENT BOARD

*COUNTY COMMISSIONERS
*CONTROLLER
*TREASURER

ELECTION BOARD

*COUNTY COMMISSIONERS (3)

JUDICIAL

- COURT OF COMMON PLEAS
  - CRIMINAL
    - *CLERK OF COURTS
  - CIVIL
    - *PROTHONOTARY
- *REGISTER OF WILLS
  - ORPHAN'S COURT DIVISION
- *JUDGES
  - COURT ADMIN. / BAIL ADMIN.
  - DOMESTIC RELATIONS
  - RECORDS MANAGEMENT
  - COURT REPORTERS
  - ADULT/JUV PROB. & PAROLE
  - VOLUNTEERS & COMMUNITY SVS
  - SPECIAL OFFENDERS SERVICES
  - ALCOHOL IMPAIRED DRIVING
  - LAW LIBRARY
- *JURY COMMISSIONERS
- *DISTRICT JUSTICES
- *CONSTABLES
- *SHERIFF
- *CORONER
- *DISTRICT ATTORNEY
  - VICTIM WITNESS ASSIST. PROG.
- *RECORDER OF DEEDS

* DESIGNATES ELECTED OFFICES

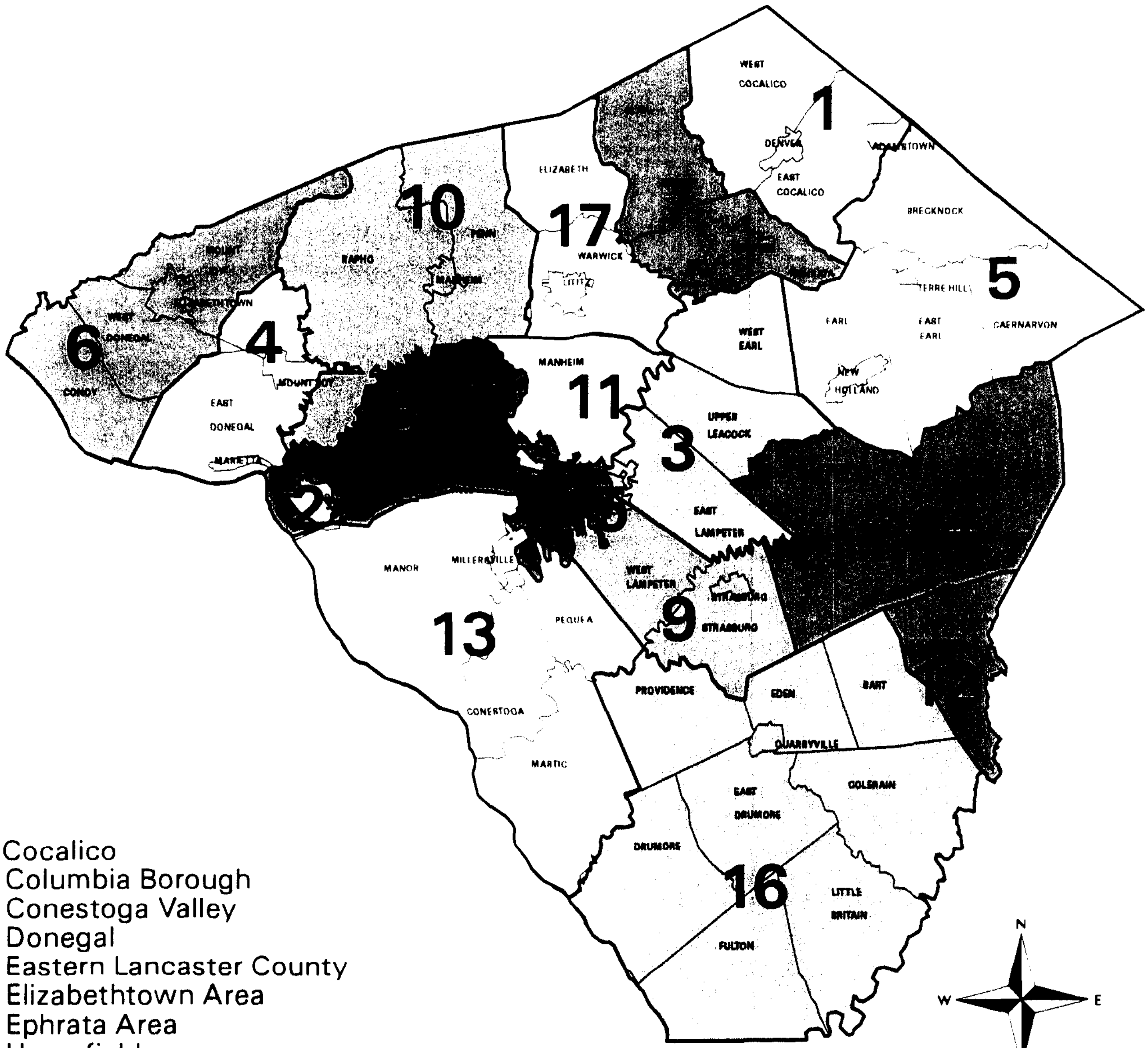
LANCASTER COUNTY CONTROLLER'S OFFICE

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

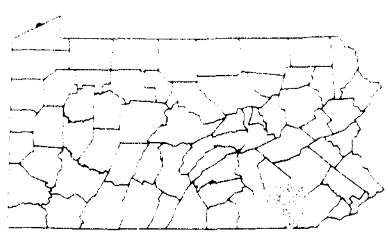
Walt Rogers, B.S.
Chief Deputy

- **Kathy Kunkel**, B.A.
  A/P, Payroll Supervisor
  - **Sharon Keen**
    Assistant A/P, Payroll Supervisor
  - **Anna Mae Jones**
    Payroll Clerk
  - **Mack Fisher**
    Accountant
  - **Thelma Rankin**
    Account Clerk Sr.
  - **Patsy Sensenig**
    Betty Cramer
    Mary Lapp
    Account Clerks
- **Darlene Davis**, B.S.
  Assistant Deputy
  - **Marsha Beiler**
    Staff Assistant
  - **Judy Peifer**
    Cash Control Specialist
  - **Jean Lannigan**
    Secretary
  - **Dolores Wimer**
    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
  - **Larry Bickhart**, B.S.
    Matthew Luciani, B.S., C.P.A.
    Mica Saunders, B.A.
    Auditor/Accountants

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



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www.ey.com

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, 1999, 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, 1999, 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.

As discussed in Note 1, the County adopted GASB Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans."

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.

Ernst + Young LLP

June 14, 2000

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General Purpose Financial Statements

County of Lancaster, Pennsylvania

Combined Balance Sheet - All Fund Types and Account Groups

December 31, 1999

	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type	Account Groups		
	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Trust and Agency	General Fixed Assets	General Long-Term Debt	Totals (Memorandum Only)
Assets and other debits									
Cash and temporary investments:									
Operating	$12,249,049	$9,674,664	$ -	$ -	$3,023,479	$6,883,072	$ -	$ -	$31,830,264
Other		288,315	698,507		236,897				1,223,719
Cash with fiscal agents	8,187								8,187
Investments				7,286,011		110,897,095			118,183,106
Receivables:									
Taxes	420,046								420,046
Fines and costs	384,381								384,381
Accounts						2,141,347			2,141,347
Due from other funds	461,175								461,175
Due from other governments	697,228	3,221,494			2,494,946				6,413,668
Advances to providers	218,886	5,680,891							5,899,777
Loans receivable	1,074,130								1,074,130
Other	19,211	-							19,211
Fixed assets (net, where applicable, of accumulated depreciation)					4,733,622		91,719,102		96,452,724
Restricted cash			473,388						473,388
Other debits:									
Amount available in debt service fund								7,286,011	7,286,011
Amount to be provided for retirement of general long-term debt								44,234,189	44,234,189
Total assets and other debits	$15,532,293	$18,865,364	$1,171,895	$7,286,011	$10,488,944	$119,921,514	$91,719,102	$51,520,200	$316,505,323

County of Lancaster, Pennsylvania

Combined Balance Sheet - All Fund Types and Account Groups (continued)

December 31, 1998

	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type	Account Groups		
	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Trust and Agency	General Fixed Assets	General Long-Term Debt	Totals (Memorandum Only)
Liabilities, equity, and other credits									
Liabilities:									
Accounts payable	$1,113,762	$3,265,215	$ -	$ -	$366,667	$ -	$ -	$ -	$4,745,644
Contracts payable		652,860	$901,800						1,554,660
Due to other funds		342,751				118,424			461,175
Matured bonds and interest payable	8,187								8,187
Deferred revenue	609,738	6,840,428				1,457,428			8,907,594
Deposits and advances						992,048			992,048
General obligation bonds payable								45,745,234	45,745,234
Capital lease obligation								822,699	822,699
Escrow liability						1,095,062			1,095,062
Payroll related accruals	2,973,309	600,096			515,822	398,434			4,487,661
Due to other governments						2,147,959			2,147,959
Accrued vacation and sick pay					861,516			3,097,505	3,959,021
Net pension obligation					323,835			1,133,593	1,457,428
Workers' compensation claims liability								721,169	721,169
Patient funds held in safekeeping					236,897				236,897
Total liabilities	4,704,996	11,701,350	901,800	-	2,304,737	6,209,355	-	51,520,200	77,342,438
Equity and other credits:									
Investment in general fixed assets							91,719,102		91,719,102
Contributed capital					1,407,946				1,407,946
Retained earnings:									
Unreserved					6,776,261				6,776,261
Fund balances:									
Reserved for employees' pension benefit						113,712,159			113,712,159
Reserved for advances	218,886								218,886
Reserved for loans receivable	1,074,130								1,074,130
Reserved for debt service				7,286,001					7,286,001
Unreserved:									
Designated for programmatic expenditures		7,164,014							7,164,014
Undesignated	9,534,281		270,095						9,804,376
Total equity and other credits	10,827,297	7,164,014	270,095	7,286,001	8,184,207	113,712,159	91,719,102	-	239,162,875
Total liabilities, equity, and other credits	$15,532,293	$18,865,364	$1,171,895	$7,286,001	$10,488,944	$119,921,514	$91,719,102	$51,520,200	$316,505,313

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, 1999

	General	Special Revenue	Capital Projects	Debt Service	Totals (Memorandum Only)
Revenues:					
Real estate taxes	$54,257,481	$ -	$ -	$ -	$54,257,481
Personal property taxes in arrears	8,110				8,110
Intergovernmental	5,304,677	64,363,403			69,668,080
Departmental	11,350,324	1,693,076			13,043,400
Fines and costs	2,961,714				2,961,714
Interest	1,448,507	276,232	242,239		1,966,978
Other	254,760	398,254	963,840		1,616,854
Total revenues	75,585,573	66,730,965	1,206,079	-	143,522,617
Expenditures:					
Current:					
General government	17,149,471		4,369,424		21,518,895
Public safety	5,206,259				5,206,259
Roads and bridges		560,989			560,989
Health, education, and welfare:					
Drug and alcohol		3,839,594			3,839,594
Employment and training		2,426,380			2,426,380
Mental health/mental retardation		26,077,370			26,077,370
Office of aging		5,968,260			5,968,260
Children and youth		27,331,900			27,331,900
Other	595,725				595,725
Judicial	20,377,277	2,906,874			23,284,151
Corrections	11,721,069				11,721,069
Cultural and recreation	1,881,487				1,881,487
Community development		3,965,971			3,965,971
Depreciation in Fair Value of Investments				210,073	210,073
Capital outlay	1,580,753	1,414,353	3,540,859		6,535,965
Debt service:					
Principal retirement	4,360,000				4,360,000
Interest and Fiscal Charges	1,875,940				1,875,940
Total expenditures	64,747,981	74,491,691	7,910,283	210,073	147,360,028
Excess (deficiency) of revenues over (under) expenditures	10,837,592	(7,760,726)	(6,704,204)	(210,073)	(3,837,411)
Other financing sources (uses):					
Operating transfers in	14,448	6,238,515		$1,652	6,254,615
Operating transfers out	(6,238,515)	(14,448)		(1,652)	(6,254,615)
Proceeds of refunding bonds	9,573,225				9,573,225
Payment to refunded bond escrow agent	(9,573,225)				(9,573,225)
Total other financing sources (uses)	(6,224,067)	6,224,067	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	4,613,525	(1,536,659)	(6,704,204)	(210,073)	(3,837,411)
Fund balances, January 1	6,213,772	8,700,673	6,974,299	7,496,084	29,384,828
Fund balances, December 31	$10,827,297	$7,164,014	$270,095	$7,286,011	$25,547,417

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, 1999

	General Fund			Budgeted Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Real estate taxes	$53,914,300	$54,379,308	$465,008	$ -	$ -	$ -
Personal property taxes in arrears		8,110	8,110			-
Intergovernmental	6,348,577	5,909,435	(439,142)	62,567,203	63,379,091	811,888
Departmental	11,243,771	11,356,149	112,378	1,501,390	1,568,072	66,682
Fines and costs	3,740,121	2,943,053	(797,068)			-
Interest	1,018,500	1,440,484	421,984	248,887	243,558	(5,329)
Indirect reimbursement	1,404,693	1,577,846	173,153			-
Other	247,602	246,103	(1,499)	495,399	398,979	(96,420)
Total revenues	77,917,564	77,860,488	(57,076)	64,812,879	65,589,700	776,821
Expenditures:						
Current:						
General government	24,108,199	19,862,423	4,245,776			-
Public safety	5,750,792	5,139,515	611,277			-
Roads and bridges			-	1,029,552	226,032	803,520
Health, education, and welfare:						
Drug and alcohol			-	3,932,657	3,874,079	58,578
Employment and training			-	3,275,529	2,393,035	882,494
Mental health/mental retardation			-	30,362,366	30,226,965	135,401
Office of aging			-	6,804,728	5,959,096	845,632
Children and youth			-	23,539,194	22,822,304	716,890
Other	547,937	889,268	(341,331)			-
Judicial	21,636,814	20,396,343	1,240,471	3,455,147	2,920,106	535,041
Corrections	11,887,055	11,611,828	275,227			-
Cultural and recreation	2,126,581	1,868,263	258,318			-
Capital outlay	2,384,035	1,580,753	803,282	2,270,737	2,009,411	261,326
Debt service:						
Principal	4,360,000	4,360,000	-			-
Interest	1,875,940	1,875,940	-			-
Total expenditures	74,677,353	67,584,333	7,093,020	74,669,910	70,431,028	4,238,882
Excess (deficiency) of revenues over (under) expenditures	3,240,211	10,276,155	(7,035,944)	(9,857,031)	(4,841,328)	5,015,703
Other financing sources (uses):						
Operating transfers in			-	7,828,153	6,238,515	(1,589,638)
Operating transfers out	(7,837,303)	(6,238,515)	1,598,788			-
Total other financing sources (uses)	(7,837,303)	(6,238,515)	1,598,788	7,828,153	6,238,515	(1,589,638)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	$(4,597,092)	4,037,640	$8,634,732	$(2,028,878)	1,397,187	$3,426,065
Net increase in assets and liabilities		1,228,669				
Fund balances, January 1		6,982,740			8,595,182	
Fund balances, December 31		$12,249,049			$9,962,979	

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, 1999

Operating revenues:	
Net patient service revenue	$24,040,919
Other	246,990
Total operating revenues	24,287,909
Operating expenses:	
Administration	1,099,854
Nursing	12,531,247
Dietary	2,603,192
Housekeeping	1,346,007
Medical services	67,576
Operations and maintenance	2,010,786
Pharmacy	365,992
Laundry	656,181
Recreation therapy	520,448
Admissions	86,475
Staff development	250,058
Barber and beautician	59,260
Personnel	239,992
Physical therapy	1,038,596
Social services	363,997
Volunteers	23,399
Depreciation	556,076
Security	162,452
Respiratory	145,835
Total operating expenses	24,127,423
Operating and net income	160,486
Retained-earnings, January 1	6,615,775
Retained-earnings, December 31	$6,776,261

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, 1999

Cash flows from operating activities:	
Cash received on patient accounts	$23,705,790
Cash payments to suppliers for goods and services	(6,450,735)
Cash payments to employees for services	(13,839,640)
Cash payments for taxes	(1,056,529)
Cash payments for employee benefits	(2,145,550)
Other operating revenues	247,004
Net cash provided by operating activities	460,340
Cash flows from capital and related financing activities:	
Purchases of capital assets	(1,343,803)
Net cash used in capital and related financing activities	(1,343,803)
Net increase in cash and cash equivalents	(883,463)
Cash and cash equivalents, January 1	4,143,839
Cash and cash equivalents, December 31	$3,260,376
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$160,486
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	556,076
Changes in assets and liabilities:	
Increase in due from other governments	(289,808)
Increase in accounts payable	(193,476)
Increase in accrued expenses	224,855
Decrease in patient funds held in safekeeping	(45,321)
Increase in other liabilities	47,528
Total adjustments	299,854
Net cash provided by operating activities	$460,340

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, 1999

Additions:	
Plan member contributions	$3,341,514
Investment income:	
Net appreciation in fair value of investments	17,361,015
Interest and Dividends	3,341,016
	20,702,031
Less investment expense	406,587
Net investment income	20,295,444
Total additions	23,636,958
Deductions:	
Benefits paid to plan members and beneficiaries	2,605,963
Refunds of contributions paid to plan members and beneficiaries	979,387
Administrative expenses	37,367
Total deductions	3,622,717
Net increase	20,014,241
Net assets held in trust for pension benefits, January 1	93,697,918
Net assets held in trust for pension benefits, December 31	$113,712,159

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

1. Summary of Significant Accounting Policies

The financial statements of the County of Lancaster (the County) have been prepared in conformity with generally accepted accounting principles (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.

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

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 funds). 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.

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

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.

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.

1. Summary of Significant Accounting Policies (continued)

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 1999 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 $236,897 at December 31, 1999 represent assets restricted for the payment of patient funds held in safekeeping.

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.

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 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.

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 $664,757 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.

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.

Bond Discounts/Issuance Costs

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

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.

1. Summary of Significant Accounting Policies (continued)

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.

New Accounting Pronouncement

Effective January 1, 1999, the County has adopted GASB Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans." The Statement requires that the County's Deferred Compensation Plan be removed from the financial statements as the Plan does not meet the criteria in NCGA Statement No. 1, "Governmental Accounting and Financial Reporting Principles," for inclusion in the fiduciary funds of the County. The Plan was previously reported as an agency fund. As a result of adopting GASB Statement No. 32, $14,773,753 of investments in mutual funds and $14,773,753 in deferred compensation liabilities were removed from the agency fund as of January 1, 1999.

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.

1. Summary of Significant Accounting Policies (continued)

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.

In June 1999, the GASB issued Statement No. 34, "Basic Financial Statements - Management's Discussion and Analysis." 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.

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	$ 12,249,049	$ 9,962,979
Accruals at December 31, 1999:		
Due from other funds	461,175	–
Due from other governments	697,228	3,221,494
Advances to providers	218,886	5,680,891
Loans receivable	1,074,130	–
Other receivables	823,638	–
Accounts payable	(1,113,762)	(3,265,215)
Contracts payable	–	(652,860)
Due to other funds	–	(342,751)
Deferred revenue	(609,738)	(6,840,428)
Payroll related accruals	(2,973,309)	(600,096)
Ending fund balance - GAAP basis	$ 10,827,297	$ 7,164,014

3. Deposits and Investments

Deposits

At December 31, 1999, the carrying amount of the County's deposits, including cash with fiscal agents, was $31,270,079 and the bank balances totaled $34,846,584. Of the bank balances, $4,234,322 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, 1999, $473,388 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 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

3. Deposits and Investments

At December 31, 1999, all of the County's investments other than the County's investment in the external investment pool 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 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.

Investments by type were as follows at December 31, 1999:

	Carrying Value
Temporary investments:	
U.S. government securities	$ 646,550
Commonwealth of Pennsylvania sponsored external investment pool	33,929
Municipal obligations	1,585,000
	$ 2,265,479
Investments:	
Common stocks	$ 52,280,825
International equity fund	18,552,203
Corporate bonds	14,319,716
U.S. government agency-mortgage backed securities	15,111,437
U.S. treasury interest-only strips	15,858,533
Collateralized mortgage obligations	2,060,392
	$ 118,183,106

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 mortgages 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

4. Property Taxes (continued)

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 1999 was 2.515 mills.

5. Changes in Fixed Assets

A summary of changes in general fixed assets for 1999 follows:

	Balance January 1, 1999	Additions	Retirements	Balance December 31, 1999
General fixed assets:				
Land and improvements	$ 4,732,170	$ –	$ –	$ 4,732,170
Buildings and improvements	58,500,671	1,527,525	–	60,028,196
Furniture and equipment	21,463,565	1,965,604	(227,009)	23,202,160
Assets under capital lease	1,371,165	–	–	1,371,165
Construction in progress	258,331	2,127,080	–	2,385,411
	$ 86,325,902	$ 5,620,209	$ (227,009)	$ 91,719,102

As of December 31, 1999, the County has $1,866,764 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, 1999:

Land and improvements	$ 433,693
Buildings and improvements	7,587,816
Furniture and equipment	5,174,739
Less accumulated depreciation	(8,462,626)
Net fixed assets	$ 4,733,622

5. Changes in Fixed Assets (continued)

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

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, 1999 amounted to $1,176,926. Future minimum lease payments for these leases are as follows:

Year Ending	Amount
2000	$ 1,043,649
2001	895,464
2002	650,113
2003	461,650
2004	3,281,460
Total	$ 6,332,336

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 31,1999. 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, 1999.

Year Ending	Amount
2000	$ 308,000
2001	308,000
2002	308,000
Total minimum lease payment	924,000
Less: Amount representing interest	101,301
Present value of minimum lease payments	$ 822,699

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.

As determined under the Commonwealth of Pennsylvania Local Government Unit Debt Act of 1972, the legal debt margin of the County at December 31, 1999 was $227,175,191.

Long-term debt consisted of the following at December 31, 1999:

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	$ 9,995,234
5.05% current interest bearing General Obligation Bonds, Second Series of 1992, to advance refund the General Obligation Bonds, Series of 1990, and the First General Obligation Bonds, Second Series of 1992 and various capital projects, dated December 1, 1992, principal payable annually, varying in an amount of $860,000 on May 1, 2000	860,000
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 $2,430,000 to $2,690,000 from May 1, 2000 to May 1, 2002	7,675,000
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 $425,000 to $745,000 from November 1, 2000 to November 1, 2016	7,690,000
3.45 - 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 $410,000 to $760,000 from November 1, 2000 to November 1, 2016	9,815,000
3.75 - 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, 2000 to November 1, 2010	9,710,000
Total general obligation bonds payable	45,745,234
Accrued vacation and sick pay	3,097,505
Net pension obligation	1,133,593
Workers' compensation claims liability	721,169
Obligation under capital lease agreement	822,699
Total general long-term debt	$ 51,520,200

7. Long-Term Debt (continued)

A summary of the County's total debt service commitments for debt outstanding as of December 31, 1999 is set forth below:

	General Long-Term Debt		
	Principal	Interest	Total
Bonds payable:			
2000	$ 5,129,362	$ 1,549,636	$ 6,678,998
2001	4,395,000	1,346,039	5,741,039
2002	4,600,000	1,142,396	5,742,396
2003	3,292,926	2,525,710	5,818,636
2004	3,288,304	2,543,820	5,832,124
2005-2016	25,039,642	9,822,658	34,862,300
	45,745,234	18,930,259	64,675,493
Other general long-term debt:			
Accrued vacation and sick pay	3,097,505	–	3,097,505
Net pension obligation	1,133,593	–	1,133,593
Workers' compensation claims liability	721,169	–	721,169
Obligation under capital lease agreement	822,699	101,301	924,000
	$ 51,520,200	$ 19,031,560	$ 70,551,760

On November 1, 1999, the County issued $9,710,000 in general obligation bonds, Series of 1999, to current refund and partially current refund previously issued general obligation bonds. The net refunding bond proceeds were $9,573,225 after payment of underwriting fees, insurance, and other issuance costs. The County current refunded its previously issued bonds to reduce debt service payable on its general obligation bonds by $276,099 and to obtain an economic gain of $352,123.

The remaining $628,503 of the 1999 additions to general obligation bonds payable represent 1999 accretion on the capital appreciation general obligation bonds dated March 14, 1991.

On December 31, 1999, $9,300,000 of bonds outstanding are considered defeased.

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

7. Long-Term Debt (continued)

Changes in Long-Term Liabilities

During the year ended December 31, 1999, the following changes occurred in liabilities reported in the general long-term debt account group:

	Balance January 1, 1999	Additions	Reductions	Balance December 31, 1999
Obligation under capital lease agreement	$ 1,096,932	$ –	$ 274,233	$ 822,699
Accrued vacation and sick pay	2,937,201	3,781,559	3,621,255	3,097,505
General obligation bonds payable	49,241,731	10,338,503	13,835,000	45,745,234
Net pension obligation	456,478	677,115	–	1,133,593
Workers' compensation claims liability	818,443	–	97,274	721,169
	$ 54,550,785	$ 14,797,177	$ 17,827,762	$ 51,520,200

8. Self-Insurance Claims Liability

Changes in the County's self-insurance claims liabilities for the years ended December 31, 1999 and 1998 were as follows:

	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

8. Self-Insurance Claims Liability

	Liability Balance as of January 1, 1998	Current Year Claims and Changes in Estimates	Claim Payments	Liability Balance as of December 31, 1998
General Fund-Unemployment Compensation	$ 263,060	$ 122,590	$ 122,590	$ 263,060
General Fund and General Long-Term Debt Account Group Workers' Compensation	1,292,459	477,216	516,937	1,252,738
General Fund-Medical Insurance	669,755	4,790,323	4,645,296	814,782
Total General Fund and General Long-Term Debt Account Group-Unemployment Compensation, Workers' Compensation, and Medical Insurance	$ 2,225,274	$ 5,390,129	$ 5,284,823	$ 2,330,580

Of the above general fund and general long-term debt account group workers' compensation balance at December 31, 1999 and 1998, $721,169 and $818,443, respectively, was reported in the general long-term debt account group.

9. Interfund Assets/Liabilities

Individual fund receivable and payable balances at December 31, 1999 were as follows:

Fund	Interfund Receivables	Interfund Payables
General	$ 461,175	$ –
Special revenue funds:		
Employment and training	–	151,245
Liquid fuels	–	119
Drug and alcohol	–	191,387
Agency	–	118,424
	$ 461,175	$ 461,175

10. Due From Other Governments

Amounts "Due from Other Governments" are primarily grants receivable from the Commonwealth of Pennsylvania at December 31, 1999. Additionally, the Enterprise Fund (Conestoga View) has a "Due from Other Governments" in the amount of $2,494,496 principally relating to billing for patient services rendered under the Commonwealth's Medical Assistance Program.

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, 1999, the outstanding loan balance to the Foundation under this agreement was $1,074,130.

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.

Effective January 1, 1996, the County repealed its personal property tax, which had averaged approximately $5 million in annual County revenues. The legality of similar taxes, under the U.S. Constitution, in Pennsylvania and other states has been challenged and the potential exists for the County's prior years taxes, going back three years, to be challenged also. Whether such claims will be asserted and ultimately result in a loss to the County is uncertain at this time.

In 1996, the County completed a reassessment of all County properties for taxing purposes as ordered by the State Commonwealth Court. The reassessment was effective with calendar year 1997. As a consequence of the reassessment, certain property values are being appealed by individual property owners and through class action. The likelihood of an unfavorable outcome relating to this matter is uncertain at this time.

11. Commitments and Contingent Liabilities (continued)

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, 356 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 $823,260 for 1999, as premiums are paid.

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.

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

Membership in the Plan is mandatory for all full-time County employees. At December 31, 1999, the Plan's membership consisted of the following:

Retirees and beneficiaries receiving benefits	483
Terminated plan members enrolled but not yet receiving benefits	36
Active plan members	2,079
Total members	2,598

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 $29,833,862 as of December 31, 1999, 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.

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

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:

Mid-Large Cap Domestic Equities	30%
Small Cap Domestic Equities	15%
International Equities	15%
Domestic Fixed Income	40%

Securities must be rated BAA or better by Moody's rating services or BBB by Standard & Poor's rating service.

The following individual investment represents 5% or more of the Plan's fair value of net assets available for benefits as of December 31, 1999:

	Fair Value
International equity mutual fund	$ 18,552,203

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 1999, all administrative costs totaling $37,367 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 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.

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

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, 1999. 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	$ 899,728
Interest on net pension obligation	43,949
Adjustment to annual required contribution	(72,229)
Annual pension cost	871,448
Contributions made	–
Increase in net pension obligation	871,448
Net pension obligation beginning of year	585,980
Net pension obligation, end of year	$ 1,457,428

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

Legally Required Reserves

At December 31, 1999, the County has a balance of $29,833,862 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, 1999. Since those accumulations represent the present value of future benefits as of December 31, 1999, the reserve balance and liability are equal and this reserve is fully funded.

The County has a balance of $44,926,632 in the County Annuity Reserve Account as of December 31, 1999. 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, 1999 amounted to $19,860,689.

14. Enterprise Fund Equity

The Conestoga View enterprise fund had a contributed capital balance of $1,407,946 at December 31, 1999. There were no additions to contributed capital during 1999.

15. Fund Balance Deficit

The Public Safety Fund, a Capital Projects Fund, reported a fund balance deficit of $637,731 at December 31, 1999.

16. Subsequent Events

On January 20, 2000, the County issued $25,000,000 in variable rate General Obligation Bonds, Series of 2000, dated January 20, 2000, to finance various capital projects of the County. The interest rate is variable throughout the life of the bonds and they mature from May 1, 2000 to November 1, 2030.

On May 24, 2000, the County enacted an ordinance to issue $32,000,000 in General Obligation Bonds, Series A of 2000, dated June 15, 2000, to finance various capital projects of the County. The bonds' stated interest rates will be from 5% to 6.25%, and they will mature from November 1, 2000 through May 1, 2015.

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

Year Ended December 31	Annual Required Contribution	Percentage Contributed
1994	$ 1,942,057	74%
1995	2,088,180	27%
1996	2,360,563	13%
1997	2,617,040	0%
1998	585,980	0%
1999	899,728	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, 1999
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.

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, 1999

	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	$1,242,274	$2,515,004	$ -	$836,099	$1,899,057	$ -	$2,870,120	$312,110	$ -	$9,674,664
Other	2,938			285,377						288,315
Due from other governments	1,999,835	389,687	244,143	82,803		500,366	4,660			3,221,494
Advances to providers				6,600	5,666,727	7,564				5,680,891
Total assets	$3,245,047	$2,904,691	$244,143	$1,210,879	$7,565,784	$507,930	$2,874,780	$312,110	$ -	$18,865,364
Liabilities and fund balances										
Liabilities:										
Accounts payable	$1,511,761	$7,417	$64,713	$255,297	$1,121,787	$302,669	$1,571	$ -	$ -	$3,265,215
Contracts payable							340,750	312,110		652,860
Due to other funds			151,245			191,387	119			342,751
Deferred revenue	220,494			336,077	6,283,857					6,840,428
Payroll-related accruals	218,329	83,203	28,185	96,365	160,140	13,874				600,096
Total liabilities	1,950,584	90,620	244,143	687,739	7,565,784	507,930	342,440	312,110	-	11,701,350
Fund balances:										
Unreserved:										
Designated for programmatic expenditures	1,294,463	2,814,071		523,140			2,532,340		-	7,164,014
Total fund balances	1,294,463	2,814,071	-	523,140	-	-	2,532,340	-	-	7,164,014
Total liabilities and fund balances	$3,245,047	$2,904,691	$244,143	$1,210,879	$7,565,784	$507,930	$2,874,780	$312,110	$ -	$18,865,364

County of Lancaster, Pennsylvania

Special Revenue Funds
Combining Statements of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended December 31, 1999

	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	$20,939,538	$2,110,061	$2,514,367	$5,715,118	$24,679,326	$3,635,484	$803,538	$ -	$3,965,971	$64,363,403
Departmental	1,231,930	255,975		80	200,036	5,055				1,693,076
Interest	6,876				116,810	4,925	147,621			276,232
Other		125,581	133	132,195	136,485		3,860			398,254
Total revenues	22,178,344	2,491,617	2,514,500	5,847,393	25,132,657	3,645,464	955,019	-	3,965,971	66,730,965
Expenditures:										
Current:										
Roads and bridges							560,989			560,989
Health, education, and welfare:										
Drug and alcohol						3,839,594				3,839,594
Employment and training			2,426,380							2,426,380
Mental health/mental retardation					26,077,370					26,077,370
Office of aging				5,968,260						5,968,260
Children and youth	27,331,900									27,331,900
Community development									3,965,971	3,965,971
Judicial		2,906,874								2,906,874
Capital outlay	256,610	82,713	88,120	40,380	80,067	6,262	860,201			1,414,353
Total expenditures	27,588,510	2,989,587	2,514,500	6,008,640	26,157,437	3,845,856	1,421,190	-	3,965,971	74,491,691
Deficiency of revenues under expenditures	(5,410,166)	(497,970)	-	(161,247)	(1,024,780)	(200,392)	(466,171)	-	-	(7,760,726)
Other financing sources (uses):										
Operating transfers in	3,877,398	599,207		536,738	1,024,780	200,392				6,238,515
Operating transfers out		(14,448)								(14,448)
Total other financing sources	3,877,398	584,759	-	536,738	1,024,780	200,392	-	-	-	6,224,067
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,532,768)	86,789	-	375,491	-	-	(466,171)	-	-	(1,536,659)
Fund balances, January 1	2,827,231	2,727,282		147,649			2,998,511			8,700,673
Fund balance, December 31	$1,294,463	$2,814,071	$ -	$523,140	$ -	$ -	$2,532,340	$ -	$ -	$7,164,014

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, 1999

	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	$17,345,144	$19,329,988	$1,984,844	$2,635,607	$2,397,129	$(238,478)	$3,372,702	$2,702,187	$(670,515)
Departmental	1,153,010	1,106,926	(46,084)	176,000	255,975	79,975			-
Interest	1,200	7,007	5,807			-			-
Other	-	(131)	(131)	85,000	125,581	40,581		(253)	(253)
Total revenues	18,499,354	20,443,790	1,944,436	2,896,607	2,778,685	(117,922)	3,372,702	2,701,934	(670,768)
Expenditures:									
Current:									
Health, education, and welfare:									
Employment and training			-			-	3,275,529	2,393,035	882,494
Children and youth	23,539,194	22,822,304	716,890			-			-
Judicial			-	3,455,147	2,920,106	535,041			-
Capital outlay	328,045	256,610	71,435	215,951	82,713	133,238	101,628	88,120	13,508
Total expenditures	23,867,239	23,078,914	788,325	3,671,098	3,002,819	668,279	3,377,157	2,481,155	896,002
Excess (deficiency) of revenues over (under) expenditures	(5,367,885)	(2,635,124)	2,732,761	(774,491)	(224,134)	550,357	(4,455)	220,779	(225,234)
Other financing sources (uses):									
Operating transfers in	5,294,528	3,877,398	(1,417,130)	755,850	599,207	(156,643)			-
Operating transfers out			-			-			-
Total other financing sources (uses)	5,294,528	3,877,398	(1,417,130)	755,850	599,207	(156,643)	-	-	-
Excess (deficiency) of revenues and other financing sources over (under expenditures and other financing uses	$(73,357)	1,242,274	$1,315,631	$(18,641)	375,073	$393,714	$(4,455)	220,779	$(216,324)
Net increase (decrease) in due to other funds								(220,779)	
Fund balances at January 1, cash basis		2,938			2,139,931			-	
Fund balances at December 31, cash basis		1,245,212			2,515,004			-	
Differences from modified accrual basis:									
Due from other governments		1,999,835			389,687			244,143	
Advances to providers					-				
Accounts payable		(1,511,761)			(7,417)			(64,713)	
Contracts payable									
Due to other funds								(151,245)	
Deferred revenue		(220,494)							
Payroll related accruals		(218,329)			(83,203)			(28,185)	
Fund balances at December 31, modified accrual basis		$1,294,463			$2,814,071			$ -	

(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, 1999

	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	$6,232,078	$5,880,458	$(351,620)	$28,668,174	$28,831,266	$163,092	$3,713,498	$3,436,226	$(277,272)
Departmental	-	80	80	169,800	200,036	30,236	2,580	5,055	2,475
Interest			-	191,150	84,005	(107,145)	11,537	4,925	(6,612)
Other	122,000	132,195	10,195	286,399	137,727	(148,672)	2,000		(2,000)
Total revenues	6,354,078	6,012,733	(341,345)	29,315,523	29,253,034	(62,489)	3,729,615	3,446,206	(283,409)
Expenditures:									
Current:									
Health, education, and welfare:									
Drug and alcohol			-			-	3,932,657	3,874,079	58,578
Mental health/mental retardation			-	30,362,366	30,226,965	135,401			-
Office of aging	6,804,728	5,959,096	845,632			-			-
Capital outlay	72,350	40,380	31,970	85,261	80,067	5,194	6,944	6,262	682
Total expenditures	6,877,078	5,999,476	877,602	30,447,627	30,307,032	140,595	3,939,601	3,880,341	59,260
Excess (deficiency) of revenues over (under) expenditures	(523,000)	13,257	536,257	(1,132,104)	(1,053,998)	78,106	(209,986)	(434,135)	(224,149)
Other financing sources (uses):									
Operating transfers in	476,336	536,738	60,402	1,096,149	1,024,780	(71,369)	205,290	200,392	(4,898)
Total other financing sources (uses)	476,336	536,738	60,402	1,096,149	1,024,780	(71,369)	205,290	200,392	(4,898)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	$(46,664)	549,995	$596,659	$(35,955)	(29,218)	$6,737	$(4,696)	(233,743)	$(229,047)
Net increase (decrease) in due to other funds								191,389	
Fund balances at January 1, cash basis		571,481			1,928,275			42,354	
Fund balances at December 31, cash basis		1,121,476			1,899,057			-	
Differences from modified accrual basis:									
Other receivables		-			-				
Due from other governments		82,803						500,366	
Advances to providers		6,600			5,666,727			7,564	
Accounts payable		(255,297)			(1,121,787)			(302,669)	
Contracts payable									
Due to other funds								(191,387)	
Deferred revenue		(336,077)			(6,283,857)			-	
Payroll related accruals		(96,365)			(160,140)			(13,874)	
Fund balances at December 31, modified accrual basis		$523,140			$ -			$ -	

(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, 1999

	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	$801,837	$201,837	$ -	$ -	$ -	$62,567,203	$63,379,091	$811,888
Departmental			-			-	1,501,390	1,568,072	66,682
Interest	45,000	147,621	102,621			-	248,887	243,558	(5,329)
Other	-	3,860	3,860			-	495,399	398,979	(96,420)
Total revenues	645,000	953,318	308,318	-	-	-	64,812,879	65,589,700	776,821
Expenditures:									
Current:									
Roads and bridges	1,029,552	226,032	803,520			-	1,029,552	226,032	803,520
Health, education, and welfare:									
Drug and alcohol			-			-	3,932,657	3,874,079	58,578
Employment and training			-			-	3,275,529	2,393,035	882,494
Mental health/mental retardation			-			-	30,362,366	30,226,965	135,401
Office of aging			-			-	6,804,728	5,959,096	845,632
Children and youth			-			-	23,539,194	22,822,304	716,890
Judicial			-			-	3,455,147	2,920,106	535,041
Capital outlay	865,500	860,201	5,299	595,058	595,058	-	2,270,737	2,009,411	261,326
Total expenditures	1,895,052	1,086,233	808,819	595,058	595,058	-	74,669,910	70,431,028	4,238,882
Excess (deficiency) of revenues over (under) expenditures	(1,250,052)	(132,915)	(1,117,137)	(595,058)	(595,058)	-	(9,857,031)	(4,841,328)	5,015,703
Other financing sources (uses):									
Operating transfers in			-			-	7,828,153	6,238,515	(1,589,638)
Operating transfers out			-			-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	7,828,153	6,238,515	(1,589,638)
Excess (deficiency) of revenues and other financing sources over (under expenditures and other financing uses	$(1,250,052)	(132,915)	$(1,117,137)	$(595,058)	(595,058)	$ -	$(2,028,878)	1,397,187	$3,426,065
Net increase (decrease) in due to other funds								(29,390)	
Fund balances at January 1, cash basis		3,003,035			907,168			8,595,182	
Fund balance at December 31, cash basis		2,870,120			312,110			9,962,979	
Differences from modified accrual basis:									
Due from other governments		4,660						3,221,494	
Advances to providers		-						5,680,891	
Accounts payable		(1,571)						(3,265,215)	
Contracts payable		(340,750)			(312,110)			(652,860)	
Due to other funds		(119)						(342,751)	
Deferred revenue								(6,840,428)	
Payroll related accruals								(600,096)	
Fund balances at December 31, modified accrual basis		$2,532,340			$ -			$7,164,014	

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Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital assets other than those financed by proprietary funds and trust funds.

Parks and Open Spaces Fund

This fund is used to account for the acquisition of agricultural conservation easements and for the design and construction of additions, improvements, renovations, and repairs to the public parks in the County. The funding for these projects was provided from the 1990 general obligation bond issue, which was advance refunded by the 1992 second series general obligation bond issue.

County Construction Fund

This fund is used to account for the construction of an addition to the County's prison and remodeling of the County's courtrooms. The funding for these projects was provided from the 1988 general obligation bond issue which was advance refunded by the 1991 general obligation bond issue.

Training Facility Fund

This fund is used to account for costs related to various capital projects of the County including the Emergency Service Training Facility, agricultural conservation easements, and public parks and recreational facilities. The funding for these projects was provided from the 1994 series general obligation bond issue.

Public Safety Fund

This fund is used to account for costs related to various capital projects of the County including public safety projects, municipal highway projects, farmland preservation, and parkland acquisitions. The funding for these projects was provided from the 1996 Series general obligation bond issue.

County of Lancaster, Pennsylvania

Capital Projects Funds
Combining Balance Sheet

December 31, 1999

	Parks and Open Spaces	County Construction	Training Facility	Public Safety	Total
Assets					
Cash-operating	$ -	$ -	$ -	$ -	$ -
Cash-other	411,205	287,302			698,507
Restricted cash			473,388		473,388
Total assets	$411,205	$287,302	$473,388	$ -	$1,171,895
Liabilities and fund balances					
Liabilities:					
Contracts payable	$ -	$2,834	$261,235	$637,731	$901,800
Total liabilities	-	2,834	261,235	637,731	901,800
Fund balance (deficit):					
Unreserved, undesignated	411,205	284,468	212,153	(637,731)	270,095
Total fund balances (deficit)	411,205	284,468	212,153	(637,731)	270,095
Total liabilities and fund balances	$411,205	$287,302	$473,388	$ -	$1,171,895

County of Lancaster, Pennsylvania

Capital Projects Funds
Combining Statements of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended December 31, 1999

	Parks and Open Spaces	County Construction	Training Facility	Public Safety	Total
Revenues:					
Interest	$ -	$ -	$36,178	$206,061	$242,239
Other	105,798			858,042	963,840
Total revenues	105,798	-	36,178	1,064,103	1,206,079
Expenditures:					
General government			719,734	3,649,690	4,369,424
Capital outlay		131,444	757,246	2,652,169	3,540,859
Total expenditures	-	131,444	1,476,980	6,301,859	7,910,283
Excess (deficiency) of revenues over (under) expenditures	105,798	(131,444)	(1,440,802)	(5,237,756)	(6,704,204)
Fund balances, January 1	305,407	415,912	1,652,955	4,600,025	6,974,299
Fund balances (deficit), December 31	$411,205	$284,468	$212,153	$(637,731)	$270,095

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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, 1999

	Pension Trust Fund	Agency Fund	Total
Assets			
Cash and temporary investments-operating	$2,131,145	$4,751,927	$6,883,072
Accounts receivable	2,141,347	-	2,141,347
	4,272,492	4,751,927	9,024,419
Investments, at fair value:			
U.S. Government securities	8,572,522		8,572,522
U.S. Government agency-mortgage backed securities	15,111,437		15,111,437
Domestic corporate bonds	14,319,716		14,319,716
Collateralized mortgage obligations	2,060,392		2,060,392
Domestic common stocks	52,280,825		52,280,825
International equity fund	18,552,203		18,552,203
Total investments	110,897,095	-	110,897,095
Total assets	$115,169,587	$4,751,927	$119,921,514
Liabilities and net assets			
Liabilities:			
Due to other funds	$ -	$118,424	$118,424
Deferred revenue	1,457,428		1,457,428
Deposits and advances		992,048	992,048
Escrow liability		1,095,062	1,095,062
Payroll related accruals		398,434	398,434
Due to other governments		2,147,959	2,147,959
Total liabilities	1,457,428	4,751,927	6,209,355
Net assets held in trust for pension benefits	113,712,159		113,712,159
Total liabilities and net assets	$115,169,587	$4,751,927	$119,921,514

County of Lancaster, Pennsylvania

Agency Fund
Statement of Changes in Assets and Liabilities

For the Year Ended December 31, 1999

	Balance January 1, 1999	Additions	Deletions	Balance December 31, 1999
Assets				
Cash and temporary investments-operating	$5,762,976	$124,049,791	$125,060,840	$4,751,927
Investments	14,773,753		14,773,753	-
Accounts rceivable	-			-
Total assets	$20,536,729	$124,049,791	$139,834,593	$4,751,927
Liabilities				
Due to other funds	$133,971	$118,424	$133,971	$118,424
Deposits and advances:				
Bail and advanced costs	358,712	1,020,740	981,681	397,771
Civil debt held	124	171,523	171,647	-
Sheriff's office	443,884	2,449,675	2,311,092	582,467
All others	9,851	8,422	6,463	11,810
Total deposits and advances	812,571	3,650,360	3,470,883	992,048
Escrow liability:				
Bail escrow	546,922	783,732	1,033,035	297,619
Child support	1,181,316	33,485,480	34,652,835	13,961
County prison	508,496	2,325,801	2,292,037	542,260
Courts, restitution	89,857	826,947	807,156	109,648
All others	136,941	1,655	7,022	131,574
Total escrow	2,463,532	37,423,615	38,792,085	1,095,062
Other:				
Deferred compensation benefits payable	14,773,753	-	14,773,753	-
All others	548,566	2,507,201	2,657,333	398,434
Total other	15,322,319	2,507,201	17,431,086	398,434
Due to other governments:				
Fines and costs	1,745,681	79,845,455	79,524,099	2,067,037
All others	58,655	504,736	482,469	80,922
Total due to other governments	1,804,336	80,350,191	80,006,568	2,147,959
Total liabilities	$20,536,729	$124,049,791	$139,834,593	$4,751,927

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General Fixed Assets Account Group

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County of Lancaster, Pennsylvania

Schedule of General Fixed Assets - By Source

December 31, 1999

General fixed assets:	
Land and improvements	$4,732,170
Buildings and improvements	60,028,196
Furniture and equipment	23,202,160
Assets under capital lease	1,371,165
Construction in progress	2,385,411
Total general fixed assets	$91,719,102
Investment in general fixed assets by source:	
General fund	
General fund revenues	$22,721,453
Capital lease obligations	1,371,165
Special revenue funds	1,910,822
Capital projects funds	37,289,263
Prior years not identified by source	28,426,399
Total investment in general fixed assets	$91,719,102

County of Lancaster, Pennsylvania

Schedule of General Fixed Assets - By Function and Activity

December 31, 1999

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	$2,489,450	$1,371,165	$ -	$4,467,348
Community services	-	7,684	1,366,952	-	-	1,374,636
Finance	-	3,566	631,751	-	-	635,317
Planning commission	-	6,045	532,237	-	-	538,282
Recorder of deeds	-	1,300	286,320	-	-	287,620
Registration and elections	115	216,316	509,327	-	-	725,758
General government buildings	371,668	48,161,678	3,799,761	-	-	52,333,107
Total general government	933,517	48,441,588	9,615,798	1,371,165	-	60,362,068
Roads and bridges	-	72,117	195,981	-	-	268,098
Public safety	10,842	613,581	4,543,178	-	-	5,167,601
Health, education, and welfare:						
Mental health/mental retardation and drug and alcohol	3,400	22,856	1,090,229	-	-	1,116,485
Office of aging	-	24,108	438,474	-	-	462,582
Children and youth	115	588,096	981,326	-	-	1,569,537
Total health, education, and welfare	3,515	635,060	2,510,029	-	-	3,148,604
Judicial	46,810	888,051	4,742,469	-	-	5,677,330
Corrections	6,710	6,814,228	551,102	-	-	7,372,040
Cultural and recreation	3,730,776	2,563,571	1,043,603	-	-	7,337,950
Construction in progress	-	-	-	-	2,385,411	2,385,411
Total general fixed assets	$4,732,170	$60,028,196	$23,202,160	$1,371,165	$2,385,411	$91,719,102

County of Lancaster, Pennsylvania

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

For the Year Ended December 31, 1999

Function and Activity	General Fixed Assets January 1, 1999	Additions	Deductions	General Fixed Assets December 31, 1999
General government:				
Administration	$3,982,341	$552,910	$67,903	$4,467,348
Community services	1,207,122	180,654	13,140	1,374,636
Finance	625,702	19,524	9,909	635,317
Planning commission	493,099	56,733	11,550	538,282
Recorder of deeds	278,923	10,234	1,537	287,620
Registration and elections	714,143	12,130	515	725,758
General government buildings	51,323,493	1,016,567	6,953	52,333,107
Total general government	58,624,823	1,848,752	111,507	60,362,068
Roads and bridges	268,098	-	-	268,098
Public safety	4,878,182	290,573	1,154	5,167,601
Health, education, and welfare:				
Mental health/mental retardation and drug and alcohol	1,037,119	87,378	8,012	1,116,485
Office of aging	427,916	40,909	6,243	462,582
Children and youth	1,346,332	255,099	31,894	1,569,537
Total health, education, and welfare	2,811,367	383,386	46,149	3,148,604
Judicial	5,328,055	406,366	57,091	5,677,330
Corrections	7,191,470	191,138	10,568	7,372,040
Cultural and recreation	6,965,576	372,914	540	7,337,950
Construction in progress	258,331	2,127,080	-	2,385,411
Total general fixed assets	$86,325,902	$5,620,209	$227,009	$91,719,102

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

Table 1

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Expenditures:										
General Government	$9,142,742	$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
Public Safety	1,630,857	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
Roads and Bridges	747,792	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	1,559,491	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
Employment and Training	1,960,927	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
County Nursing Home										
Mental Health/Mental Retardation	12,981,595	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
Office of Aging	3,778,266	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
Children and Youth	10,068,015	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
Transportation (2)										
Other	868,741	933,384	749,686	3,173,556	3,308,767	3,296,100	3,414,825	3,195,669	529,528	595,725
Judicial	12,143,746	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
Corrections	5,999,662	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
Culture and Recreation	872,443	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
Community Development	3,825,116	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
Arbitatge expense			300,240							
Other Programs Supported	9,667									
Depreciation in Fair Value of Investments										210,073
Capital Outlay	16,450,718	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
Capital Lease					979,655				1,371,165	
Debt service (2)										
Principal Retirement	1,835,000	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
Other advance refunding escrow			683,243							
Interest and fiscal charges	2,547,101	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
Bond issuance costs			470,781							
Total Expenditures	$86,421,879	$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

(1) Amounts include all governmental fund types
(2) Amount 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

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Revenues:										
Real Estate Taxes	$21,556,539	$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
Personal Property Taxes	4,086,280	4,014,640	4,508,936	4,776,742	5,212,350	5,255,102	-	395	38,544	8,110
Intergovernmental	35,891,974	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
Departmental	4,196,624	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
Fines and Costs	1,940,285	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
Interest	3,010,063	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
Other	487,725	659,745	604,357	757,120	1,218,745	639,833	396,521	418,961	328,169	1,616,854
Total Revenues	$71,169,490	$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

(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	Ourtstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
1990	$25,073,889	$24,897,850	99.30%	$705,787	$25,603,637	102.11%	$724,222	2.89%
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%

(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

	Real Property				Personal Property (2)		
Year	Assessed Value	Estimated Actual Value (1)	Millage Rate	Assessed Value to Estimated Actual Value	Assessed Value	Millage Rate	Total Assessed Value
1990	$2,969,296,420	$2,848,311,530	7.500	100%	$1,041,417,143	4.00	$4,010,713,563
1991	3,492,869,440	3,069,906,760	8.500	100%	1,127,357,557	4.00	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

(1) 1990-1996 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

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
City:										
Lancaster	96.5	112.5	116.25	119.75	130.2	131.6	144.1	24.505	25.515	26.455
Borough:										
Adamstown	67.75	83.5	87.5	91	96	97.5	100	16.265	17.825	18.555
Akron	63.5	71.5	71.5	75	84	86	85.5	14.569	16.225	16.205
Christiana	70	97	95	100.5	105.5	102	115	16.625	17.945	19.485
Columbia	80	94.75	98.5	105	114	116.5	115.5	18.601	22.161	23.091
Denver	67.5	85.25	88.75	92.25	97.25	98.75	101.25	16.585	18.145	18.375
East Petersburg	55.5	69.25	72.75	76.25	81.85	81.85	84.85	15.37	16.477	16.457
Elizabethtown	62	78	78	81.5	82.5	84.5	87.5	14.72	16.105	17.265
Ephrata	68.75	77.75	77.75	81.25	88	88	89.5	15.082	16.162	16.142
Lititz	63.5	76	77	80.5	94.7	97	97.9	16.2	16.76	16.74
Manheim	66.25	83.1	85	88.5	100	102.8	104.6	17.375	18.505	18.815
Marietta	82.25	95.5	95.5	104	108	109.5	108.5	16.275	17.135	17.975
Millersville	56.75	69.75	72.25	78.25	89.5	98.5	105.4	17.363	18.873	19.493
Mount Joy	75.75	89.5	89.5	94	98.5	100.5	99.5	15.775	16.385	16.725
Mountville	58.5	72.25	75.75	79.25	83.85	83.85	84.85	15.315	15.875	15.855
New Holland	68.4	83.3	84.3	89.3	90.8	90.8	92.55	14.815	15.375	15.355
Quarryville	50	60	60	63.5	70.5	73.5	73	11.155	11.715	11.995
Strasburg	58.5	74.5	76	79.5	81.2	85.6	90	15.455	16.835	17.005
Terre Hill	72.9	87.8	88.8	93.3	94.8	95.3	96.3	15.325	16.345	16.325
Townships:										
Bart	51	60	60	62.5	66	69	70	10.425	10.915	10.895
Brecknock	63.9	78.8	79.8	83.3	85.8	85.8	84.8	13.485	14.345	14.325
Caernarvon	64.4	79.3	80.3	83.8	85.3	85.3	86.3	13.685	14.245	14.225
Clay	65.5	73.5	73.5	77	83	83	83.5	14.13	15.2098	15.1898
Colerain	46	54	54	57.5	62	65	66	9.955	10.515	10.495
Conestoga	51.5	65	64.5	68	78.5	85.5	90.4	15.002	16.512	17.132
Conoy	53.75	65	65	68.5	69.5	69.5	72.5	12.12	13.505	14.665
Drumore	43	51	51	54.5	59	62	63	9.555	10.115	10.095

(continued)

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

Table 5 (Cont.)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Earl	63.9	79.8	80.8	85.8	87.3	87.3	88.3	14.125	15.045	15.025
East Cocalico	64.5	81.25	82.25	87.75	92.75	94.25	96.75	15.835	17.395	17.675
East Donegal	69.75	82	82.5	86	91	92	92	14.868	15.535	15.875
East Drumore	45.5	53.5	53.5	57	61.5	64.5	65.5	9.955	10.515	10.495
East Earl	65.9	80.8	81.8	85.3	86.8	86.8	87.8	13.975	14.535	14.565
East Hempfield	56.5	70.75	74.25	78.5	83.1	83.85	84.85	15.495	16.155	16.135
East Lampeter	48.5	61	62.5	67	74	76.25	78.25	13.705	14.515	14.625
Eden	47	55	55	58.5	63	66	67	10.155	10.815	10.165
Elizabeth	56.5	69	70	73.5	87.7	90	90.9	15.075	15.635	15.615
Ephrata	64	72	72	76.5	82.5	84.5	87	14.705	15.845	16.055
Fulton	45	53	53	56.5	61	64	65	9.775	10.335	10.315
Lancaster	74.5	90.5	94.25	97.75	105.7	104.7	111.7	19.025	20.035	20.015
Leacock	54.5	71.5	74.25	77.75	83.25	85.25	86.75	13.586	14.535	15.215
Little Britian	46	54	54	57.5	62	65	66	9.975	10.535	10.515
Manheim	70	85.9	86.5	90	92.3	92.3	91.7	16.245	16.785	16.765
Manor	50.5	62	63.5	67	77.5	84.5	89.4	15.045	16.555	17.225
Martic	47.5	59	59.5	63	72.5	79.5	84.4	14.195	15.705	16.325
Mount Joy (Part)(2)	77.25	89.5	89.5	94	97	95	93	14.675	14.105	15.375
Mount Joy (Part)(3)	61	74	74	78.5	78.5	76.5	78.5	12.82	15.135	15.165
Paradise	58.5	75.5	78.25	81.75	87.25	89.25	90.75	14.125	14.985	15.665
Penn	58.75	73.6	75.5	79	89.5	92.3	94.1	15.875	17.005	17.565
Pequea	52.5	64.5	67	70.5	80	87	91.9	15.319	16.82865	17.4487
Providence	45	53	53	56.5	60.5	63.5	64.5	9.775	10.335	10.315
Rapho	56.75	71.6	73.5	77	86.5	89.3	91.1	15.375	16.505	16.815
Sadsbury	72.5	98.5	96.5	100	104	97	108	15.825	17.145	17.735
Salisbury	54	71	73.75	77.25	82.75	84.75	86.25	13.505	14.265	14.945
Strasburg	54.5	69.5	70.5	74	75.7	78.6	83	14.255	15.635	15.805
Upper Leacock	49.5	60	61.5	65	71	75.25	77.25	13.575	14.485	14.665
Warwick	58.5	71	72	75.5	89.7	92	92.9	15.405	15.9654	15.9454
West Cocalico	63.5	80.25	81.25	84.75	90.75	92.25	94.75	15.335	16.895	17.125
West Donegal	57	70	71	74.5	75.5	77.5	80.5	13.62	15.005	16.165
West Earl	49.75	59.25	60.75	64.25	70.25	73.25	75.25	13.24	14.185	14.295
West Hempfield	54	67.75	71.25	74.75	79.35	79.35	80.35	14.595	15.155	15.135
West Lampeter	53.75	68.75	69.75	73.25	74.95	77.85	82.25	14.19	15.47	15.6988

(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, 1999

Table 6

Taxpayer	Type of Business	Assessed Value	Percentage of Total Assessed Valuation
High Properties	Real Estate	$183,761,600	0.81%
Park City (Spitzer)	Retailing	150,320,900	0.67%
Willow Valley Manor, Inc.	Retirement Complex	113,845,000	0.50%
Armstrong World Industries	Manufacturing	96,177,700	0.43%
Willow Valley Assoc., Inc.	Real Estate	39,942,700	0.18%
New Holland, Inc.	Farm Equipment/Manufacturing	34,598,700	0.15%
R. R. Donnelley Printing	Publishing	34,593,200	0.15%
American Stores	Warehouse	28,931,600	0.13%
Warner-Lambert Co.	Manufacturing	26,090,700	0.12%
Howmet Aluminum Corp. (Alumax)	Manufacturing	23,548,600	0.10%
Masonic Homes	Retirement Complex	23,441,400	0.10%
Brethren Home Inc.	Retirement Complex	20,331,000	0.09%
T. C. Lanc. Co. (Colonial Crest)	Apartment Complex	17,700,000	0.08%
Hershey Farms	Apartment Complex	17,624,800	0.08%
Bold Corp.	Manufacturing	16,399,700	0.07%
Pepperidge Farm Inc.	Food Processing	15,514,700	0.07%
Kellogg Co.	Food Processing	14,548,900	0.06%
Lutheran Social Services	Social Services	12,437,100	0.06%
NPD Subsidiary Inc. (c\o Burle Ind)	Manufacturing	12,074,800	0.05%
Clabell	Apartment Complex	11,769,800	0.05%
	Total	$893,652,900	3.96%

County of Lancaster, Pennsylvania
Computation of Legal Debt Margin
December 31, 1999

Table 7

Borrowing base revenues (1):		
	1997	$ 80,864,860
	1998	94,431,590
	1999	97,623,975
Total Revenue		$ 272,920,425
Average borrowing base revenues		$ 90,973,475
Debt limit percentage		300%
		272,920,425
Total amount of debt applicable to debt limit		45,745,234
Excess over debt limit		$ 227,175,191

(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
1990	422,822	$4,010,714	$ 41,105,000	102.49%	$ 97.22
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

(1) Population Sources: 1990 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 General Obligation Bonds reported on 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	Prinicipal (3)	Interest and Fiscal Charges	Total Debt Service	Total General Governmetal Expenditures	Ratio of Debt Service to General Governmental Expenditures
1990	$1,835,000	$2,547,101	$4,382,101	$86,421,879	5.07%
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%

(1) 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, 1999

Table 10

Jurisdiction	(1) Net General Obligation Bonded Debt and/or Revenue Bonds Outstanding	
County of Lancaster	$45,745,234	(2)
Overlapping:		
City of Lancaster	-	
School Districts:		
Cocalico	29,082,844	
Columbia Borough	6,585,200	
Conestoga Valley	-	
Donegal	10,082,341	
Eastern Lancaster Co.	18,091,181	
Elizabethtown Area	33,043,576	
Ephrata Area	45,023,563	
Hempfield	49,021,764	
Lampeter-Strasburg	20,512,570	
Lancaster	84,441,645	
Manheim Central	27,811,395	
Manheim Township	42,511,034	
Octorara	22,852,000	
Penn Manor	-	
Pequea Valley	-	
Solanco	26,897,949	
Warwick	23,120,000	
Total school districts	439,077,062	
Municipal Authorities:		
Adamstown Borough Authority	1,695,000	
Akron Borough	-	
Bainbridge Water	7,690	
Blue Ball Water Authority	-	
Christiana Borough	960,104	
East Cocalico Water and Sewer	5,167,744	
Columbia Municipal	-	
Denver Borough	-	
East Donegal Township-Marietta Borough Sewer	359,885	

(Continued)

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

December 31, 1999

Table 10 (Cont.)

Jurisdiction	(1) Net General Obligation Bonded Debt and/or Revenue Bonds Outstanding
East Donegal Township Water	$1,416,031
East Hempfield Municipal Authority	-
East Lampeter Township Sewer	12,320,000
Ephrata Borough	21,180,899
Ephrata Area Joint Authority	3,300,000
Ephrata Township Sewer Authority	-
Lancaster Airport	218,886
Lancaster Area Sewer	63,155,000
Lancaster County Hospital Authority	289,426,374
Lancaster Parking	17,535,696
Lancaster Sewer	-
Leola Sewer	3,012,200
Lititz Sewer	1,167,166
Manheim Borough	14,330,000
Metropolitan Lancaster	-
Mount Joy Borough	11,845,000
Mount Joy Township Authority	-
Mountville Borough Water Authority	-
New Holland Borough	4,645,000
Northern Lancaster County	286,140
Northwestern Lancaster County Water and Sewer	2,997,689
Quarryville Borough Sewer Authority	900,000
Redevelopment Authority	-
Strasburg Borough	-
Suburban Lancaster Sewer	-
Warwick Township Municipal	13,960,000
West Cocalico Township Authority	1,272,399
West Donegal Township Authority	9,364,443
West Earl Sewer Authority	-
Total municipalities	480,523,346
Total overlapping debt	919,600,408
Total direct and overlapping debt	$965,345,642

(1) The debt of the city and school districts is tax based, and the majority of the municipal authorities are self-supporting.

(2) Excluding general obligation bonds reported on the enterprise fund.

County of Lancaster, Pennsylvania
Demographic Statistics
Last Ten Years

Table 11

Year	(1) Population	(2) Per Capita Personal Income	(3) School Enrollment	(4) Unemployment Rate
1990	422,822	$18,920	73,948	4.2%
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%

Data Sources:

(1) Population Sources: 1990 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	278,359
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

Population Distribution by Sex - 1990 Census Year (1):

	"Male"		"Female"	
	Number	Percentage	Number	Percentage
Under 5 years	17,173	8.37%	16,289	7.49%
5-9 years	16,378	7.98%	15,361	7.06%
10-14 years	15,266	7.44%	14,578	6.70%
15-19 years	15,331	7.47%	15,259	7.01%
20-24 years	15,310	7.46%	15,995	7.35%
25-34 years	34,949	17.02%	35,410	16.28%
35-44 years	30,753	14.98%	31,239	14.36%
45-54 years	20,568	10.02%	21,286	9.78%
55-59 years	8,819	4.30%	9,315	4.28%
60-64 years	8,434	4.11%	9,640	4.43%
65-74 years	13,733	6.69%	17,564	8.07%
75 years and older	8,568	4.17%	15,604	7.17%
	205,282	100.00%	217,540	100.00%

(1) Pennsylvania State University Data Center

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

Table 12

Year	Property Value (1)		Construction and Additons (2)		
	Taxable	Nontaxable	Number of Number of Units	Value	Bank Deposits (3)
1990	$2,848,311,530	$396,850,880	6,708	$107,238,300	$4,801,992,000
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

(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 commerical 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 Officals
December 31, 1999

Table 13

Name and Title of Official	Annual Salary	Amount of Surety Bond
Diana L. Thompson, Clerk of Courts	$55,688	$11,000
Terry L. Kauffman, Commissioner	63,981	7,500
Paul Thibault, Commissioner	64,981	7,500
Ronald Ford, Commissioner	63,981	7,500
Benj. H. Hess, Jr., Controller	55,688	25,000
Barry D. Walp, Coroner	55,688	15,000
Timothea Kirchner, County Administrator	74,263	7,500
Joseph Madenspacher, District Attorney	110,122	(1)
Kathleen Angermier, Jury Commissioner	6,883	(1)
Linda Schwanger, Jury Commissioner	6,883	(1)
Robert H. Getz, Prothonotary	55,688	40,000
Stephen J. McDonald, Recorder of Deeds	55,688	225,750
C. Thomas Walker, Jr., Register of Wills	57,688	25,000
Philip Bomberger, Sheriff	55,688	60,000
Gregory Sahd, Treasurer	55,688	500,000
43 bonded tax collectors	at $.75 per parcel collected	31,135,679 (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 1990. Bonds are valid for the tax collector's term, 1998-2001.

County of Lancaster
Miscellaneous Statistics
December 31, 1999

Table 14

Date of incorporation	May 10, 1729	
Form of government	Elected Board of Commissioners	
Number of employees (excluding police and fire):		
Full-time	1,838	
Part-time	671	
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	1,880 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	88	
Police protection:		
Number of stations	33	
Number of police personnel and officers	579	
Number of patrol units	95	(excluding boroughs and townships)
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	4,556	
Farm acreage	392,000	
Libraries (public, school, and special)	75	
Airports:		
Number of commercial use	4	
Elections:		
Number of registered voters	249,173	
Number of votes cast in last general election	62,968	
Percentage of registered voters in last general election	25.27%	

County of Lancaster, Pennsylvania
Schedule of Insurance In-Force
December 31, 1999

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	02/01/99-02/01/00	$ 222,258	Fire and extended coverage: $1,000 deductible, 90% co-insurance buildings and contents.	$ 115,142,901	
Boiler & Machinery	D21207822	02/01/99-02/01/00		Property Damage: $1000 deductible	$ 5,000,000	Per accident
Money & Securities	D21207822	02/01/99-02/01/00		Destruction, disappearance and wrongful abstraction of money, checks, and other securities.	$ 50,000	Blanket limit-monies and securities within/ outside premise
General Liability	D21207822	02/01/99-02/01/00		Third-party general liability insurance	$ 1,000,000	Each occurrence
				Bodily injury/property damage/personal injury	$ 2,000,000	Aggregate
				Products & Completed Ops	$ 2,000,000	Aggregate
				Personal & Advertising Injury	$ 1,000,000	
				Fire Damage	$ 100,000	Any one fire
				Medical Expense	$ 5,000	Any One Person
				Abuse and Molestation Coverage	$ 250,000	Limit # 1
					$ 250,000	Limit # 2
Commercial Property Coverages	D21207822	02/01/99-02/01/00		Earthquake $50,000 deductible	$ 1,000,000	
				Earthquake $50,000 deductible	$ 20,000,000	
Computers	D21207822	02/01/99-02/01/00		Hardware: $500 deductible	$ 3,459,692	
				Software: $500 deductible	$ 1,364,707	
Inland Marine	D21207822	02/01/99-02/01/00		Personal Property Off Premises $250 deductible	$ 10,000	
				Fine Arts Floater; $1,000 deductible	$ 121,340	
				Radio & Television Broadcasters - Transmission Towers - Replacement Cost; deductible $250	$ 150,780	
				Special Property Floater; deductible $500	$ 554,848	Covers newly acquired buildings till expire.
ACE Fire Underwriters Insurance Co.						
Building & Contents	D29246282	02/01/99-02/01/00	$ 43,129	Fire and extended coverage. $1,000 deductible, 90% co-insurance buildings and contents	$ 27,675,008	Buildings and Contents
Auto Insurance	H02349103	02/01/99-02/01/00	$ 39,852	Auto liability and physical damage insurance	$ 1,000,000	Bodily injury and physical damage per $30,000
				$250 deductible collision/ $100 deductible comprehensive	$ 500,000	$500,000 uninsured motorist; no fault
THE HARTFORD:						
Public Official Bond	44BPEAC2695	02/01/99-02/01/00	$ 6,220	Public Employees Blanket Bond; Dedcuctible $2,500	$ 500,000	
BROTEMARKLE INS. (1) :						
Foster Parent Liability Ins.	FPE 100-01-38	07/01/99-06/30/00	$ 11,088	Personal liability insurance for foster parents	$ 300,000	Per person
					$ 300,000	Per occurrence
NATIONAL UNION:						
Excess Workers Comp	4157326	01/01/99-01/01/01	$ 68,022	Employers Liability	$ 1,000,000	
COREGIS:						
Errors and Omissions	POD001980	07/07/99-07/07/00	$ 98,141	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

(1) Contracted directly by Children & Youth Agency