Waste, Fraud, & Abuse Hotline
Report waste, fraud, and mismanagement of our county tax dollars

610-344-5912
ControllerInfo@chesco.org

WE ENCOURAGE YOU TO REPORT:
✓ Suspected theft or misuse of County property or cash
✓ False reporting of hours worked
✓ Submission of illegitimate vendor invoices
✓ Fabrication or misrepresentation of expense reimbursements
✓ Mismanagement of tax dollars
✓ Spending in excess of what is reasonable and necessary
✓ Violations of the County’s purchasing policy
✓ Other suspected fraud or abuse
✓ Fraudulent reporting of medical, disability or workers’ compensation claims

YOU CAN HELP SAVE MONEY TOO!
We would love to hear your ideas to improve efficiency and save the County money!

- Fraud investigations are opened within 24 hours of receiving fraud tips.
- Status reports can be provided regarding your tip. Just provide your full name with your submission.
- You can submit fraud tips anonymously either by voice mail, e-mail or ground mail.
- If you choose to remain anonymous, be assured that your complaint will receive the same attention as all tips we receive.
- As we have no way of tracing the source of anonymous tips, status reports can’t be provided on tips submitted anonymously.
- Fraud & Abuse Hotline extends only to Chester County government resources and activities.
- Any type of fraudulent activity involving private business or governmental agencies not related to Chester County should be reported to the appropriate law enforcement authorities.

Mail your tip to:
Fraud Hotline
Office of the Controller
313 West Market Street, Suite 6302
PO Box 2748
West Chester, PA 19380-0091

YOU CAN MAKE A DIFFERENCE!
To the residents of Chester County:

I am pleased to present to the citizens of Chester County our twelfth Annual Report Summary for the Fiscal Year ended 2016. The information contained in this Summary is a condensed overview of the County of Chester’s audited 2016 Comprehensive Annual Financial Report (CAFR) and presents selected information about the County’s revenues, spending, and demographics in an informal, easy to understand format.

The Office of the Controller has prepared the Annual Report Summary to help taxpayers understand the financial position of County government and how their tax dollars are being spent. It remains as important as ever for taxpayers to have a clear understanding of the financial pressures facing government. I firmly believe that an educated citizenry armed with the facts about local their government is the best way to ensure accountability and efficiency.

I am pleased to report that Chester County’s AAA credit rating was reaffirmed again in February 2016. Chester County remains one of a small handful of counties across the nation to have earned the highest credit rating from Standard & Poor’s, Fitch Ratings and Moody’s Investors Service, Inc. This has been another challenging year for state and local governments, so maintaining an AAA credit rating was no easy task while Chester County government is not immune to market forces. Prudent financial management and a steady control on spending have helped our deliver quality services to our residents.

Please explore this and other resources (such as those on http://www.chesco.org), and contact your elected officials to express your views on the direction of our nation, state and county. Like other elected officials in Chester County government, I welcome your input.

This Annual Report Summary is unaudited and excludes many material disclosures, financial statements, schedules and notes to the financial statements found in the County’s CAFR. Readers desiring more detailed financial information can obtain the full 178 page document on the County’s website at http://www.chesco.org/206/Controller under “Reports & Forms” “CAFR & Annual Report Summary”.

I hope that you find this report informative. If you have any questions, do not hesitate to contact me at (610) 344-6155 or controllerdept@chesco.org.

Sincerely,

Norman MacQueen
Controller, County of Chester
Welcome to Chester County!

The County of Chester, one of Pennsylvania’s original three counties, was named by William Penn in 1682. It is located in southeastern Pennsylvania, in the scenic Brandywine Valley approximately 30 miles west of Philadelphia. Chester County originally included what is now Delaware County, parts of Lancaster County and Berks County.

In 1784, the original county seat was relocated from the City of Chester to a more centralized location known as the town of Turk’s Head, and in 1788, was renamed “West Chester”. In addition to the many of the older buildings dating back 1847, including the Historic Courthouse designed by Thomas U. Walter, still in use today, the County of Chester has been fortunate enough to update its ability to serve an increasing population with the Government Services Center, and, within the last decade the Justice Center, Administration Building. Our Public Safety Training Campus provides first responders with real life, modern day training simulations.

Chester County derives its “sense of place” while benefiting greatly from its complementary strategic elements of progress and preservation. The County has 73 political subdivisions, consisting of one third class city (Coatesville), 15 boroughs and 57 townships which covers 782 square miles, of which includes about 200 square miles of preserved open space as well as some of the most productive agricultural land found in the Commonwealth of Pennsylvania. Its approximate population of 516,312 and its employment base continues to grow (as it has for the last thirty plus years) as suburban development continues, industry and agriculture thrive, and high technology businesses grow along its Route 202 corridor.

Chester County also continues to benefit from being one of the highest ranked median income regions as well as having many of the best public school systems found in the Commonwealth of Pennsylvania.

We gratefully thank Norman MacQueen (Cover, pages 1 and 17), Tacie Himelright (pages 2, 4, 12, 17 and 18), Elaine Deutsch (pages 3 and 17), K. David Katzmiere (page 4), the Chester County Commissioner’s Office (page 5, 6,10, 11, and 14), and the Chester County Planning Commission (pages 3, 12, 17, 18) for the wonderful photographs, which showcase our County, that are used throughout this publication.
Who we are....

People

Chester County’s 2016 population estimate was 516,312. This is an increase of 0.1% from 2015 and an increase of 6.6% from ten years prior. The median age of County residents did not change from 2015 at 40.3 years old, with the largest increase again in 2016 in the 65 and over population.

- 26.0% are under 20
- 17.6% are 20-34
- 27.0% are 35-54
- 14.0% are 55-64
- 15.4% are over 65

Education

Education continues to be a priority for Chester County residents. There are 14 public school districts in Chester County providing elementary and secondary education, as well as many private, parochial, and charter schools. Chester County also is proud to be the home to eight universities and colleges. The 2016 estimate of the people over the age of 25, 93.3% have graduated high school with 71.5% going on for additional education. This is higher than the national average of 87.5% with 60.3% going on for additional education. 57.9% of County residents have a Bachelor’s or higher degrees which is significantly higher than the national average of 39.6%.

Housing

The average Chester County household size remained unchanged, again in 2016, at 2.7 people. The average family size remained steady at 3.2 people. In 2016, 95.6% of all housing units in Chester County were occupied, of which 74.1% were owner occupied. The median monthly rent, encompassing all types of rental units, in the County decreased in 2016, to $1,209. This is higher than the Commonwealth median of $881 and the national median of $981. The average value of owner occupied housing increased to $347,700 with 71.7% of owners having a mortgage. 61.0% of the housing in Chester County are single family homes with 72.5% of all types of housing units having 3 or more bedrooms.
**Business and Transportation**

Chester County continues to be a world leader in the cultivated mushroom industry as well as being the Commonwealth leader in the value of agricultural crops (see page 12). Chester County is also a transportation hub for many manufacturers and distributors.

Twenty years ago, Chester County made a choice to redirect growth, to protect open space, and to revitalize its towns and communities through Landscapes and Landscapes2 and starting in 2016, Landscapes3. The citizens of Chester County, the County government, local municipalities, the business community, conservancies, and many others have worked extremely hard to improve the County with an emphasis on establishing multi-modal corridors (highway, rail, freight, biking and walking) stimulating the efficient movement of people and goods.

**Income**

Chester County’s 2016 average estimated household income, of $92,407 for all industries, is well above the National average of $57,617. Chester County is a very affluent county with 58.8% of its households making $75,000 or above, as compared with the national average of 38.5%.

**Employment**

Historically, Chester County has been in the top five counties for employment rates in Pennsylvania and has had a lower unemployment rate than either the State or the nation. In 2016, Chester County continued this trend with an average unemployment rate of 3.9 percent. Along with low unemployment comes a high number of residents that are covered by health insurance. In 2016, 94.3% of Chester County residents had health insurance coverage with the majority covered under private health insurance.

**Health**

Where we live matters to our health. The health of a community depends on many different factors – ranging from individual health behaviors, education and jobs, to quality of health care, to the environment. Knowing how healthy the community is can help leaders focus on projects and initiatives to better serve the community. Please see the chart on page 9 for a comparison of Chester County rankings to the surrounding four counties.

- Health Behaviors (tobacco use, diet/exercise, alcohol use) - ranked 1st in all Pennsylvania counties
- Quality of Life - (physical and mental health) ranked 1st
- Length of Life - ranked 3rd

Sources: U.S. Census Bureau, PA Department of Labor, University of Wisconsin Population Health Institute
Working for You - Elected Officials

Chester County is organized under the commission form of government. The three-member Board of Commissioners constitutes the chief governing body of the county. The board, together with its executive staff, manages a large and diverse organization whose mission is to provide quality government services in an efficient, cost effective manner. Elected every four years, the commissioners are responsible for policy making, fiscal management, and the administration of county affairs.

Board of Commissioners

Kathi Cozzone  Terence Farrell  Michelle Kichline

Vice Chairman  Chairman  610-344-6100
kcozzone@chesco.org  tfarrell@chesco.org  610-344-6100

Below are the County Row Officials and a brief description of the services that they provide to the public.

Robin L. Marcello  Clerk of Courts

The Clerk of Courts acts as the chief clerk and record keeper for the criminal division of the Court of Common Pleas. The office is responsible for maintaining records for all criminal cases, posting bail, docketing all criminal records filed, assessing costs and fines for criminal cases, collecting monies on summary appeal cases, preparing motor vehicle forms for the Pennsylvania Department of Transportation and filing road dockets. The Clerk of Courts is also responsible for maintaining criminal court dockets and providing a repository for all trial exhibits.

Norman MacQueen  Controller

The Office of the Controller supervises the fiscal affairs of Chester County. The Controller maintains accounting records, processes accounts payable and other disbursements, manages payroll and retirement disbursements, and is responsible for the internal audit function. The Controller’s Office is a resource for those seeking financial information about the County. Internal audits assess the adequacy of controls, legal contractual compliance and good business practices. The Controller also prepares the Comprehensive Annual Financial Report.

Gordon R. Eck, DO  Coroner

The Coroner’s Office is required to investigate all sudden, violent, traumatic and/or unexpected deaths. This includes deaths from apparent “natural causes” where the individual’s treating physician has no knowledge of an existing medical condition that could credibly have caused the sudden death. Under these circumstances, it becomes the Coroner’s responsibility to determine how and why an individual died. The Coroner is also responsible for assuring the individual’s proper identity and that next of kin have been notified.
Working for You - Elected Officials

Thomas P. Hogan
District Attorney
610-344-6801

The Chester County District Attorney is the chief law enforcement officer for the county. The core functions of the District Attorney’s Office are to investigate, prosecute, and prevent crimes. It is the District Attorney’s duty to uphold and defend the Constitution of the Commonwealth of Pennsylvania and the Constitution of the United States of America. Working together, we will keep Chester County a safe place to live, work, and raise a family.

Matt Holliday
Prothonotary
610-344-6300
mholliday@chesco.org

The Prothonotary’s Office acts as the chief clerk and record keeper for the civil & family divisions of the Court of Common Pleas. The office is responsible for maintaining records for all civil & family cases. Work is generated from the court and through filings from both attorneys & the general public such as, divorces, name changes, custody cases, protection from abuse orders, mental health hearings, medical malpractice cases, judgments & liens will be handled by this office. We also serve as an Agent for the Federal Government for the purpose of processing Passport applications.

Rick Loughery
Recorder of Deeds
610-344-6330
rodinfo@chesco.org

The Office of the Recorder of Deeds is an important interface between taxpayers, real estate professionals and County government, and is responsible for the public repository of real estate records, military discharges, commissions and official documents. It provides land records recording and indexing services to the public and real estate industry in order to secure property ownership and engage in business involving real estate.

Terri Clark
Register of Wills/Clerk of the Orphans’ Court
610-344-6335
rwills@chesco.org

The Register of Wills/Clerk of Orphans’ Court provides estate administration, marriage license, adoption, and guardianship filing services to individuals and the courts. The Register of Wills has jurisdiction over the probate of wills, granting of letters and is the agent for the collection of state inheritance tax. The Clerk of Orphans’ Court handles all proceedings relating to estates of incapacitated persons, adoptions, and marriage licenses.

Carolyn B. Welsh
Sheriff
610-344-6850
cwelsch@chesco.org

The Sheriff’s Office is the enforcement arm of the Court of Common Pleas. The Sheriff’s Office provides safety, protection, and security services, efficient and timely notification of civil actions, Protection from Abuse (PFAs), gun permit and background investigation services to the public. Through its Sheriff sales, it provides scheduling, processing, and selling services for real and tangible property. It also provides transportation and custody services to adult and juvenile prisoners. The Sheriff Office processes all applications for License to Carry Firearms.

Ann Duke
Treasurer
610-344-6370
treasurerdept@chesco.org

The Office of the Treasurer serves primarily to receive, record and deposit most County funds resulting from payment of taxes, payment due on the sale of various state and county licenses, funds collected in the performance of public services, other state-related revenues, and payment of judgments and fines. It generates annual and interim real estate tax invoices, and the processing of resultant payments. The Treasurer’s Office is an agent for the Commonwealth regarding the issuance of licenses for hunting, fishing, pistol permits, and dog ownership.
Guide to County Services

Below is a helpful list of County & Commonwealth agencies and their phone numbers. It is by no way a complete list. We encourage you to visit our website www.chesco.org for additional resources not included.

Agriculture Development Council .......................................................... 610-344-6285
Community & Economic Development ...................................................... 610-344-6900
Conservation District .............................................................................. 610-925-4920
County General Operator ............................................................... 610-344-6000 / 1-800-682-1100
Domestic Relations ............................................................................... 610-344-6215
Election/Voter Service ........................................................................... 610-344-6410
Jury Service Center ................................................................................ 610-344-6174
Parks & Recreation .................................................................................. 610-344-6415
Veterans’ Affairs ................................................................................... 610-344-6375
Human Services ...................................................................................... 610-344-6640
Aging Services ......................................................................................... 610-344-6350
Elder Abuse ............................................................................................ 800-564-7000
Pocopson Nursing Home ................................................................. 610-793-1212
Child Abuse Report Line ................................................................. 610-344-5800 / 800-932-0313
Children, Youth & Families ................................................................. 610-344-5800
Crime Victim Center .............................................................................. 610-692-7420
Drug and Alcohol .................................................................................... 610-344-6620
Mental Health / Intellectual & Develop. Disabilities .................. 610-344-6265
Domestic Violence 24 Hour Hotline ...................................................... 888-711-6270
Drug/Alcohol Crisis ................................................................................ 911
Mental Health 24 Hour Crisis Hotline ............................................. 1-877-918-2100 / 610-280-3270
Rape Crisis Center ................................................................................... 610-692-7420
Suicide Prevention Lifeline ..................................................................... 800-273-8255
Poison Control ......................................................................................... 800-772-7112

Pennsylvania State Hotlines

<table>
<thead>
<tr>
<th>Service</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suspected Welfare Fraud</td>
<td>1-800-932-0582</td>
</tr>
<tr>
<td>Elder Abuse Unit</td>
<td>1-866-623-2137</td>
</tr>
<tr>
<td>Consumer Protection</td>
<td>1-800-441-2555</td>
</tr>
</tbody>
</table>

511PA is Pennsylvania’s official travel information service. Call (511 or 1-877-511-7366), visit www.511PA.com, or use the mobile app for reliable, current traffic and weather information, as well as links to other transportation services.
The human services provided by the County are, in large part, funded by grants received from the Commonwealth and federal government. In 2016, human services, including the geriatric center, made up 50.7% of the County expenditures. Please see the graph below for the County’s human service expenditures.

**Department of Aging**: The primary goals of the department are to develop, coordinate and support comprehensive community based services which assist persons age 60 and older to remain independent and self-sufficient in the community.

**Child Care Information Services (CCIS)**: CCIS has been designated as the hub for child care information in Chester County. CCIS manages the subsidized child day care program, provides resource and referral services, and can help families find a childcare provider that best meets their needs.

**Children, Youth & Family (CYF)**: The mission of CYF is to utilize high-quality, comprehensive social services that strengthen the family’s ability to provide for the safety and well-being of each child.

**Department of Community Development (DCD)**: The Chester County Department of Community Development provides housing, neighborhood improvement, workforce development, and social services to citizens so that they have the opportunity to successfully live and work in a safe, stable, and desirable community.

**Drug & Alcohol**: Drug & Alcohol provides effective, high quality alcohol, tobacco, and other drug prevention, intervention, and treatment services for the citizens of Chester County in order to prevent the onset of substance abuse and addiction wherever possible and, where it does exist, to mitigate its effects on individuals, families, and communities.

**Geriatric Center**: Pocopson Home is Chester County’s long term healthcare facility. The Home offers both short and long term medical and nursing services, placing emphasis on rehabilitation for the purpose of returning residents to their homes and community environment.

**Health Department**: The Chester County Health Department provides personal and environmental health services to residents and visitors so that they may grow, live and work in healthy and safe communities.

**Human Services**: Department of Human Services protects vulnerable children and adults, promoting independence and well-being for the visitors and citizens of Chester County so that they may lead stable, safe, and fulfilling lives.

**Managed Behavioral Health Care (MBHC)**: MBHC provides services to all eligible County residents in a coordinated and collaborative manner. To best meet our residents’ needs, the department ensures that decisions are made on a sound planning basis, measures are put in place to maintain high quality services, and the statutes and regulations are followed consistently by and between the different services comprising the human services system.

**Mental Health/Intellectual & Developmental Disabilities (MH/IDD)**: Every Chester County citizen experiencing mental illness or developmental disabilities may access services and natural supports that foster recovery and integration into a greater community where they are valued and enjoy fulfilling lives.
Health Outcomes/Health Factors

Where we live matters to our health. People who live in communities with ample park and recreation space are more likely to exercise, which reduces heart disease risk. People who live in communities with smoke-free laws are less likely to smoke or to be exposed to second-hand smoke, which reduces lung cancer risk.

Chester County has been ranked, as the healthiest county in Pennsylvania, according to the study published in 2016 by the University of Wisconsin and the Robert Wood Johnson Foundation. The study placed Chester County at the top in a number of categories, including health outcomes (blue on the graph to the right) and health factors (red on the graph to the right). The study looked at a number of factors, including the length and quality of life, health behaviors, clinical care, social and economic factors and the physical environment.

Source: County Health Rankings, University of Wisconsin

Chester County Health, Dental and Prescription Discount Programs

Through a partnership with the National Association of Counties (NACo), Chester County residents can join the Health Discount Program. Residents benefit by saving on auxiliary healthcare services that are not currently included in the Affordable Care Act. Residents can get more information or same day savings on medical discounts once they enroll at http://www.nacohealth.org or by calling Member Services toll-free at 1-877-573-2395. The NACo Health Discount Card helps individuals and families gain access to medical discounts from local providers.

The Dental Discount Card Program helps county residents in need of dental services who may be uninsured or underinsured. The program offers immediate access to dental providers with no waiting periods or forms to fill out. You’ll save on average between 15%-50% on most dental procedures from a national network of more than 114,000 general dentists and specialists. For more information, or to enroll, call 1-877-573-2395.

The Chester County prescription drug discount card can be used by Chester County residents to help cope with the high price of prescription drugs. This program offers average savings of 22% off the retail price of commonly prescribed drugs. There is no cost to Chester County taxpayers for this program. For more information visit http://www.caremark.com/naco or call toll free 1-877-321-2652.

For more information please go to http://www.chesco.org/1822/Prescription-Discount-Program

Know Your Numbers

Chester County continues to earn national awards for both its financial reporting and budgeting - 35 years for the Controller prepared audited Comprehensive Annual Financial Report and 24 years for the Finance prepared, Commissioner approved, Annual Budget. Please visit the County’s website at http://chesco.org/ to view or download these documents.
Did you know?
The term "Row Office" or “Row Official” originated in the 1800s. The term “row offices” is often applied to those county officials other than the board of commissioners who are elected to their positions. The basis of the term is unknown, with some suggesting it derives from the fact that these officials appear “in a row” on the ballot, while another view is that it relates to their organization in a row in the hallways of the courthouse. Originally offices of county officials were situated in a row on the ground floor of a long corridor in the courthouse. Over time, recordkeeping and county services became complex and required more space than a string of offices in a hallway could provide. However, the term "row officer" stuck and continues to be used today when referring to elected public officials who serve the county.
Chester County Ranked in Top 10 Digital Counties

Chester County took its place among the digital elite when it was presented with a Digital Counties Survey award that recognizes the most innovative digital counties in the nation. Chester County ranks 10th among America’s 3,000-plus counties.

Presented by the Center for Digital Government (CDG) and the National Association of Counties (NACo), the Survey identifies the best technology practices among U.S. counties, including initiatives that save tax dollars through newfound efficiencies, boost transparency, focus on cybersecurity and citizen engagement, and that innovate through unique and exciting projects.

According to the judging panel, 2016 proved to be a big year for digital accomplishments in Chester County. The panel cited the introduction of OpenGov that publishes public spending online, the commitment to data security and migration to cloud-based systems, and a strong social media presence. Other factors that gained Chester County valuable points include the response-driven website and mobile applications, disaster recovery practices and continuity of operations, e-government programs and shared services.

This year marks the 14th annual survey and details of winners can be found at: http://www.govtech.com/dc/digital-counties/Digital-Counties-Survey-2016-Winners-Announced.html

Worksite Wellness Program for Area Businesses

The Chester County Health Department began offering free worksite wellness programs for interested businesses located within the county. Chester County Health Department guides Chester County businesses in the development and implementation of effective wellness programs.

“The addition of a results-driven wellness program is one of the most effective ways that a business can help its employees adopt healthier lifestyles while decreasing health care costs, rates of absenteeism and worksite stress,” commented Jeanne Casner, Director of the Chester County Health Department.

The Health Department’s worksite wellness program assists in the creation of a wellness action plan specific to a business’s employee profile: coordinate elements of a wellness program including biometric screenings, massage therapy, on-site healthy cooking demonstrations, raised garden beds and education on many health topics; lend technical assistance to implement wellness programs; and assess the extent to which a business’s current wellness program has implemented evidence-based health promotion strategies. For more information go to: http://chesco.org/986/Worksite-Wellness-Program

Chester County announces the launch of the new Hall of Heroes website, honoring its local military heroes. The new site updates the original website created in 2001, and allows easy navigation on smart phones and tablets as well as desktop computers and laptops.

Chester County’s Hall of Heroes website tells the stories of many of Chester County’s military heroes whose names are featured on the Hall of Heroes Memorial located in Chester County’s Historic Courthouse. These stories reflect the bravery of men and women who served and paid the ultimate sacrifice for their country during World War II, the Korean and Vietnam Wars, and the War on Terror.

“We welcome information from anyone who recognizes a name or two of soldiers listed on the Hall of Heroes website. Every Soldier, Sailor, Airmen, or Marine who gave the last full measure for our country has a story. Our duty is to ensure visitors have their story to reflect upon.”

The new Hall of Heroes website can be found at http://www.chesco.org/heroes. Chester County’s Hall of Heroes Memorial is located in the hallway of the Historic Courthouse at 21 W. Market Street.
**Controller’s Office Hosts Free Fraud Protection Seminar**

The Chester County Office of the Controller announces a new program to promote community awareness on how not-for-profit groups can protect themselves from embezzlement and other types of fraud. The free seminar will explain how thefts occur within non-profit or community groups, and will offer guidance on how to structure financial controls to avoid fraud.

“This program is in response to the many cases that have been reported not only in our County, but across the Commonwealth, regarding fraudulent activity that has unfortunately occurred within community organizations,” said Chester County Controller Norman MacQueen. “The types of groups that would truly benefit from the seminar include school parent and teacher associations, youth sports teams, scout troops, churches and volunteer fire companies.”

Chester County’s Internal Audit Manager, Sharon Jones, CIA, will present the seminar and will be joined by County Controller Norman MacQueen and Deputy Controller Carol Pollitz.

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**Agriculture in Chester County**

With fertile soil, about 24 percent of the total land area in Chester County is used to grow field crops. This significant land use helps maintain the underpinnings of our agricultural industry. Below are the highlights of Chester County agriculture.

- There are 1,730 farms with an average farm size of 95 acres. The 164,495 acres of farmland accounted for almost 34.0 percent of County land.
- Chester County ranked 1st in PA and 1st in the U.S. in the value of nursery, greenhouse, floriculture, sod and mushrooms.
- With 11.6 million square feet (the next closest has 3.6 million square feet) devoted to Mushroom production, Chester County is the Mushroom Capital of the United States. Chester County Mushrooms account for 83.0 percent of the US crop sales.
- Chester County ranked 2nd among all 67 Pennsylvania counties in the total value of agricultural products sold and ranked 54th of over 3,000 counties in the U.S.
- Chester County ranked 2nd in PA and 22nd in the U.S. in the value of horses, ponies, mules, burros, and donkeys.
Your Real Estate Dollars

In 2016, on average, Chester County residents paid $3,128.18 in taxes per $100,000 of their home’s assessed value. Of that assessment, only 13%, or $416.30, were County taxes. The pie chart to the right illustrates how your local real estate taxes are typically used.

County real estate taxes funded 36.8% or $155.1 million of the County’s activities for 2016. 61.5% or $259.2 million of the County’s spending was funded by Commonwealth and federal grants, charges for services, and interest from investments. The illustration below shows how each dollar of your County real estate tax bill is spent.

The General Fund

The General Fund is the County’s primary operating fund. It accounts for the general operating activities of the County. The general tax revenues of the County are accounted for in the General Fund. The General Fund of the County is made up of 37 departments. The two graphs - to the left and right - show, on average, how much a resident in Chester County pays/saves for each of the top five and bottom five General Fund department’s services (net of revenue earned by that department).
The County’s Financial Position

Chester County’s financial position remains very strong and is able to maintain sufficient net financial resources to protect against shortfalls.

The County’s AAA/Aaa debt ratings were reaffirmed in February 2016, for the 10th consecutive year, from the three rating agencies: Standard & Poor’s, Fitch Ratings, and Moody Investors Services, Inc. Chester County is one of 43 counties in the United States, and the only county in Pennsylvania, to have AAA/Aaa bond ratings from all three major rating agencies. AAA/Aaa rating has and will continue to result in lower debt service on County debt - saving taxpayers money.

The County’s fund balance policy establishes the objective to strive to maintain an unrestricted fund balance, in the General Fund, of not less than two months of the subsequent year’s budgeted expenditures. Included in the unrestricted fund balance will be a Working Capital Reserve. Ten percent of subsequent year’s General Fund budgeted expenditures will be assigned as Working Capital.

In 2016, the County had $16.2 million in the working capital reserve, which represents 10 percent of the 2017 Expenditures budget. The County’s General Fund 2016 year end unrestricted fund balance of $37.2 million represents approximately 26.2 percent of General Fund revenues and more than 3.5 months of expenditures and transfers to other County funds.

Because of the County’s strong financial position, it is able to issue general obligation notes and bonds to help fund the County’s Capital Improvement & Open Space Projects at the lowest rates of interest available to county government.

Chester County Goes Live with New Emergency Voice Radio System

Chester County Commissioners Terence Farrell, Kathi Cozzone and Michelle Kichline carried out the first official act of their new term as commissioners – the “switch over” to the new Harris $42.1 million emergency voice radio system.

With regard to the investment in the new emergency radio system, Commissioner Michelle Kichline noted the county’s efforts in smart financial management alongside the priority for public safety. “Through strong negotiations, we signed a contract with Harris for less than half the initial estimated cost, and for a system that supports more features at a better price than any other county in the region. We’re also the only county to provide all of the radio equipment to our emergency responders at no charge.”

The County’s emergency responders began using the new Harris radio system in their daily operations starting January 6, and by April 21, 2016, the analogue equipment that was installed in the late 1990s will no longer be used.
Financial Position

The Financial Position Statement, known in accounting terms as the “Statement of Net Position”, is designed to provide a picture of the County’s financial position as of the end of the year. The net position figure represents the amount that the County owns versus the amount owed. The accounting policies of the County of Chester conform to generally accepted accounting principles applicable to governments. For more information please see our full CAFR.

General Government – Services provided by the County for the benefit of the public and the governmental body as a whole, including the administrative departments such as the Office of the Controller, Commissioners, Treasurer, and Recorder of Deeds.

Judicial Government – Services provided by the County to the courts including the Court of Common Pleas and the following row offices: District Attorney, Clerk of Courts, Register of Wills/Clerk of the Orphans’ Court, Prothonotary, Coroner, and Sheriff.

Public Safety – Services provided by the County for the safety and security of the public including emergency management, the 911 communications system, hazardous materials response, and emergency medical services.

Corrections – Services used to support the prison, Adult and Juvenile Probation and other correctional programs.

Public Works – Services for maintaining and rehabilitating the 95 County owned bridges.

Human Services – Services with the purpose of promoting the general health and well being of the community as a whole, including public health, the human services funds, and the Pocopson Home, a long-term nursing facility.

Culture & Recreation – Services to provide County residents opportunities and facilities for cultural and recreational programs including libraries and parks.

Conservation & Development – Programs provided by the County to achieve a satisfactory living environment for the community as a whole including: planning, water resources, agricultural development, and soil conservation.
The summaries shown below of the County’s financial activities, for the last three years, show County-wide revenues and expenses on a basis similar to how a business would measure its financial results.

**Dollars In**: Revenue includes all amounts of money received by a government from external sources during its fiscal year (i.e., those originating "outside the government"), net of refunds and other correcting transactions, other than issuance of debt, sale of investments, and agency or private trust transactions. Under this definition, revenue excludes amounts transferred from other funds or agencies of the same government.

### Dollars In ...*

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for services</td>
<td>$59,821</td>
<td>$65,388</td>
<td>$69,599</td>
</tr>
<tr>
<td>Operating grants &amp;</td>
<td>172,943</td>
<td>170,824</td>
<td>186,503</td>
</tr>
<tr>
<td>contributions</td>
<td>4,806</td>
<td>3,188</td>
<td>3,128</td>
</tr>
<tr>
<td>Capital grants &amp;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>contributions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>151,984</td>
<td>153,695</td>
<td>155,069</td>
</tr>
<tr>
<td>Investment earnings</td>
<td>647</td>
<td>818</td>
<td>1,344</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>5,497</td>
<td>4,805</td>
<td>5,997</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$395,698</td>
<td>$398,718</td>
<td>$421,640</td>
</tr>
</tbody>
</table>

### Dollars Out ...

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td>$38,580</td>
<td>$38,323</td>
<td>$39,966</td>
</tr>
<tr>
<td>Judicial government</td>
<td>46,691</td>
<td>46,019</td>
<td>48,866</td>
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<tr>
<td>Public safety</td>
<td>19,578</td>
<td>19,334</td>
<td>29,975</td>
</tr>
<tr>
<td>Corrections</td>
<td>40,626</td>
<td>40,813</td>
<td>42,595</td>
</tr>
<tr>
<td>Public works</td>
<td>1,685</td>
<td>1,636</td>
<td>1,642</td>
</tr>
<tr>
<td>Human services</td>
<td>201,206</td>
<td>197,999</td>
<td>218,348</td>
</tr>
<tr>
<td>Culture &amp; recreation</td>
<td>13,320</td>
<td>12,738</td>
<td>13,107</td>
</tr>
<tr>
<td>Conservation &amp; development</td>
<td>9,989</td>
<td>11,825</td>
<td>9,091</td>
</tr>
<tr>
<td>Interest on long-term debt</td>
<td>12,187</td>
<td>22,956</td>
<td>26,951</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$383,862</td>
<td>$391,643</td>
<td>$430,541</td>
</tr>
</tbody>
</table>

*(expressed in thousands)

**Dollars Out**: Expenditure includes all amounts of money paid out by a government during its fiscal year - net of recoveries and other correcting transactions - other than for retirement of debt, purchase of investment securities, extension of loans, and agency or private trust transactions. Under this definition, expenditure relates to external payments of a government and excludes amounts transferred to funds or agencies of the same government (other than payments to intragovernmental service funds). Please see our full CAFR for complete details.
Chester County is...

According to smartasset.com Chester County ranks 4th on its 2016 Happiest Place in America. Based on 8 factors, including, marriage and divorce rate, income ratio, employment, activity rate and life expectancy, Chester County shows what a great place it is.

Chester County residents sometimes forget that this is a great county to visit and explore. Chester County has 5 towns on the 2016 Curbed Philly Top 14 Place to Visit Right Now! ~ Downingtown tops the list with many restaurants and many antique shops. Don’t forget the Farmer’s Market while you are there. ~ No trip to our County is complete without stopping in Chadds Ford. With many historic sites, including the Brandywine Battlefield, and the Brandywine River Museum there is much to see and do. ~ Kennett Square is next on Curbed’s list. As the “Mushroom Capital of the World” you could stop for a cup of soup or at the Mushroom Festival in September. But don’t forget to stop at Longwood Gardens for the beautiful floral displays. ~ Phoenixville has one of the quirkiest festivals in the US with the Colonial Theater’s Blobfest. Phoenixville proudly displays its iron and steel history at the Schuylkill River Heritage Center. Or just stop and spend the day at the many restaurants and shops. ~ West Chester is the County Seat for Chester County and is proud of its architectural heritage with many buildings on the National Register of Historic Places including the Historic Courthouse. Take a stroll down to West Miner Street to see Portico Row. With many restaurants, charming shops and festivals, West Chester is a great place to stop and spend the day.
Along with great high schools (see page 12) come great school districts. Some of the criteria Niche.com used to ranked U.S. school districts include academics, SAT/ACT scores, health & safety, activities, teacher and surveys from students and parents. Topping the 2016 list is Tredyffrin–Easttown School District. With 90% of their 6,537 student body proficient in math &/or reading it is easy to see why they top the list. Unionville-Chadds Ford is also in the top 40 at # 31.

Chester County is proud of it’s agricultural and historical treasures. With over a million visitors a year, it is not hard to see why Longwood Gardens, in Kennett Township, topped the USA Today’s 2016 Reader’s Choice for Best Botanical Gardens. Through international and scholastic partnerships Longwood continually expands it’s body of knowledge and with its every changing displays offer something new with every visit.

It’s not surprising that California, Florida and Hawaii have 70% of the 2016 best al fresco dining restaurant according to OpenTable.com. What is surprising that Chester County’s own Wyebrook Farms made the top 100! The Restaurant at Wyebrook Farm Market is located in Honey Brook Township. The Restaurant is located in the beautiful restored 18th century stone barn and offers items raised on their 360 acre sustainable farm and from organic local farms and businesses.

Having a great agricultural presence, Chester County has many farmer’s market and produce stands. The Downingtown Farmer’s Market, which is open year round, was named Best of the Main Line & Western Suburbs for 2016 by Main Line Today Magazine.

Whether you look at the national ranking of Safest Cities and Suburbs or just Pennsylvania, Chester County’s own Kennett Township ranks at the #1 position. Based on the FBI Crime Report, less than 4 in 1,000 Pennsylvanians were victims of violent crime, with none reported in Kennett Township. Other townships that ranked high on the Niche.com Safest Suburbs in the US list include, Highland Township (7), South Coatesville (15), Avondale (20), and Honey Brook (52).
Waste, Fraud, & Abuse Hotline

Report waste, fraud, and mismanagement of our county tax dollars

610-344-5912
ControllerInfo@chesco.org

WE ENCOURAGE YOU TO REPORT:

✓ Suspected theft or misuse of County property or cash
✓ False reporting of hours worked
✓ Submission of illegitimate vendor invoices
✓ Falsification or misrepresentation of expense reimbursements
✓ Mismanagement of tax dollars
✓ Spending in excess of what is reasonable and necessary
✓ Violations of the County’s purchasing policy
✓ Other suspected fraud or abuse
✓ Fraudulent reporting of medical, disability or workers’ compensation claims

YOU CAN HELP SAVE MONEY TOO!

We would love to hear your ideas to improve efficiency and save the County money!

FRAUD & ABUSE HOTLINE CONTACT INFORMATION:

Include as much detailed information as possible in your tip.
Vague allegations may not be able to be substantiated.

Contact us via E-mail:
ControllerInfo@chesco.org
or http://chesco.org/FormCenter/Controller-13/Waste-Fraud--Abuse-Form-65 for our online form.

Mail your tip to:
Fraud Hotline
Office of the Controller
313 West Market Street, Suite 6302
PO Box 2748
West Chester, PA  19380-0091

Telephone:
610-344-5912
Please leave a detailed message.

YOU CAN MAKE A DIFFERENCE!