



Annual Financial Report

County of: Chester
for the year 2006



Return to:

PA Department of Community and Economic Development
Governor's Center for Local Government Services
400 North Street, 4th Floor
Commonwealth Keystone Building
Harrisburg, PA 17120-0225

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Edward G. Rendell, Governor
www.state.pa.us

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Dennis Yablonsky, Secretary
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DEPARTMENT OF COMMUNITY
& ECONOMIC DEVELOPMENT



COUNTY OF CHESTER, PENNSYLVANIA
Government-Wide Statement of Net Assets
December 31, 2006

CURRENT ASSETS	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
CURRENT ASSETS:			
Cash and cash equivalents	\$ 68,585,300	\$ 132,827	\$ 68,718,127
Investments	7,859,770	-	7,859,770
Receivables (net of allowances for uncollectibles)	12,169,024	4,182,895	16,351,919
Due from other governments	17,291,094	605,236	17,896,330
Internal balances	2,084,274	(2,084,274)	-
Inventories	89,748	105,417	195,165
Prepays	1,752,044	17,613	1,769,657
Deferred charges	3,537,663	6,843	3,544,506
Restricted assets:			
Cash and cash equivalents	8,819,440	368,558	9,187,998
Investments	-	-	-

NON-CURRENT ASSETS			
	NON-CURRENT ASSETS:		
	Other assets	1,839,953	-
Restricted cash and cash equivalents	32,508,213	-	32,508,213
Restricted investments	21,967,723	-	21,967,723
Due from component units	56,170	-	56,170
Capital assets, not being depreciated:			
Land and improvements	21,107,153	34,728	21,141,881
Land development rights	57,176,169	-	57,176,169
Construction in process	108,070,843	704,867	108,775,710
Capital assets, being depreciated, net			
Buildings and improvements	52,687,915	2,804,224	55,492,139
Infrastructure	8,789,739	-	8,789,739
Land improvements	1,346,823	-	1,346,823
Machinery and equipment	14,945,488	397,678	15,343,166
Machinery and equipment capital lease	1,017,935	-	1,017,935

TOTAL ASSETS

\$ 443,702,481	\$ 7,276,612	\$ 450,979,093
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LIABILITIES	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	LIABILITIES:		
Current liabilities:			
Vouchers and accounts payable	\$ 36,732,745	\$ 729,234	\$ 37,461,979
Due to other governments	45,989	-	45,989
Unearned revenue	16,981,297	-	16,981,297
Funds held as fiduciary	1,369,627	303,401	1,673,028
Other liabilities	1,886,723	-	1,886,723
Compensated absences	3,464,960	420,022	3,884,982
Workers' compensation claims	399,593	-	399,593
Health and long-term disability claims	1,586,900	-	1,586,900
Capital leases payable	672,376	-	672,376
Notes and bonds payable	19,650,177	51,261	19,701,438
Noncurrent liabilities:			
Unearned revenue	-	-	-
Compensated absences	3,760,090	350,057	4,110,147
Workers' compensation claims	1,970,677	-	1,970,677
Health and long-term disability claims	570,468	-	570,468
Capital leases payable	345,560	-	345,560
Notes and bonds payable	359,600,390	750,282	360,350,672
TOTAL LIABILITIES	449,037,572	2,604,257	451,641,829

NET ASSETS	NET ASSETS:		
	Investment in capital assets, net of related debt	1,075,397	3,139,954
Restricted	7,070,657	65,157	7,135,814
Unrestricted	(13,481,145)	1,467,244	(12,013,901)
TOTAL NET ASSETS	\$ (5,335,091)	\$ 4,672,355	\$ (662,736)

COUNTY OF CHESTER, PENNSYLVANIA
Government-Wide Statement of Activities
For the Year Ended December 31, 2006

GOVERNMENTAL ACTIVITIES	Functions/Programs	Program Revenues			
		Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
	Primary government				
	Governmental activities:				
	General government	\$ 32,488,547	\$ 15,340,622	\$ 381,775	\$ 2,295,190
	Judicial government	37,537,257	8,024,519	5,491,731	-
	Public safety	16,438,544	8,407,371	646,062	-
	Corrections	31,876,487	2,758,515	1,409,557	435,650
	Public works	1,347,222	108,614	621,995	147,119
	Human services	193,374,187	4,331,403	174,415,031	-
	Culture and recreation	15,740,917	236,573	133,259	1,182
	Conservation and development	8,000,414	1,195,758	1,206,096	-
	Interest on long-term debt	22,656,810	-	-	-
	Total governmental activities	359,460,385	40,403,375	184,305,506	2,879,141

BUSINESS-TYPE ACTIVITIES	Business-type activities:				
	Pocopson Geriatric center	\$ 23,048,456	\$ 20,425,579	\$ -	\$ 630,784
	Total business type activities	23,048,456	20,425,579	-	630,784

Total primary government	\$ 382,508,841	\$ 60,828,954	\$ 184,305,506	\$ 3,509,925
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GOVERNMENTAL ACTIVITIES

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			
Functions/Programs	Governmental	Business-Type	
Primary government	Activities	Activities	Total
Governmental activities:			
General government	\$ (14,470,960)		\$ (14,470,960)
Judicial government	(24,021,007)		(24,021,007)
Public safety	(7,385,111)		(7,385,111)
Corrections	(27,272,765)		(27,272,765)
Public works	(469,494)		(469,494)
Human services	(14,627,753)		(14,627,753)
Culture and recreation	(15,369,903)		(15,369,903)
Conservation and development	(5,598,560)		(5,598,560)
Interest on long-term debt	(22,656,810)		(22,656,810)
Total governmental activities	(131,872,363)	-	(131,872,363)

BUSINESS-TYPE ACTIVITIES

Business-type activities:			
Pocopson Geriatric center		(1,992,093)	(1,992,093)
Total business type activities	-	(1,992,093)	(1,992,093)

Total primary government	\$ (131,872,363)	\$ (1,992,093)	\$ (133,864,456)
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GENERAL REVENUES AND TRANSFERS

General revenues:			
Taxes:			
Property taxes, levied for general purposes	96,565,542	-	96,565,542
Property taxes, levied for debt service	20,681,870	-	20,681,870
Property taxes, levied for parks and recreation	5,496,747	-	5,496,747
Property taxes, levied for library	6,721,135	-	6,721,135
Personal property taxes	30,760	-	30,760
Investment earnings	8,185,997	48,324	8,234,321
Miscellaneous	6,356,148	-	6,356,148
Transfers	(2,964,828)	2,964,828	-
Total general revenues and transfers	141,073,371	3,013,152	144,086,523

Change in net assets	9,201,008	1,021,059	10,222,067
Net assets - beginning	(15,806,833)	4,134,525	(11,672,308)
Prior period adjustment	1,270,734	(483,229)	787,505
Net assets - ending	\$ (5,335,091)	\$ 4,672,355	\$ (662,736)

COUNTY OF CHESTER, PENNSYLVANIA

Balance Sheet - Governmental Funds

(Including the Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Units)

December 31, 2006

	General	Managed Behavioral Healthcare	Mental Health Mental Retardation	Children, Youth and Families
Assets:				
Cash and cash equivalents	\$ 20,838,423	\$ 1,625,745	\$ 11,515,805	\$ 16,095
Investments	2,855,778	-	1,355,125	-
Taxes receivable	4,281,003	-	-	-
Grants receivable	3,296,300	-	386,466	6,630,973
Interest and dividends receivable	145,824	-	-	-
Other receivables	2,424,405	-	-	22,993
Due from other funds	9,912,721	-	-	-
Inventories	89,748	-	-	-
Prepays	1,013,875	-	-	3,074
Other assets	7,372	-	-	-
Advances to subcontractors	-	-	3,276,140	-
Due from component units	56,170	-	-	-
Restricted assets:				
Temporarily restricted:				
Cash and cash equivalents	328,592	8,490,848	-	-
Investments	293,298	-	-	-
Total Assets	45,543,509	10,116,593	16,533,536	6,673,135

	General	Managed Behavioral Healthcare	Mental Health Mental Retardation	Children, Youth and Families
Liabilities:				
Vouchers and accounts payable	2,652,819	51,479	11,603,770	1,905,628
Accrued liabilities	1,607,227	6,906	69,733	148,842
Funds held in escrow	1,045,778	-	-	-
Due to other funds	-	292,638	-	4,279,962
Due to other governments	736	-	18,270	-
Deferred revenues	4,917,171	8,490,848	4,841,763	338,703
Other liabilities	1,916,835	-	-	-
Total liabilities	12,140,566	8,841,871	16,533,536	6,673,135

	General	Managed Behavioral Healthcare	Mental Health Mental Retardation	Children, Youth and Families
Fund balance:				
Fund balance, reserved	1,103,623	-	-	-
Fund balance, unreserved	32,299,320	1,274,722	-	-
Total fund balance	33,402,943	1,274,722	-	-

Total liabilities and fund balance	\$ 45,543,509	\$ 10,116,593	\$ 16,533,536	\$ 6,673,135
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	Other Governmental Funds			Total Governmental Funds
	Capital Improvement	Debt Service		
Assets:				
Cash and cash equivalents	\$ 3,277,652	\$ 14,151,963	\$ 7,654,045	\$ 59,079,728
Investments	-	1,665,335	876,085	6,752,323
Taxes receivable	-	681,197	434,405	5,396,605
Grants receivable	255,840	-	6,721,515	17,291,094
Interest and dividends receivable	149,715	-	1,804	297,343
Other receivables	255,802	-	1,959,267	4,662,467
Due from other funds	-	-	-	9,912,721
Inventories	-	-	-	89,748
Prepays	46,441	-	8,653	1,072,043
Other assets	-	-	500	7,872
Advances to subcontractors	-	-	156,394	3,432,534
Due from component units	-	-	-	56,170
Restricted assets:				
Temporarily restricted:				
Cash and cash equivalents	32,094,662	-	413,551	41,327,653
Investments	21,674,425	-	-	21,967,723
Total Assets	57,754,537	16,498,495	18,226,219	171,346,024

LIABILITIES:				
Vouchers and accounts payable	13,199,664	5,202	4,309,930	33,728,492
Accrued liabilities	13,359	307	445,854	2,292,228
Funds held in escrow	-	-	15,058	1,060,836
Due to other funds	110,519	-	1,666,314	6,349,433
Due to other governments	-	-	26,984	45,990
Deferred revenues	500	519,155	1,318,321	20,426,461
Other liabilities	-	-	-	1,916,835
Total liabilities	13,324,042	524,664	7,782,461	65,820,275

FUND BALANCE:				
Fund balance, reserved	327,200	-	6,143,903	7,574,726
Fund balance, unreserved	44,103,295	15,973,831	4,299,855	97,951,023
Total fund balance	44,430,495	15,973,831	10,443,758	105,525,749

Total liabilities and fund balance	\$ 57,754,537	\$ 16,498,495	\$ 18,226,219
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Amounts reported for governmental activities in the statement of net assets are different because:	
Internal service funds are used by management to charge the costs of certain activities such as workers compensation, flexible benefits and computer replacement. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	6,108,273
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as a fund liability.	(387,392,723)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	6,299,480
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	264,124,130
NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ (5,335,091)

COUNTY OF CHESTER, PENNSYLVANIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2006

	General	Managed Behavioral Healthcare	Mental Health Mental Retardation	Children, Youth and Families
Revenues:				
Taxes:				
Real estate	\$ 96,444,175	\$ -	\$ -	\$ -
Personal property	30,760	-	-	-
Licenses and permits	1,267,008	-	-	-
Federal grants	2,775,518	-	22,151,888	4,937,440
State grants	8,848,378	48,424,943	41,353,428	16,423,900
Local grants	159,184	663,379	-	68,862
Departmental earnings	12,710,156	-	3	691,888
Court costs and fines	4,788,152	-	-	-
Interest earnings	3,253,492	188,022	424,984	896
Rents	201,427	-	-	-
Other	3,278,006	-	78,005	79,492
Total revenues	133,756,255	49,276,344	64,008,308	22,202,477

Expenditures:				
Current:				
General government	25,111,960	-	-	-
Judicial	32,639,498	-	-	-
Public safety	2,448,442	-	-	-
Corrections	32,049,434	-	-	-
Public works	-	-	-	-
Human services	10,704,744	48,950,576	65,323,091	27,988,971
Culture and recreation	-	-	-	-
Conservation and development	4,675,171	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Debt issuance costs	-	-	-	-
Capital outlay:				
Bridges	-	-	-	-
Other	70,909	-	-	-
Total expenditures	107,700,158	48,950,576	65,323,091	27,988,971

Other financing sources (uses):				
Bond issuance	-	-	-	-
Premium on bond issue	-	-	-	-
Note issuance	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Bond refunding	-	-	-	-
Note refunding	-	-	-	-
Transfers in	65,167	14,555	1,452,338	6,616,059
Transfers out	(20,935,925)	(229,787)	(137,555)	(829,565)
Sale of capital assets	48,625	-	-	-
Total other financing sources (uses)	(20,822,133)	(215,232)	1,314,783	5,786,494

Change in fund balance	5,233,964	110,536	-	-
Fund balance - beginning of year	28,168,979	1,164,186	-	-
Prior period adjustment				-
Fund balance - end of year	\$ 33,402,943	\$ 1,274,722	\$ -	\$ -

	Capital Improvement	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes:				
Real estate	\$ -	\$ 20,602,167	\$ 12,208,076	\$ 129,254,418
Personal property	-	-	-	30,760
Licenses and permits	-	-	-	1,267,008
Federal grants	2,362,564	-	22,684,712	54,912,121
State grants	582,769	-	12,882,762	128,516,178
Local grants	901,183	-	38,860	1,831,468
Departmental earnings	-	3,040,812	11,422,095	27,864,954
Court costs and fines	-	-	361,252	5,149,404
Interest earnings	1,735,188	2,501,317	552,607	8,656,506
Rents	-	-	257,951	459,378
Other	-	1,230	962,506	4,399,239
Total revenues	5,581,703	26,145,526	61,370,821	362,341,434

Expenditures:				
Current:				
General government	1,833,050	41,088	109,964	27,096,062
Judicial	-	-	5,424,605	38,064,103
Public safety	89,367	-	12,093,677	14,631,486
Corrections	679,181	-	-	32,728,615
Public works	207,101	-	913,427	1,120,528
Human services	5,312,273	-	35,097,888	193,377,543
Culture and recreation	3,664,373	-	12,375,546	16,039,919
Conservation and development	3,499,076	-	-	8,174,247
Debt service:				
Principal	-	11,363,508	-	11,363,508
Interest	-	14,713,602	-	14,713,602
Debt issuance costs	289,299	295,099	-	584,398
Capital outlay:				
Bridges	46,200	-	-	46,200
Other	65,552,502	-	1,756,865	67,380,276
Total expenditures	81,172,422	26,413,297	67,771,972	425,320,487

Other financing sources (uses):				
Bond issuance	-	-	-	-
Premium on bond issue	-	1,037,616	-	1,037,616
Note issuance	68,500,000	-	-	68,500,000
Payment to refunded bond escrow agent	-	(87,498,600)	-	(87,498,600)
Bond refunding	-	86,725,000	-	86,725,000
Note refunding	-	-	-	-
Transfers in	-	3,839,549	7,920,398	19,908,066
Transfers out	-	-	(740,062)	(22,872,894)
Sale of capital assets	-	-	6,406	55,031
Total other financing sources (uses)	68,500,000	4,103,565	7,186,742	65,854,219

Change in fund balance	(7,090,719)	3,835,794	785,591	2,875,166
Fund balance - beginning of year	48,876,365	12,138,037	9,449,267	99,796,834
Prior period adjustment	2,644,849			2,644,849
Fund balance - end of year	\$ 44,430,495	\$ 15,973,831	\$ 10,234,858	\$ 105,316,849

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**COUNTY OF CHESTER, PENNSYLVANIA
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2006**

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds (from page 8)

\$ 2,887,840

The net revenue of certain activities of the internal services fund is reported with governmental activities

3,702,932

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Additionally, various other long-term liabilities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds. This amount is the net effect of the differences in the treatment of long-term liabilities on the statement of activities.

(59,444,152)

The difference in the change in net assets between full accrual accounting and modified accrual accounting due to differing revenue recognition criteria between the two accounting methods.

(328,089)

The net effect of various transactions involving capital assets, (i.e. purchases, disposals, etc.) is to increase net assets.

62,382,477

Change in Net Assets of Governmental Activities

\$ 9,201,008

COUNTY OF CHESTER, PENNSYLVANIA
Statement of Net Assets
Proprietary Funds
December 31, 2006

CURRENT ASSETS		Business-type Activities	Governmental Activities	
		Enterprise Fund	Internal Service	
		Pocopson	Funds	
Assets:				
Current assets:				
	Cash and cash equivalents	\$ 132,827	\$ 9,505,572	
	Investments	-	1,107,445	
	Receivables (net of allowances for uncollectibles)	4,788,131	1,784,215	
	Inventories	105,417	-	
	Prepays	17,613	680,000	
	Deferred charges	6,843	-	
	Restricted assets:			
	Restricted cash and cash equivalents	368,558	-	
	Total current assets	5,419,389	13,077,232	
NON-CURRENT ASSETS	Noncurrent assets:			
		Capital assets net of accumulated depreciation:		
		Land improvements	34,728	-
		Buildings	746,170	-
		Building improvements	2,058,054	-
		Construction in process	704,867	-
		Machinery and equipment	397,678	1,017,936
	Total noncurrent assets	3,941,497	1,017,936	
Total assets		\$ 9,360,886	\$ 14,095,168	

	Business-type Activities	Governmental Activities
	Enterprise Fund Pocopson	Internal Service Funds
Liabilities:		
Current liabilities:		
Vouchers and accounts payable	\$ 428,850	\$ 808,457
Accrued liabilities	300,384	11,752
Funds held as fiduciary	303,401	-
Due to other funds	3,534,897	-
Other liabilities	-	168,547
Compensated absences	420,022	-
Workers' compensation claims	-	399,593
Health and long-term disability claims	-	1,586,900
Notes and bonds payable	51,261	-
Capital leases payable	-	672,376
Total current liabilities	5,038,815	3,647,625
Noncurrent liabilities:		
Compensated absences	350,057	-
Workers' compensation claims	-	1,970,677
Health and long-term disability claims	-	570,468
Notes and bonds payable	750,282	-
Capital leases payable	-	345,560
Total noncurrent liabilities	1,100,339	2,886,705
Total liabilities	6,139,154	6,534,330
Net assets:		
Invested in capital assets, net of related debt	3,139,954	-
Restricted	65,157	-
Unrestricted	16,621	7,560,838
Total net assets	3,221,732	7,560,838
TOTAL NET ASSETS	3,221,732	\$ 7,560,838
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds.	1,450,623	
Net assets of business-type activities	\$ 4,672,355	

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COUNTY OF CHESTER, PENNSYLVANIA
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2006

OPERATING REVENUES		Business-type Activities	Governmental Activities
		Enterprise Fund Pocopson	Internal Service Funds
	Operating revenues:		
	Net patient service revenues	\$ 20,345,907	\$ -
	Self insurance premiums - employer	-	31,081,613
	Self insurance premiums - employee	-	3,176,699
	Computer usage fees	-	1,435,696
	Other	79,672	263,341
	Total operating revenues	20,425,579	35,957,349
	Operating expenses:		
	Personal services	18,111,469	553,460
	Other services and charges	3,607,201	9,102,531
	Self insurance claims	165,537	21,654,162
	Depreciation	456,179	952,339
	Amortization	595	-
	Indirect costs	1,191,066	58,760
	Total operating expenses	23,532,047	32,321,252
	Operating loss	(3,106,468)	3,636,097
NONOPERATING REVENUES/(EXPENSES)	Nonoperating revenues (expenses):		
	Interest income	48,324	603,913
	Interest expense	(51,208)	(2,279)
	Total nonoperating revenues (expenses)	(2,884)	601,634
	Contributions and transfers in	3,595,612	-
	Change in net assets	486,260	4,237,731
	Net assets - beginning of year	3,218,701	3,323,107
	Prior period adjustment	(483,229)	-
	Net assets - end of year	\$ 3,221,732	\$ 7,560,838
	Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds	534,799	
	Change in net assets of business-type activities	\$ 1,021,059	

**COUNTY OF CHESTER, PENNSYLVANIA
 STATEMENT OF FIDUCIARY NET ASSETS
 Fiduciary Funds
 December 31, 2006**

ASSETS	Employee Retirement Trust Fund	Tax Claim Agency Fund	Row Office Agency Fund	Hotel Tax Agency Fund	Total Fiduciary
Assets:					
Cash and cash equivalents	\$ 9,950,730	\$ 1,031,277	\$ 12,876,212	\$ 91,400	\$ 23,949,619
Investments, at fair value:					
US government obligations	42,463,719	121,355	-	10,755	42,595,829
Domestic corporate bonds	23,746,298	-	-	-	23,746,298
Municipal bonds	1,545,069	-	-	-	1,545,069
Miscellaneous fixed income	-	-	-	-	-
Equities	81,568,022	-	-	-	81,568,022
Mutual funds	86,372,411	-	-	-	86,372,411
Accrued interest and dividends	884,925	-	-	-	884,925
Agency tax / interest receivable	-	12,296,820	-	-	12,296,820
Hotel tax receivable	-	-	-	148,057	148,057
Total assets	246,531,174	13,449,452	12,876,212	250,212	273,107,050

Liabilities:					
Accounts payable	298,202	-	-	-	298,202
Accrued liabilities	55,903	-	-	-	55,903
Due to other funds	28,391	-	-	-	28,391
Due to other governments	-	-	672,868	-	672,868
Other liabilities	-	-	12,203,344	-	12,203,344
Due to taxing authorities	-	13,449,452	-	-	13,449,452
Hotel tax payable	-	-	-	250,212	250,212
Total liabilities	382,496	\$ 13,449,452	\$ 12,876,212	\$ 250,212	\$ 26,958,372

Net assets:					
Held in trust for pension benefits and other purposes	246,148,678				246,148,678
Total net assets	\$ 246,148,678	-	-	-	\$ 246,148,678

COUNTY OF CHESTER, PENNSYLVANIA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
Fiduciary Funds
Year ended December 31, 2006

ADDITIONS	Additions:	Employee Retirement Trust Fund
	Contributions:	
	Employer	\$ 8,375,142
	Employee	5,921,416
	Other	-
	Total contributions	14,296,558
	Investment earnings:	
	Interest	3,251,185
	Net increase in fair value of investments	20,988,133
	Dividends	1,413,198
Total investment earnings	25,652,516	
Less investment expense	1,077,416	
Net investment earnings	24,575,100	
Total additions	38,871,658	
DEDUCTIONS	Deductions:	
	Benefit payments	8,610,687
	Refund of employee contributions	1,161,128
	Interest on refunds of employee contributions	229,090
Total deductions	10,000,905	
Change in net assets	28,870,753	
Net assets - beginning of year	217,277,925	
Prior period adjustment	-	
Net assets - end of year	\$ 246,148,678	

STATEMENT OF CAPITAL EXPENDITURES

GOVERNMENTAL-TYPE/BUSINESS-TYPE ACTIVITY	GOVERNMENTAL-TYPE ACTIVITY:		
	Capital Purchases	Capital Construction	Total
General government	\$ 5,683,638	\$ 12,987,373	\$ 18,671,011
Judicial government	304,157		304,157
Public safety	1,119,336		1,119,336
Corrections	53,678		53,678
Public works	26,017		26,017
Human services	1,636,619	12,428,777	14,065,396
Culture and recreation	1,090,340		1,090,340
Conservation and development	7,383,634		7,383,634
BUSINESS-TYPE ACTIVITY:			
Enterprise fund - Pocopson Home	72,617	674,415	747,032
TOTAL CAPITAL EXPENDITURES	\$ 17,370,036	\$ 26,090,565	\$ 43,460,601

TAX RATES & EMPLOYEE COMPENSATION	TAX RATES & EMPLOYEE COMPENSATION	
	TAX RATES:	
General purposes	2.759 mills	
Debt purposes	.591 mills	
All other purposes	.349 mills	
Total	3.699 mills	
EMPLOYEE COMPENSATION:		
Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)	\$ 106,485,072	

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COUNTY OF CHESTER OFFICE OF THE CONTROLLER

2 N. HIGH STREET, SUITE 540, P.O. BOX 2748, WEST CHESTER, PA 19380-0991
TELEPHONE: (610) 344-6155 FAX: (610) 344-6750

VALENTINO F. DIGIORGIO, III
Controller

June 29, 2007

ELECTED CONTROLLER'S CERTIFIED OPINION

To the: Board of County Commissioners
President Judge of the Court of Common Pleas
Secretary of the Department of Community and Economic Development


I, the undersigned, the duly elected and acting Controller of the County of Chester, have audited, adjusted and settled the accounts of the County of Chester for the year ended December 31, 2006. My audit, adjustment, and settlement was made in accordance with Act 103 of 2002 rather than with U.S. generally accepted auditing standards.

The County has prepared these financial statements on the basis of accounting consistent with U.S. generally accepted accounting principles; consisting of the accrual basis for the government-wide, proprietary fund and fiduciary fund financial statements and the modified accrual basis for the governmental fund financial statements.

Due to the absence of notes and other disclosures required by U.S. generally accepted accounting principles, these financial statements are not intended to be a complete presentation in accordance with U.S. generally accepted accounting principles.

In my opinion, these financial statements accurately reflect the results of operations and the financial position of the County of Chester for the year ended December 31, 2006.

Signed:


Valentino F. DiGiorgio III, Esq.
Controller

Commonwealth of Pennsylvania)
County of Chester) SS:
)

Subscribed and sworn to before me
this 29th day of June, 2007. (Seal)

Signed: Cathryn W. Baker
Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Cathryn W. Baker, Notary Public
West Chester Boro, Chester County
My Commission Expires Mar. 1, 2010

Member, Pennsylvania Association of Notaries

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