



Annual Financial Report

County of: Chester
for the year 2009



Return to:

PA Department of Community and Economic Development
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Harrisburg, PA 17120-0225

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DEPARTMENT OF COMMUNITY
& ECONOMIC DEVELOPMENT



COUNTY OF CHESTER, PENNSYLVANIA
Government-Wide Statement of Net Assets
December 31, 2009

CURRENT ASSETS	Primary Government		
	Governmental Activities	Business-Type Activities	Total
CURRENT ASSETS:			
Cash and cash equivalents	\$ 94,554,820	\$ 241,255	\$ 94,796,075
Investments	-	-	-
Receivables (net of allowances for uncollectibles)	11,270,669	4,293,921	15,564,590
Due from other governments	20,009,430	-	20,009,430
Internal balances	2,418,101	(2,418,101)	-
Inventories	129,973	87,174	217,147
Prepays	2,204,623	26,086	2,230,709
Deferred charges	142,374	-	142,374
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	61,302,613	-	61,302,613
Investments	-	-	-
Intergovernmental receivable	-	-	-
Other <i>Other assets</i>	2,647,691	5,057	2,652,748
Other <i>Due from authorities</i>	56,170	-	56,170

NON-CURRENT ASSETS	NON-CURRENT ASSETS:			
	Permanently restricted:			
	Restricted cash and cash equivalents	3,048,068	574,184	3,622,252
	Capital assets, not being depreciated:			
	Land	17,861,435	-	17,861,435
	Construction in process	21,403,406	-	21,403,406
	Capital assets, being depreciated, net			
	Buildings and system	196,852,836	3,595,693	200,448,529
	Improvements other than buildings	1,259,736	46,776	1,306,512
	Machinery and equipment	17,060,142	647,894	17,708,036
Infrastructure	10,435,936	-	10,435,936	
Other <i>Land development rights</i>	76,723,013	-	76,723,013	
Other <i>Machinery and equipment capital lease</i>	985,316	-	985,316	

TOTAL ASSETS	\$ 540,366,352	\$ 7,099,939	\$ 547,466,291
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LIABILITIES	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	LIABILITIES:		
Current liabilities:			
Accounts payable	\$ 22,181,491	\$ 170,050	\$ 22,351,541
Due to other governments	3,928,452	-	3,928,452
Deferred revenue	21,509,935	-	21,509,935
Funds held as fiduciary	-	634,968	634,968
Other current liabilities	13,030,299	509,638	13,539,937
Noncurrent liabilities:			
Debt due within one year	10,440,967	24,882	10,465,849
Debt due in more than one year	503,147,551	647,397	503,794,948
Other non-current liabilities	6,065,135	350,275	6,415,410
Other <i>Accrued salaries</i>	3,576,202	531,020	4,107,222
Other <i>Funds held in escrow</i>	1,408,724	-	1,408,724
TOTAL LIABILITIES	585,288,756	2,868,230	588,156,986

NET ASSETS	NET ASSETS:		
Investment in capital assets, net of related debt	(495,499)	3,618,084	3,122,585
Restricted	4,245,126	-	4,245,126
Unrestricted	(48,672,031)	613,625	(48,058,406)
TOTAL NET ASSETS	\$ (44,922,404)	\$ 4,231,709	\$ (40,690,695)

COUNTY OF CHESTER, PENNSYLVANIA
Government-Wide Statement of Activities
For the Year Ended December 31, 2009

GOVERNMENTAL ACTIVITIES	Functions/Programs	Program Revenues			
		Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
	Primary government				
	Governmental activities:				
	General government	36,195,211	11,493,302	361,857	15
	Judicial government	49,979,776	9,256,869	6,385,625	-
	Public safety	19,243,862	11,510,830	551,398	149,525
	Corrections	39,989,120	2,942,921	1,808,953	-
	Public works (Bridges)	1,324,047	-	793,088	979,308
	Human services	205,643,344	3,429,256	186,020,091	-
	Culture and recreation	14,101,409	386,614	20,722	212,020
	Conservation and development	18,316,615	1,136,728	314,667	-
	Interest on long-term debt	25,662,207	-	-	-
	Total governmental activities	\$ 410,455,591	\$ 40,156,520	\$ 196,256,401	\$ 1,340,868

BUSINESS-TYPE ACTIVITIES	Business-type activities:				
	Pocopson Geriatric center	25,354,355	21,874,187	-	-
	Total business type activities	\$ 25,354,355	\$ 21,874,187	\$ -	\$ -

Total primary government	\$ 435,809,946	\$ 62,030,707	\$ 196,256,401	\$ 1,340,868
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GOVERNMENTAL ACTIVITIES

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			
Functions/Programs	Governmental	Business-Type	Total
Primary government	Activities	Activities	
Governmental activities:			
General government	(24,340,037)	 	(24,340,037)
Judicial government	(34,337,282)	 	(34,337,282)
Public safety	(7,032,109)	 	(7,032,109)
Corrections	(35,237,246)	 	(35,237,246)
Public works (Bridges)	448,349	 	448,349
Human services	(16,193,997)	 	(16,193,997)
Culture and recreation	(13,482,053)	 	(13,482,053)
Conservation and development	(16,865,220)	 	(16,865,220)
Interest on long-term debt	(25,662,207)	 	(25,662,207)
Total governmental activities	\$ (172,701,802)	\$ -	\$ (172,701,802)

BUSINESS-TYPE ACTIVITIES

Business-type activities:			
Pocopson Geriatric center	 	(3,480,168)	(3,480,168)
Total business type activities	\$ -	\$ (3,480,168)	\$ (3,480,168)

Total primary government	\$ (172,701,802)	\$ (3,480,168)	\$ (176,181,970)
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GENERAL REVENUES AND TRANSFERS

General revenues:			
Taxes:			
Real Estate	144,810,041	-	144,810,041
Occupation	-	-	-
Per capita	-	-	-
Hotel taxes	-	-	-
Personal property taxes	4,199	-	4,199
Investment earnings	3,382,496	470	3,382,966
Miscellaneous	2,540,480	-	2,540,480
Transfers	(3,010,905)	3,010,905	-
Total general revenues and transfers	\$ 147,726,311	\$ 3,011,375	\$ 150,737,686

Change in net assets	\$ (24,975,491)	\$ (468,793)	\$ (25,444,284)
Net assets - beginning	(19,946,913)	4,700,502	(15,246,411)
Prior period adjustment	-	-	-
Net assets - ending	\$ (44,922,404)	\$ 4,231,709	\$ (40,690,695)

COUNTY OF CHESTER, PENNSYLVANIA

Balance Sheet - Governmental Funds

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

December 31, 2009

	ASSETS			
	General	Managed Behavioral Healthcare	MHIDD	Children, Youth and Families
Assets:				
Cash and cash equivalents	\$ 30,979,797	\$ 416,319	\$ 12,428,533	\$ 16,095
Investments	-	-	-	-
Receivables (net of uncollectibles)	8,063,705	1,001,936	14,263	18,816
Due from other governments	1,960,003	-	349,922	9,465,159
Due from other funds	11,510,663	-	-	-
Inventories	129,973	-	-	-
Prepays	670,015	-	-	9,955
Restricted assets:				
Temporarily restricted:				
Cash and cash equivalents	482,694	11,283,496	-	-
Investments	-	-	-	-
Permanently restricted:				
Investments	837,025	-	-	-
Other <u>Other assets</u>	7,372	-	-	-
Other <u>Adv. to subcontractors</u>	-	-	-	-
Other <u>Due from comp.units</u>	56,170	-	-	-
Total Assets	54,697,417	12,701,751	12,792,718	9,510,025

	LIABILITIES			
	General	Managed Behavioral Healthcare	MHIDD	Children, Youth and Families
Liabilities:				
Accounts payable	2,676,947	852,117	4,907,202	2,467,818
Due to other governments	-	-	3,750,707	-
Due to other funds	-	508,958	-	6,384,493
Deferred revenue	5,724,964	11,324,897	3,987,711	377,948
Funds held as fiduciary	522,248	-	-	-
Other <u>Accrued liabilities</u>	2,410,981	15,779	147,098	279,766
Other <u>Other liabilities</u>	1,898,802	-	-	-
Total liabilities	13,233,942	12,701,751	12,792,718	9,510,025

	FUND BALANCE			
	General	Managed Behavioral Healthcare	MHIDD	Children, Youth and Families
Fund balance:				
Fund balance, reserved	802,888	-	-	-
Fund balance, unreserved	40,660,587	-	-	-
Total fund balance	41,463,475	-	-	-

Total liabilities and fund balance	\$ 54,697,417	\$ 12,701,751	\$ 12,792,718	\$ 9,510,025
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	Capital		Debt		Other		Total	
	Improvement		Service		Governmental Funds		Governmental Funds	
Assets:								
Cash and cash equivalents	\$ 1,337,785	\$ 19,440,511	\$ 16,632,206	\$ 81,251,246				
Investments	-	-	-	-				
Receivables (net of uncollectibles)	67,064	944,671	997,677	11,108,132				
Due from other governments	180,832	-	8,053,515	20,009,431				
Due from other funds	-	-	-	11,510,663				
Inventories	-	-	-	129,973				
Prepays	-	-	10,083	690,053				
Restricted assets:								
Temporarily restricted:								
Cash and cash equivalents	49,536,423	-	2,211,043	63,513,656				
Investments	-	-	-	-				
Permanently restricted:								
Investments	-	-	-	837,025				
Other <i>Other assets</i>	-	-	1,743	9,115				
Other <i>Adv. to subcontractors</i>	-	-	7,369	7,369				
Other <i>Due from comp.units</i>	-	-	-	56,170				
Total Assets	51,122,104	20,385,182	27,913,636	189,122,833				

Liabilities:								
Accounts payable	4,279,869	5,709	5,542,317	20,731,979				
Due to other governments	-	-	121,691	3,872,398				
Due to other funds	-	-	1,181,918	8,075,369				
Deferred revenue	8,500	817,441	4,916,462	27,157,923				
Funds held as fiduciary	-	-	33,958	556,206				
Other <i>Accrued liabilities</i>	-	-	715,111	3,568,735				
Other <i>Other liabilities</i>	-	-	-	1,898,802				
Total liabilities	4,288,369	823,150	12,511,457	65,861,412				

Fund balance:								
Fund balance, reserved	104,076	-	3,541,495	4,448,459				
Fund balance, unreserved	46,729,659	19,562,032	11,860,684	118,812,962				
Total fund balance	46,833,735	19,562,032	15,402,179	123,261,421				

Total liabilities and fund balance	\$ 51,122,104	\$ 20,385,182	\$ 27,913,636
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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.	8,442,690
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as a fund liability.	(526,856,184)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	8,633,165
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	341,596,504
NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ (44,922,404)

COUNTY OF CHESTER, PENNSYLVANIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	General	Managed Behavioral Healthcare	Mental Health Mental Retardation
Revenues:			
Taxes:			
Real estate	\$ 107,161,019	\$ -	\$ -
Occupation tax	-	-	-
Per capital tax	-	-	-
Hotel room rental tax	-	-	-
Sales tax	-	-	-
Other <u>Personal property tax</u>	4,199	-	-
Other _____	-	-	-
Total taxes	107,165,218	-	-
Intergovernmental revenues:			
Federal	3,164,940	-	25,366,890
State	7,141,463	54,668,091	50,923,342
Local government units	174,483	-	-
Combination	-	-	-
Total intergovernmental revenues	10,480,886	54,668,091	76,290,232
Charges for service	19,815,705	-	-
Miscellaneous revenues:			
Interest earnings	2,244,484	1,750	557,720
Rents	125,706	-	-
Private contributions and donations	-	-	-
Other <u>Miscellaneous</u>	2,728,690	-	12,520
Other _____	-	-	-
Total miscellaneous revenues	5,098,880	1,750	570,240
Total revenues	142,560,689	54,669,841	76,860,472

REVENUES

	Capital Improvement	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes:				
Real estate	\$ -	\$ 24,855,925	\$ 12,638,411	\$ 144,655,355
Occupation tax	-	-	-	-
Per capital tax	-	-	-	-
Hotel room rental tax	-	-	-	-
Sales tax	-	-	-	-
Other <i>Personal property tax</i>	-	-	-	4,199
Other	-	-	-	-
Total taxes	-	24,855,925	12,638,411	144,659,554
Intergovernmental revenues:				
Federal	225,214	-	28,585,383	57,342,426
State	1,841,252	-	39,778,143	154,352,291
Local government units	93,793	-	1,129	269,405
Combination	-	-	-	-
Total intergovernmental revenues	2,160,259	-	68,364,655	211,964,123
Charges for service	-	-	13,145,588	32,961,293
Miscellaneous revenues:				
Interest earnings	2,421,123	956,512	476,452	6,658,041
Rents	-	-	301,549	427,255
Private contributions and donations	-	-	-	-
Other <i>Miscellaneous</i>	76,231	750,051	650,867	4,218,359
Other	-	-	-	-
Total miscellaneous revenues	2,497,354	1,706,563	1,428,868	11,861,375
Total revenues	4,657,613	26,562,488	95,577,522	400,888,625

REVENUES

COUNTY OF CHESTER, PENNSYLVANIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	General	Managed Behavioral Healthcare	MH/IDD	Children, Youth and Families
EXPENDITURES				
Expenditures:				
Current:				
General government	26,677,848	-	-	-
Judicial	39,067,832	-	-	-
Public safety	3,031,505	-	-	-
Corrections	37,191,761	-	-	-
Public works (Bridges)	-	-	-	-
Human services	10,344,736	64,583,804	51,908,007	28,760,006
Culture and recreation	-	-	-	-
Conservation and development	5,586,660	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Debt issuance costs	-	-	-	-
Capital outlay:				
Bridges	-	-	-	-
Other	135,196	-	-	19,078
Total expenditures	\$ 122,035,538	64,583,804	51,908,007	28,779,084
REVENUES/(EXPENDITURES)				
Other financing sources (uses):				
Interfund operating transfers	(16,346,031)	(1,262,087)	1,813,064	6,281,979
Sale of capital assets	426,393	-	-	-
Proceeds from long-term debt	-	-	-	-
Refund of debt	-	-	-	-
Other <i>Premium on bond issue</i>	-	-	-	-
Other _____	-	-	-	-
Total other financing sources (uses)	\$ (15,919,638)	(1,262,087)	1,813,064	6,281,979
Change in fund balance				
Change in fund balance	5,454,658	(738,682)	-	-
Fund balance - beginning of year	36,008,817	738,682	-	-
Prior period adjustment	-	-	-	-
Fund balance - end of year	\$ 41,463,475	\$ -	\$ -	\$ -

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

EXPENDITURES	Capital	Debt	Other	Total
	Improvement	Service	Governmental Funds	Governmental Funds
Expenditures:				
Current:				
General government	295,354	10,744	744,496	27,728,442
Judicial	-	-	6,121,148	45,188,980
Public safety	18,384	-	14,023,217	17,073,106
Corrections	-	-	-	37,191,761
Public works (Bridges)	-	-	885,915	885,915
Human services	3,547,327	-	44,705,983	203,849,863
Culture and recreation	138,762	-	12,835,647	12,974,409
Conservation and development	12,518,418	-	-	18,105,078
Debt service:				
Principal	-	8,617,898	-	8,617,898
Interest	-	11,150,715	-	11,150,715
Debt issuance costs	-	1,687,518	-	1,687,518
Capital outlay:				
Bridges	-	-	1,261,132	1,261,132
Other	16,993,936	-	3,166,150	20,314,360
Total expenditures	33,512,181	21,466,875	83,743,688	406,029,177

REVENUES/(EXPENDITURES)	Other financing sources (uses):			
	Interfund operating transfers	(147,209)	(8,192,412)	14,841,791
Sale of capital assets	-	-	11,483	437,876
Proceeds from long-term debt	40,915,000	199,305,000	-	240,220,000
Refund of debt	-	(207,163,908)	-	(207,163,908)
Other <i>Premium on bond issue</i>	-	9,484,534	-	9,484,534
Other	-	-	-	-
Total other financing sources (uses)	40,767,791	(6,566,786)	14,853,274	39,967,597

Change in fund balance	7,916,361	(1,841,754)	6,126,137	16,916,720
Fund balance - beginning of year	38,917,374	21,403,786	9,276,042	106,344,701
Prior period adjustment	-	-	-	-
Fund balance - end of year	\$ 46,833,735	\$ 19,562,032	\$ 15,402,179	\$ 123,261,421

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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, 2009

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

Net changes in fund balances - total governmental funds (from page 10)

\$ 16,916,720

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

(1,824,381)

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.

(45,319,579)

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.

(1,089,181)

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

6,340,930

Change in Net Assets of Governmental Activities

\$ (24,975,491)

COUNTY OF CHESTER, PENNSYLVANIA
Statement of Net Assets
Proprietary Funds
December 31, 2009

	Business-type Activities	Governmental Activities
	Enterprise Fund Pocopson	Internal Service Funds
Assets:		
Current assets:		
Cash and cash equivalents	\$ 241,255	\$ 13,303,573
Investments	-	-
Receivables (net of allowances for uncollectibles)	4,293,921	142,304
Due from other governments	-	-
Due from other funds	-	-
Inventories	87,174	-
Prepays	26,086	1,504,234
Deferred charges	5,057	-
Restricted assets:		
Temporarily restricted:		
Cash and cash equivalents	-	-
Other	-	-
Other	-	-
Total current assets	4,653,493	14,950,111
Noncurrent assets:		
Permanently restricted:		
Cash and cash equivalents	574,184	-
Capital assets not being depreciated:		
Construction in process	-	-
Capital assets net of accumulated depreciation:		
Buildings and system	3,595,693	-
Improvements other than buildings	46,776	-
Machinery and equipment	647,894	985,316
Other	-	-
Other	-	-
Total noncurrent assets	4,864,547	985,316
Total assets	\$ 9,518,040	\$ 15,935,427

CURRENT LIABILITIES		Business-type Activities	Governmental Activities
		Enterprise Fund Pocopson	Internal Service Funds
	Liabilities:		
	Current liabilities:		
	Accounts payable	\$ 170,050	\$ 1,272,992
	Due to other governments	-	-
	Due to other funds	3,422,429	-
	Funds held as fiduciary	634,968	-
	Other liabilities	-	136,100
	Debt due in less than 1 year	24,882	-
	Noncurrent liabilities due in less than 1 year	497,238	2,645,451
	Other <i>Accrued liabilities</i>	543,420	8,472
	Other <i>Capital leases payable</i>	-	691,464
	Total current liabilities	5,292,987	4,754,479

NON-CURRENT LIABILITIES			
		Noncurrent liabilities:	
	Debt due in more than 1 year	647,397	-
	Noncurrent liabilities due in more than 1 year	350,275	1,440,079
	Other <i>Capital leases payable</i>	-	293,852
	Other	-	-
	Total noncurrent liabilities	997,672	1,733,931

Total liabilities	6,290,659	6,488,410
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NET ASSETS			
		Net assets:	
	Invested in capital assets, net of related debt	3,618,084	-
	Restricted	-	-
	Unrestricted	(390,703)	9,447,017
	Total net assets	3,227,381	9,447,017

TOTAL NET ASSETS	3,227,381	\$ 9,447,017
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds.	1,004,328	
Net assets of business-type activities	\$ 4,231,709	

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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, 2009

OPERATING REVENUES		Business-type Activities	Governmental Activities
		Enterprise Fund Pocopson	Internal Service Funds
	Operating revenues:		
Charges for service	\$ 21,842,508	\$ 36,647,420	
Operating grants	-	-	
Other <u>Miscellaneous</u>	31,679	538,583	
Other _____	-	-	
Total operating revenues	21,874,187	37,186,003	

OPERATING EXPENSES			
	Operating expenses:		
	Personal services	19,477,329	587,456
Contracted services	-	-	
Supplies and materials	-	-	
Repairs and maintenance	-	-	
Utilities	-	-	
Other services and charges	3,387,037	12,765,005	
Depreciation and amortization	624,848	1,041,829	
Other <u>Bad Debt</u>	183,016	-	
Other <u>Indirect costs</u>	1,165,562	71,440	
Other <u>Self insurance claims</u>	13,777	25,434,744	
Total operating expenses	24,851,569	39,900,474	

Operating income (loss)	(2,977,382)	(2,714,471)
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NONOPERATING REVENUES/(EXPENSES)			
	Nonoperating revenues (expenses):		
	Investment earnings	470	438,115
Interest expense	(33,523)	(17,288)	
Other _____	-	-	
Other _____	-	-	
Total nonoperating revenues (expenses)	(33,053)	420,827	

Operating transfer in/(out)	3,010,905	-
Change in net assets	470	(2,293,644)
Net assets - beginning of year	3,226,911	11,740,661
Prior period adjustment	-	-
Net assets - end of year	\$ 3,227,381	\$ 9,447,017
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds	(469,263)	
Change in net assets of business-type activities	\$ (468,793)	

**COUNTY OF CHESTER, PENNSYLVANIA
 STATEMENT OF FIDUCIARY NET ASSETS
 Fiduciary Funds
 December 31, 2009**

	Employee Retirement Trust Fund	Tax Claim Agency Fund	Row Office Agency Fund	Hotel Tax Agency Fund	Total Fiduciary
Assets:					
Cash and cash equivalents	\$ 15,425,561	\$ 2,150,045	\$ 11,858,223	\$ 104,055	\$ 29,537,884
Receivables	587,209	-	-	-	587,209
Investments, at fair value	219,557,944	-	-	-	219,557,944
Due from other funds	-	-	-	-	-
Restricted assets:	-	-	-	-	-
Temporarily restricted:	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Permanently restricted:	-	-	-	-	-
Investments	-	-	-	-	-
Other <i>Agency tax/interest receivables</i>	-	16,524,425	-	-	16,524,425
Other <i>Hotel tax receivable</i>	-	-	-	116,458	116,458
Total assets	235,570,714	18,674,470	11,858,223	220,513	266,323,920

Liabilities:					
Accts. Pay. & other curr. Liabilities	371,771	-	8,451,949	-	8,823,720
Due to other funds	12,865	-	-	-	12,865
Due to other governments	-	-	3,406,274	-	3,406,274
Funds held as fiduciary	-	-	-	-	-
Other <i>Due to taxing authorities</i>	-	18,674,470	-	-	18,674,470
Other <i>Hotel tax payable</i>	-	-	-	220,513	220,513
Other	-	-	-	-	-
Total liabilities	384,636	\$ 18,674,470	\$ 11,858,223	\$ 220,513	\$ 31,137,842

Net assets:					
Held for specific purpose	235,186,078	-	-	-	235,186,078
Unrestricted (deficit)	-	-	-	-	-
Other	-	-	-	-	-
Other	-	-	-	-	-
Total net assets	\$ 235,186,078	-	-	-	\$ 235,186,078

COUNTY OF CHESTER, PENNSYLVANIA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
Fiduciary Funds
Year ended December 31, 2009

ADDITIONS	Additions:	Employee Retirement Trust Fund
	Contributions:	
	Employer	\$ 12,415,742
	Plan members	6,569,173
	Other _____	-
	Total contributions	18,984,915
	Investment earnings:	
	Interest	1,670,381
	Net increase (decrease) in fair value of investments	30,221,797
	Other <u>Dividends</u> _____	2,495,572
Total investment earnings (loss)	34,387,750	
Less investment expense	1,130,627	
Net investment earnings (loss)	33,257,123	
Total additions (reductions)	52,242,038	
DEDUCTIONS	Deductions:	
	Benefit payments	10,506,138
	Administrative expenses	-
	Other <u>Refund of employee contributions</u> _____	1,916,853
	Other _____	-
Total deductions	12,422,991	
Change in net assets	39,819,047	
Net assets - beginning of year	195,367,031	
Prior period adjustment	-	
Net assets - end of year	\$ 235,186,078	

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STATEMENT OF CAPITAL EXPENDITURES

GOVERNMENTAL-TYPE/BUSINESS-TYPE ACTIVITY	GOVERNMENTAL-TYPE ACTIVITY:		
	Capital Purchases	Capital Construction	Total
General government	\$ 4,034,228	\$ 650,384	\$ 4,684,612
Judicial government	344,622	6,208	350,830
Public safety	617,876	278,052	895,928
Corrections	1,055,966	1,049,678	2,105,644
Public works	430,902	1,339,083	1,769,985
Human services	1,709,826	-	1,709,826
Culture and recreation	5,132,939	2,312,843	7,445,782
Conservation and development	6,125,728	-	6,125,728
BUSINESS-TYPE ACTIVITY:			
Enterprise fund - Pocopson Home	438,382	-	438,382
TOTAL CAPITAL EXPENDITURES	\$ 19,890,469	\$ 5,636,248	\$ 25,526,717

EMPLOYEE COMPENSATION	EMPLOYEE COMPENSATION	
	EMPLOYEE COMPENSATION:	
Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)		\$119,411,468

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DEBT STATEMENT

Purpose	Bond(B) Note(N)	Issue Date	Maturity Date	Original Amount of Issue	Outstanding January 1st	Issued During Year	Principal Paid This Year	Current Year Accretion of Compound Int.	Outstanding December 31st	Plus/Minus Unamortized Prem.(Disc.)	Total Balance
GENERAL OBLIGATION BONDS AND NOTES											
Refund 1998 bond for various capital projects.	B	2001	2022	65,550,000	21,025,000	-	4,925,000	-	16,100,000	-	\$ 16,100,000
Refund 2000 note and 2000 series B note.	B	2003	2020	21,675,000	15,685,000	-	15,685,000	-	-	-	\$ -
Refund 1993 bond.	N	2003	2011	22,922,000	10,378,000	-	3,272,000	-	7,106,000	-	\$ 7,106,000
To fund open space, Ag. Pres., Const. And Imp. Co. Buildings.	B	2004	2022	24,265,000	17,590,000	-	17,590,000	-	-	-	\$ -
To fund open space, Ag. Pres., Const. And Imp. Co. Buildings.and refund 2001 and 2002 notes.	B	2005	2024	84,685,000	3,170,000	-	1,600,000	-	1,570,000	68,680	\$ 1,638,680
Partial advance refunding of 1998 and 2001 bonds.	B	2005	2022	44,750,000	44,590,000	-	1,545,000	-	43,045,000	2,327,708	\$ 45,372,708
To fund open space, Ag. Pres., Const. And Imp. Co. Buildings.	N	2006	2020	68,500,000	65,765,000	-	65,765,000	-	-	-	\$ -
To advance refund a portion of the 2003 and 2005 bonds.	B	2006	2024	86,725,000	86,145,000	-	5,000	-	86,140,000	864,680	\$ 87,004,680
Refund 2005 note series A & B	B	2007	2027	63,445,000	63,150,000	-	890,000	-	62,260,000	1,913,097	\$ 64,173,097
To fund open space, Ag. Pres., Const. and Imp. Co. Buildings	N	2007	2028	50,000,000	50,000,000	-	24,874,000	-	25,126,000	-	\$ 25,126,000
To fund open space, Ag. Pres., Const. and Imp. Co. Buildings	N	2007	2020	65,000,000	65,000,000	-	65,000,000	-	-	-	\$ -
Refund 1999 bonds.	B	2008	2016	20,155,000	18,930,000	-	2,105,000	-	16,825,000	229,783	\$ 17,054,783
Partial advance refunding of 2001, 2003,2004 and 2007 bonds and currently refund all of 2007A, a portion of 2007B and all of 2007 C&D notes.	B	2009	2029	118,080,000	-	118,080,000	5,000	-	118,075,000	2,379,105	\$ 120,454,105
To advance refund outstanding portions of 2003 and 2004 bonds and a portion of 2005.	B	2009	2022	25,265,000	-	25,265,000	-	-	25,265,000	1,340,650	\$ 26,605,650
To fund open space, Ag. Pres., Const. and Imp. Co. Buildings	B	2009	2032	40,915,000	-	40,915,000	-	-	40,915,000	-	\$ 40,915,000
To refund remaining 2006 note.	B	2009	2029	55,960,000	-	55,960,000	-	-	55,960,000	5,764,778	\$ 61,724,778
REVENUE BONDS AND NOTES											
LEASE RENTAL DEBT											
Computer Leases		2007	2009	1,028,069	336,024	-	336,024	-	-	-	\$ -
Computer Leases		2008	2010	1,210,130	806,753	-	403,377	-	403,376	-	\$ 403,376
Computer Leases		2009	2011	899,179	-	899,179	282,439	-	581,940	-	\$ 581,940
OTHER											
										Total bonds and notes outstanding.....	\$ 513,275,481
										Capitalized lease obligations.....	\$ 985,316
										Other debt.....	\$ -
										TOTAL OUTSTANDING DEBT.....	\$ 514,260,797
										Minus assets held in bond reserve funds, and bond redemption funds	-
										Minus lease rental payments receivable.....	-
										NET DEBT.....	\$ 514,260,797

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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 25, 2010

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, 2009. My audit, adjustment, and settlement was made in accordance 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, 2009.

Signed:

Valentino F. DiGiorgio, III
Controller

Commonwealth of Pennsylvania)
County of Chester) SS:
)

Subscribed and sworn to before me
this 24th day of June, 2010. (Seal)

Signed:

Notary Public

Member, Pennsylvania Association of Notaries
My Commission Expires April 26, 2014
West Chester Boro, Chester County
Cathryn W. Baker, Notary Public
Notarial Seal

COMMONWEALTH OF PENNSYLVANIA