County of Chester
Pennsylvania

Annual Report Summary
For the Year Ended December 31, 2010

Prepared by the Office of the Controller
Valentino F. DiGiorgio III, Esq. Controller
To the residents of Chester County:

I am pleased and excited to present to the citizens of Chester County our sixth Annual Report Summary for the Fiscal Year ended 2010. The information contained in this Summary is a condensed and simplified overview of the County of Chester’s audited 2010 Comprehensive Annual Financial Report (CAFR) and presents selected basic information about the County’s revenues, spending, and demographics in an informal, easy to understand format.

I have prepared the Annual Report Summary as a means of helping taxpayers understand the financial position of County government and how their tax dollars are being spent. Now, more than ever, it is important that taxpayers get a clear understanding of the pressures facing government. I firmly believe that an educated citizenry armed with the facts about local, state and federal governments is the best way to ensure accountability and an efficient government.

With a strong history of low taxes, good schools, diverse and well-paying employment and government programs that respect our environment, Chester County continues to be a great place to live, work and raise a family. Like the rest of the nation, however, we face financial challenges in these tough economic times. In order to continue as the wonderful community we have become, Chester County government must remain financially responsible while providing important services to Chester County residents.

As your Controller, I welcome your input on County government. Please explore online resources (such as those on 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 views about the direction of our government and how we can make it more open, efficient and accountable.

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, 157 page, CAFR from the County Controller’s Office, 313 West Market Street, Suite 6302 (6th floor), PO Box 2748, West Chester, PA 19380-0991 or on the County’s website at www.chesco.org under “Controller” “Comprehensive Annual Financial Report” or call (610) 344-6155.

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

Sincerely,

Valentino F. DiGiorgio III
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 county seat was relocated from its then location, the City of Chester, to a more centralized location, the town of Turk’s Head. In 1788 the name of the town was changed from Turk’s Head to its current name – West Chester. The first courthouse was completed in 1786. In 1847 a new courthouse, designed by Thomas N. Walter, was constructed to handle the increasing population. Chester County expanded its judicial capacity with the completion of the Justice Center and its administrative capacity with the completion of the West Market Street building.

The County was an important stop along the underground railroad. Members of the Society of Friends (Quakers) established routes within the County headed north from Maryland and Delaware.

The County has 73 political subdivisions, consisting of one third-class city (Coatesville), 15 boroughs, and 57 townships. The County has a population of approximately 498,886 and covers 762 square miles, including some of the most productive agricultural land in Pennsylvania.

There are 14 public school districts in Chester County providing elementary and secondary education, as well as many private and parochial schools. Chester County also is proud to be the home to seven universities and colleges: Delaware County Community College, West Chester University, Immaculata University, Cheyney University, Lincoln University, Valley Forge Christian College and The School of Graduate Professional Studies – Penn State Great Valley.

The median income of the County’s households is the highest in the Commonwealth of Pennsylvania. Chester County is one of the leading counties in home ownership as well. According to the 2010 census, Chester County has the most educated population in Pennsylvania.

Population and employment has dramatically grown in Chester County during the past thirty years as suburban development continues to spread westward and as businesses grow along the Route 30 and 202 corridors.
Who we are...

People

Chester County’s 2010 population was 498,886. This is a minor decrease from the 2009 estimate and a 13.1% increase from the 2000 Census.

The ratio of men (49%) to women (51%) remains unchanged. This ratio mirrors both the Commonwealth and the nation.

The chart at the right shows the breakout of age groups in Chester County based on the 2010 Census. The age groups are consistent with both the Commonwealth and the nation.

Housing

In 2010, the average household size in Chester County was 2.7 people, slightly higher than the Commonwealth and national averages. Both the Commonwealth and the nation’s averages are lower than in 2000 while the County’s remained the same.

The table to the left shows the percentage of home ownership in both the 2000 and 2010 Censuses according to the respective censuses. Chester County’s home ownership has a very slight decrease, despite the struggles with the housing market. Please see the charts on pages 17 and 18 for additional comparisons of Chester County housing information.

Income

Chester County enjoys having one of the highest median household incomes in the U.S. The table to the right shows that Chester County’s 2010 average is well above both Commonwealth and national averages.

Both Commonwealth and national median household income decreased slightly from the 2009 average, while Chester County increased slightly. This is promising based on the current state of the economy.
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. Chester County is also a transportation hub for many manufacturers and distributors.

Most Chester County residents drove to work alone (81%) or carpooled (7%) making our transportation system critical. Routes 202, 100, 30, and the Pennsylvania Turnpike allow our residents quick and easy access to their destinations. Despite the slight decrease in population, continuing employment opportunities created an increased demand for better transportation means. Below is a table of some of the County’s major transportation projects.

<table>
<thead>
<tr>
<th>Roadway</th>
<th>Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA Turnpike</td>
<td>Construction of an E-ZPass-only exit along the Route 29 corridor between Downingtown (#312) and Valley Forge (#326) exits.</td>
</tr>
<tr>
<td>U.S. 202</td>
<td>Widening and reconstructions of four miles of Route 202 between North Valley Road and Valley Creek Road.</td>
</tr>
<tr>
<td>U.S. 30</td>
<td>Widening of U.S. 30 from two 12’ wide lanes to five 12’ wide lanes with a continuous center left turn lane between Exton Square Mall and U.S. 202.</td>
</tr>
</tbody>
</table>

Employment

In 2010, Chester County continued to enjoy a lower unemployment rate than either the Commonwealth or the nation. Historically, Chester County has been in the top five counties for employment rates in Pennsylvania.

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chester County</td>
<td>6.2%</td>
<td>6.2%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>9.6%</td>
<td>8.1%</td>
<td>5.3%</td>
</tr>
<tr>
<td>U.S.</td>
<td>10.8%</td>
<td>9.3%</td>
<td>5.8%</td>
</tr>
</tbody>
</table>

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 13 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.
- Clinical Care (access to care, quality of care) - ranked 17th
- Social & Economic Factors (employment, safety, income, education, family/social support) - ranked 1st
- Morbidity (birth outcomes, health-related quality of life) - ranked 2nd

Sources: 2010 U.S. Census, USDA/NASS/PA Agricultural Statistics 2009-2010, U.S. Department of Labor, Chester County Planning Commission, University of Wisconsin Population Health Institute
Form of Government

Chester County is organized under the commission form of government. A three person board of commissioners is elected every four years on an at-large basis. The board conducts its business at regularly scheduled public meetings. Information on these meetings, including times, locations, agendas, and minutes, can be found on our website at www.chesco.org.

The Board of Commissioners are joined by two additional elected officials in conducting the County’s financial affairs. The County Controller supervises the fiscal affairs of the County and is the principal accountant and auditor. The Treasurer serves primarily to receive, record and deposit most County funds. The remaining administrative, quasi-judicial, and judicial elected officials in the County are Coroner, Clerk of Courts, District Attorney, Judge (15), Jury Commissioner (2), Prothonotary, Recorder of Deeds, Register of Wills/Clerk of the Orphans’ Court, and Sheriff.

Human Services Provided

The human services provided by the County are, in large part, funded by grants received from the Commonwealth and federal government. In 2010, human services made up 52% of the County expenditures. Please see page 6 for a graph on 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 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: The mission of the Department of Children, Youth and Families 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.

Drug & Alcohol: To provide 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.

Managed Behavioral Health Care: 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: Every Chester County citizen experiencing mental illness or developmental disability may access services and natural supports that foster recovery and integration into a greater community where they are valued and enjoy fulfilling lives.
Other Essentials:
Chester County is a 3rd Class county. This means the County’s population is between 225,000 and 500,000 residents. The County population was approximately 498,886 residents in 2010.

In 2010, human services made up 52% of Chester County’s total expenditures. The following graph illustrates the percentage breakdown of the County’s human services.

- Mngd Behavioral Health Care 30%
- MHI/DD Fund 15%
- CYF Fund 14%
- Geriatric Center 12%
- Community Development 11%
- Subsidized Child Day Care 7%
- Health Department 4%
- Drug and Alcohol Fund 3%
- Office of Aging Fund 3%
- Human Services Fund 1%

Services Provided

General Government – Services provided by the County for the benefit of the public and the governmental body as a whole, including the administrative departments, 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 and Clerk of the Orphans’ Court, Prothonotary, 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 97 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.
Your Real Estate Dollars

In 2010, on average, Chester County residents paid $2,851.99 in taxes per $100,000 of their home’s assessed value. Of that, only 14%, or $396.50, were County taxes. The chart to the right illustrates how your local real estate taxes are used.

County real estate taxes funded 36% or $144.4 million of the County’s activities for 2010. 64% or $259.6 million of the County’s spending is 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.

General Fund Expenditures

The General Fund is the County’s primary operating fund. It accounts for the general operating activities of the County, except for those accounted for in another fund. The general tax revenues of the County as well as other resources received and not designated for a special purpose are accounted for in the General Fund. The General Fund of the County is made up of 41 departments. This graph shows the top ten departments and is expressed in thousands. Please see our chart on page 16 for how we compare to the surrounding counties.
The Financial Position Statement, known in accounting terms as the “Statement of Net Assets”, is designed to provide a picture of the County’s financial position as of the end of the year. The net assets figure represents the amount that the County owns versus the amount owed.

**Assets:**

- **Cash:** The amount of funds held by the County in checking, savings, and cash on demand certificates with original maturity terms of less than 90 days.
- **Investments:** Funds not needed within 90 days and are invested to earn interest in accordance with the County’s investment policy.
- **Receivables:** The amounts owed to the County and are expected to be collected within the next twelve months.
- **Capital assets:** Includes land, land improvements, buildings, building improvements, machinery and equipment, infrastructure, agricultural easements and construction-in-process.

**Liabilities:**

- **Accounts payable:** Amounts owed to vendors and employees where the expected payment is to be made within twelve months.
- **Unearned revenue:** Monies received by the County for a service yet to be rendered. As the service is rendered, this balance will be reduced and recognized as revenue.
- **Long-term liabilities:** The balance owed by the County for compensated absences, health care, workers’ compensation, and long-term debt.

---

### Financial Position

The Financial Position Statement, known in accounting terms as the “Statement of Net Assets”, is designed to provide a picture of the County’s financial position as of the end of the year. The net assets figure represents the amount that the County owns versus the amount owed.

### Assets

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$138,735</td>
<td>$158,884</td>
<td>$146,607</td>
</tr>
<tr>
<td>Investments</td>
<td>940</td>
<td>837</td>
<td>1,045</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>31,364</td>
<td>35,567</td>
<td>32,794</td>
</tr>
<tr>
<td>Capital assets</td>
<td>349,969</td>
<td>346,872</td>
<td>341,173</td>
</tr>
<tr>
<td>Other assets</td>
<td>7,117</td>
<td>5,306</td>
<td>5,845</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>528,125</td>
<td>547,466</td>
<td>527,464</td>
</tr>
</tbody>
</table>

### Liabilities

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>30,875</td>
<td>30,957</td>
<td>36,146</td>
</tr>
<tr>
<td>Unearned revenue</td>
<td>22,064</td>
<td>21,510</td>
<td>20,522</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>3,322</td>
<td>7,186</td>
<td>3,489</td>
</tr>
<tr>
<td>Long-term liabilities</td>
<td>521,121</td>
<td>528,504</td>
<td>482,553</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>577,382</td>
<td>588,157</td>
<td>542,710</td>
</tr>
</tbody>
</table>

### Net Assets*

- **2010:** $(49,257)
- **2009:** $(40,691)
- **2008:** $(15,246)

* Negative net assets are due to the cumulative effect of debt used to finance capital assets titled to others. Grants were provided to land conservancies for open space and to municipalities for park development and community development projects, such as Streetscape improvements and water and sewer infrastructure.

---

**Other Essentials:**

Chester County has earned national awards for both its financial reporting and budgeting - 29 years for the Controller prepared annual audited financial statements and 17 years for the Finance prepared, Commissioner Approved annual budget. Please visit the County’s website at [www.chesco.org](http://www.chesco.org) to view or download these important documents.
Dollars In...

Revenues Taken In
(expressed in thousands)

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for services</td>
<td>$62,914</td>
<td>$62,031</td>
<td>$58,424</td>
</tr>
<tr>
<td>Operating grants and contributions</td>
<td>177,460</td>
<td>196,256</td>
<td>210,830</td>
</tr>
<tr>
<td>Capital grants and contributions</td>
<td>6,753</td>
<td>1,341</td>
<td>2,083</td>
</tr>
<tr>
<td>General revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>144,447</td>
<td>144,814</td>
<td>137,992</td>
</tr>
<tr>
<td>Investment earnings</td>
<td>1,342</td>
<td>3,383</td>
<td>6,703</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>2,532</td>
<td>2,540</td>
<td>1,233</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$395,448</td>
<td>$410,365</td>
<td>$417,265</td>
</tr>
</tbody>
</table>

Major Initiatives

The following highlights some of the County’s current projects.

Strategic Planning/Managing for Results: In 2010, the County continued its strategic planning process. It is contemplated that upon completion, the County will have developed priorities and goals which will be integrated into performance management and performance based-budgeting systems. The initial priorities were established in early 2009 with the goal of all support systems implemented in time for preparation of the 2011 budget.

Landscapes: The plan updates and replaces “Landscapes”, originally adopted in 1996. Developed by the Planning Commission, the plan will guide growth and preservation in the County. The Vision Partnership Program assures a high degree of consistency between county, municipal, Commonwealth, and private action plans.

Trails: In 2010 construction of the Chester Valley Trail and Schuylkill River Trail continued. These projects funded by federal, Commonwealth, and county dollars, are part of a bigger effort to support the development of trails throughout the County. Currently, 31 miles of County owned trails are accessible to the public.
Major Initiatives

The following highlights some of the County’s current projects.

Open Space and Community Revitalization: The County has been a leader in the region in land preservation and has saved over 39,000 acres. The County will also continue to support urban revitalization. The Commissioners have committed $20 million for both of these programs. Over the last five years, the County has provided $31 million dollars to address urban infrastructure needs.

Data Center: The County began the design and building of a new data center to replace the data center currently located in the Historic Courthouse. The new data center will be located at the Prison complex.

Public Safety Training Facility: The Public Safety Training Facility will provide a centralized, multi-use training location for emergency responders. The training facility will combine training under the Unified Incident Command System and the evolving National Incident Management System (NIMS) for police, fire, rescue, emergency medical services, emergency management, and 9-1-1 operations personnel. Co-located with the Training Facility will be a backup 9-1-1 Operations Center and a backup County Emergency Operations Center.

Dollars Out...

The following information represents the expenditures of the County for each of the major functions of Chester County government. Explanations of the functions are shown on page 6.

<table>
<thead>
<tr>
<th>Services Provided</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td>$32,084</td>
<td>$36,195</td>
<td>$39,350</td>
</tr>
<tr>
<td>Judicial government</td>
<td>48,675</td>
<td>49,980</td>
<td>42,765</td>
</tr>
<tr>
<td>Public safety</td>
<td>19,464</td>
<td>19,244</td>
<td>17,875</td>
</tr>
<tr>
<td>Corrections</td>
<td>41,366</td>
<td>39,989</td>
<td>35,801</td>
</tr>
<tr>
<td>Public works</td>
<td>1,348</td>
<td>1,324</td>
<td>1,189</td>
</tr>
<tr>
<td>Human services</td>
<td>210,214</td>
<td>230,998</td>
<td>245,870</td>
</tr>
<tr>
<td>Culture &amp; recreation</td>
<td>13,585</td>
<td>14,101</td>
<td>22,226</td>
</tr>
<tr>
<td>Conservation &amp; development</td>
<td>16,072</td>
<td>18,317</td>
<td>11,655</td>
</tr>
<tr>
<td>Interest on long-term debt</td>
<td>21,207</td>
<td>25,662</td>
<td>17,537</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$404,015</td>
<td>$435,810</td>
<td>$434,268</td>
</tr>
</tbody>
</table>

Trends of Expenses by Activity

$0  $50,000  $100,000  $150,000  $200,000  $250,000  $300,000

2010  2009  2008

![Bar chart showing trends of expenses by activity]
How Strong is the County’s Financial Position?

Chester County’s financial position is very strong. The county maintains sufficient net financial resources to protect against shortfalls.

Moody’s Investor Service renewed the Aaa rating of Chester County’s General Obligation Bonds. Moody’s cited, as factors; solid financial operations, sound fiscal policy, a sound economic base, and an above average debt position. In the latter part of 2009 the County attained a similar AAA rating from Standard and Poor’s and Fitch Ratings. At the time, Chester County was one of only 23 counties in the United States to have a Aaa/AAA bond rating from all three major rating agencies. Our Aaa/AAA rating has and will continue to result in lower debt service on County debt – saving taxpayer money.

It is recommended that governments maintain unreserved fund balances in their general fund of no less than 5 to 15 percent of the General Fund’s revenues or no less than one to two months of General Fund expenditures.

To that end, in 2000, the County established a working capital reserve policy, which strengthens the County’s ability to maintain an investment grade credit rating should unforeseen circumstances arise. In 2010, the County had $15.8 million in the working capital reserve, which represent 10 percent of the 2011 General Fund budget.

The County’s General Fund 2010 year end unreserved fund balance of $60.8 million represents approximately 43.1 percent of General Fund revenues and more than 2 1/2 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 and Open Space Projects instead of raising taxes.
General Obligation Debt

General Obligation Bonds and Notes are long-term debt instruments which are repaid from the County’s general revenue sources.

Under the Commonwealth of Pennsylvania Local Government Unit Debt Act, the borrowing capacity or legal limit for non-electoral debt is three hundred percent of the borrowing base. Three hundred percent of the borrowing base as of December 31, 2010 is $1.3 billion. Total debt outstanding as of December 31, 2010 was $491.0 million, leaving $827.6 million debt capacity remaining.

On May 18, 2010, the County issued General Obligation Bonds, Series A of 2010 in the amount of $29,425,000. Proceeds from this issue were used for advance refunding and refunding of various General Obligation Bonds, General Obligation Notes, and the County’s capital program.

For more detailed information on the County’s long-term liabilities, please see our 2010 Comprehensive Annual Financial Report.

The County’s Future Debt Payments

Shown below are the annual debt principal payments for the next five years and thereafter in five-year increments on long-term debt outstanding as of December 31, 2010 for the County as a whole.

<table>
<thead>
<tr>
<th>Year</th>
<th>Debt Payment*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$11,180</td>
</tr>
<tr>
<td>2012</td>
<td>10,200</td>
</tr>
<tr>
<td>2013</td>
<td>12,655</td>
</tr>
<tr>
<td>2014</td>
<td>16,335</td>
</tr>
<tr>
<td>2015</td>
<td>19,090</td>
</tr>
<tr>
<td>2016-2020</td>
<td>108,975</td>
</tr>
<tr>
<td>2021-2025</td>
<td>139,014</td>
</tr>
<tr>
<td>2026-2030</td>
<td>145,887</td>
</tr>
<tr>
<td>2031-2032</td>
<td>27,645</td>
</tr>
</tbody>
</table>

*expressed in thousands

Other Essentials:

Chester County has been awarded a 2010 Achievement Award from the National Association of Counties for its innovative worksite-based Wellness Growers’ Market. The market is part of the county’s employee wellness program and is in its third season. This year the market began on June 4 and is open during lunchtime. The Market offers county residents and employees the opportunity to purchase fresh produce. The Wellness Grower’s Market runs every Friday through October 22nd.
How does Chester County Compare?

The following seven graphs compare Chester County with our four Pennsylvania neighbors; Lancaster, Berks, Montgomery and Delaware Counties. By using per resident comparisons, Chester County is easily matched up to our neighbors. Chester County compares favorably to its neighbors in Population Density, Real Estate Taxes, and various other indicators.

Healthy Outcomes/Healthy Factors

Where we live matters to our health. For example, 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.

Programs and policies guide health factors, which in turn affect health outcomes. In this model, health outcomes are measures that describe the current health status of a county. These health outcomes are influenced by a set of health factors. These health factors and their outcomes may also be affected by community-based programs and policies designed to alter their distribution in the community. Counties can improve health outcomes by addressing all health factors with effective, evidence-based programs and policies.

Chester County has been ranked as the healthiest county in Pennsylvania, according to a study published in 2010 by the University of Wisconsin. The study placed Chester County at the top in a number of categories, including health outcomes (red on the graph to the right) and health factors (blue on the graph 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
How does Chester County Compare?

This graph shows population density (the number of people per square mile) of Chester County as compared with neighboring counties. Chester County strives to keep our population density in existing developed areas through our Open Space preservation plan and Landscapes2. (please see Major Initiatives on page 9) thus reducing sprawl, urban decay, traffic congestion, and environmental deterioration. Unsurprisingly, Chester County’s population density is significantly lower than urban Delaware County.

A challenge facing the County is the reduction of Commonwealth funding for human service programs. The Commonwealth provides most of the funding to the County for these mandated services. In the 2009-2010 fiscal year the Commonwealth reduced human service funding by 12 percent and judicial funding by 11 percent, thus Chester County Real Estate Taxes as a percent of total revenues is higher than surrounding counties. Despite decreases, Chester County tax rates did not increase. Reductions in other areas helped finance these shortfalls.

<table>
<thead>
<tr>
<th>County</th>
<th>Real Estate Taxes as a Percent of Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>32.1%</td>
</tr>
<tr>
<td>Delaware</td>
<td>23.6%</td>
</tr>
<tr>
<td>Montgomery</td>
<td>28.2%</td>
</tr>
<tr>
<td>Berks</td>
<td>30.3%</td>
</tr>
<tr>
<td>Chester</td>
<td>35.3%</td>
</tr>
<tr>
<td>Lancaster</td>
<td>43.2%</td>
</tr>
</tbody>
</table>

Source: listed County’s CAFR
How does Chester County Compare?

Chester County is consistently in the middle of its neighbors when it comes to the number of employees per 1,000 residents. The balance is to have enough employees to provide service to the residents without overburdening the residents with unnecessary costs. County employees receive high ratings for the service they provide to residents in a 2009 survey conducted by the Center for Opinion Research at Franklin and Marshall College. The results of the survey were key in helping the County refine its strategic goals, and also to identify the level of satisfaction with performance of County agencies.

The unemployment rate is calculated as a percentage by dividing the number of unemployed individuals by all individuals currently in the labor force. Despite continuing national economic problems, Chester County’s unemployment rate was well below that of the nation, the Commonwealth and even neighboring counties. The County enjoyed the second lowest unemployment rate in Pennsylvania, with Centre County having the lowest, according to the Bureau of Labor Statistics. The County’s unemployment rate remains the same as 2009 with the national, Commonwealth and neighboring counties all having an increase in the number of unemployed.
How does Chester County Compare?

The General Fund is the County’s primary operating fund. With the exception of expenses accounted for in other funds, the General Fund accounts for the general operating activities of the County. The General Fund accounts for the general tax revenues of the County as well as the receipt of other funding sources not designated for a special purpose. Chester County compares favorably to its neighbors in this area. Please see page 7 for more information on Chester County’s General Fund, including the expenditures of the top ten departments. To see the full breakdown of the General Fund expenditures please see our full CAFR.

The General Fund has several type of expenditures including, but not limited to Judicial Government and General Government. The chart below highlights Chester County’s Judicial and General Government spending in the General Fund as compared to our neighbors. General government includes Commissioners, Controller, Treasurer, Voter Services, and others. Judicial Government includes the District Attorney, Court Administration, District Justice Administration, Sheriff, and others. To see a full list of the General Fund departments please see our full CAFR.
In 2010, the most common jobs in the County were: management, professional, and related positions at 47 percent. This is higher than the national and Commonwealth levels (both 36 percent). Sales and office occupations were the second most common job at 24 percent. This is slightly lower than the national and Commonwealth level (both 25 percent). Finally, service workers made up 13 percent of the employment in Chester County. This is lower than the national (18 percent) and Commonwealth (17 percent) levels.

Eight-five percent of the people employed were private wage and salary workers; 9 percent were federal, Commonwealth/state, or local government workers; and 6 percent were self-employed in own not incorporated business workers (which is comparable to both the nation and Commonwealth levels). Chester County has a higher percentage of private workers than either the nation (78 percent) or the Commonwealth (82 percent) but a lower percentage of governmental employees (15 percent, nation: 12 percent, Commonwealth).

Eighty-one percent of workers in the County drove to work alone in 2010, 7 percent carpooled, 2 percent took public transportation, and 4 percent used other means. The remaining 6 percent worked at home. Among those who commuted to work, it took them on average 27 minutes to travel to work. On average more Chester County residents drove alone than either the national or Commonwealth average (both 77 percent). Similarly, fewer County residents carpooled than at the national (10 percent) or Commonwealth (9 percent) levels.

Source: US Census Bureau.
In 2010, Chester County had 182,900 occupied housing units - 139,328 (76 percent) owner occupied and 43,572 (24 percent) renter occupied. Home ownership was higher in the County as compared with the nation (65 percent) and the Commonwealth (70 percent). Fewer residents rented as compared with the nation (35 percent) and the Commonwealth (30 percent).

Two percent of the households in the County did not have telephone service. This is consistent with both the national (2 percent) and Commonwealth (3 percent) averages.

Five percent of the households in the County did not have access to a car, truck, or van for private use. This is lower than both the national (9 percent) and Commonwealth (12 percent) averages. Multi-vehicle households in the County were common. Sixty-eight percent of residents had two or more vehicles. This is higher than both the national (54 percent) and Commonwealth (57 percent) averages.

The County’s median monthly housing costs for mortgaged owners was $2,129, non-mortgaged owners $682, and renters $1,135.

Thirty-four percent of owners with mortgages, 21 percent of owners without mortgages, and 41 percent of renters in Chester County spent 30 percent or more of household income on housing. In comparison, 38 percent of national and 33 percent of Commonwealth owners with mortgages, 16 percent of both national and Commonwealth owners without mortgages, and 53 percent of national and 51 percent of Commonwealth renters spent 30 percent or more of household income on housing.
Fraud Hotline

Did you know that Chester County has a fraud hotline? To confidentially report suspected waste, fraud and abuse in Chester County government:

- **On the internet** – go to the Controller’s webpage at [www.chesco.org](http://www.chesco.org) and click on the **Waste, Fraud & Abuse Hotline** link.
- **E-mail** the Controller at ControllerInfo@chesco.org
- **Call** the Controller at 610-344-5912
- **Mail** your information to:

  Fraud Hotline  
  Office of the Controller  
  313 West Market Street, Suite 6302  
  West Chester, PA 19380-0091