



Annual Financial Report

County of: Chester
for the year 2005



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

Commonwealth of Pennsylvania
Edward G. Rendell, Governor
www.state.pa.us

PA Dept. of Community & Economic Development
Dennis Yablonsky, Secretary
www.inventPA.com
www.newPA.com

pennsylvania
DEPARTMENT OF COMMUNITY
& ECONOMIC DEVELOPMENT



COUNTY OF CHESTER, PENNSYLVANIA
Government-Wide Statement of Net Assets
December 31, 2005

CURRENT ASSETS	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
CURRENT ASSETS:			
Cash and cash equivalents	\$ 53,271,815	\$ 691,107	\$ 53,962,922
Investments	9,382,046	80,759	9,462,805
Receivables (net of allowances for uncollectibles)	9,912,373	3,226,111	13,138,484
Due from other governments	18,649,587	-	18,649,587
Internal balances	(915,824)	915,824	-
Inventories	102,351	99,340	201,691
Prepays	1,835,860	15,705	1,851,565
Deferred charges	4,535,833	7,438	4,543,271
Restricted assets:			
Cash and cash equivalents	7,736,583	260,110	7,996,693
Investments	-	-	-

NON-CURRENT ASSETS			
	NON-CURRENT ASSETS:		
	Other assets	1,022,956	-
Restricted cash and cash equivalents	16,161,837	-	16,161,837
Restricted investments	46,048,063	-	46,048,063
Due from component units	56,170	-	56,170
Capital assets, not being depreciated:			
Land and improvements	17,927,378	4,135	17,931,513
Land development rights	52,389,374	-	52,389,374
Construction in process	81,751,296	30,452	81,781,748
Capital assets, being depreciated, net			
Buildings and improvements	29,559,977	1,021,705	30,581,682
Infrastructure	9,153,572	-	9,153,572
Land improvements	854,029	-	854,029
Machinery and equipment	11,676,367	266,958	11,943,325
Machinery and equipment capital lease	927,564	-	927,564

TOTAL ASSETS

\$ 372,039,207	\$ 6,619,644	\$ 378,658,851
----------------	--------------	----------------

LIABILITIES	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	LIABILITIES:		
Current liabilities:			
Vouchers and accounts payable	\$ 37,662,467	\$ 640,842	\$ 38,303,309
Due to other governments	428,628	-	428,628
Unearned revenue	14,512,701	16,286	14,528,987
Funds held as fiduciary	990,766	197,984	1,188,750
Other liabilities	2,259,872	-	2,259,872
Compensated absences	3,041,693	389,125	3,430,818
Workers' compensation claims	664,410	-	664,410
Health and long-term disability claims	1,935,415	-	1,935,415
Capital leases payable	604,717	-	604,717
Notes and bonds payable	11,363,508	48,492	11,412,000
Noncurrent liabilities:			
Unearned revenue	5,773,633	-	5,773,633
Compensated absences	3,980,367	390,847	4,371,214
Workers' compensation claims	1,705,860	-	1,705,860
Health and long-term disability claims	872,700	-	872,700
Capital leases payable	322,846	-	322,846
Notes and bonds payable	301,726,457	801,543	302,528,000
TOTAL LIABILITIES	387,846,040	2,485,119	390,331,159

NET ASSETS	NET ASSETS:		
	Investment in capital assets, net of related debt	(514,712)	473,215
Restricted	6,314,878	62,126	6,377,004
Unrestricted	(21,606,999)	3,599,184	(18,007,815)
TOTAL NET ASSETS	\$ (15,806,833)	\$ 4,134,525	\$ (11,672,308)

COUNTY OF CHESTER, PENNSYLVANIA
Government-Wide Statement of Activities
For the Year Ended December 31, 2005

GOVERNMENTAL ACTIVITIES	Functions/Programs	Program Revenues			
		Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
	Primary government				
	Governmental activities:				
	General government	\$ 29,592,959	\$ 12,303,741	\$ 316,081	\$ -
	Judicial government	36,494,219	7,697,949	5,299,274	-
	Public safety	18,059,903	5,091,532	1,939,765	-
	Corrections	31,651,150	2,262,233	2,462,380	-
	Public works	1,084,035	-	665,354	349,865
	Human services	180,137,288	4,849,390	163,454,651	-
	Culture and recreation	16,584,433	187,105	54,868	100,000
	Conservation and development	4,554,486	1,235,200	298,530	-
	Interest on long-term debt	10,539,781	-	-	-
	Total governmental activities	328,698,254	33,627,150	174,490,903	449,865

BUSINESS-TYPE ACTIVITIES	Business-type activities:				
	Pocopson Geriatric center	\$ 22,886,477	\$ 21,033,993	\$ 30,452	\$ -
	Total business type activities	22,886,477	21,033,993	30,452	-

Total primary government	\$ 351,584,731	\$ 54,661,143	\$ 174,521,355	\$ 449,865
---------------------------------	-----------------------	----------------------	-----------------------	-------------------

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	\$ (16,973,137)	0	\$ (16,973,137)
Judicial government	(23,496,996)	0	(23,496,996)
Public safety	(11,028,606)	0	(11,028,606)
Corrections	(26,926,537)	0	(26,926,537)
Public works	(68,816)	0	(68,816)
Human services	(11,833,247)	0	(11,833,247)
Culture and recreation	(16,242,460)	0	(16,242,460)
Conservation and development	(3,020,756)	0	(3,020,756)
Interest on long-term debt	(10,539,781)	0	(10,539,781)
Total governmental activities	(120,130,336)	-	(120,130,336)

BUSINESS-TYPE ACTIVITIES

Business-type activities:			
Pocopson Geriatric center	0	(1,822,032)	(1,822,032)
Total business type activities	-	(1,822,032)	(1,822,032)

Total primary government	\$ (120,130,336)	\$ (1,822,032)	\$ (121,952,368)
---------------------------------	-------------------------	-----------------------	-------------------------

GENERAL REVENUES AND TRANSFERS

General revenues:			
Taxes:			
Property taxes, levied for general purposes	92,425,264	-	92,425,264
Property taxes, levied for debt service	17,337,704	-	17,337,704
Property taxes, levied for parks and recreation	5,370,290	-	5,370,290
Property taxes, levied for library	6,564,413	-	6,564,413
Personal property taxes	70,558	-	70,558
Investment earnings	5,745,922	42,121	5,788,043
Miscellaneous	2,114,492	-	2,114,492
Transfers	(2,987,768)	2,987,768	-
Total general revenues and transfers	126,640,875	3,029,889	129,670,764

Change in net assets	6,510,539	1,207,857	7,718,396
Net assets - beginning	(22,317,372)	2,926,668	(19,390,704)
Prior period adjustment	-	-	-
Net assets - ending	\$ (15,806,833)	\$ 4,134,525	\$ (11,672,308)

COUNTY OF CHESTER, PENNSYLVANIA

Balance Sheet - Governmental Funds

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

December 31, 2005

	General	Managed	Mental Health
		Behavioral Healthcare	Mental Retardation
ASSETS			
Assets:			
Cash and cash equivalents	\$ 22,860,713	\$ 1,276,052	\$ 7,846,103
Investments	3,289,355	-	1,139,263
Taxes receivable	3,947,450	-	-
Grants receivable	3,063,823	2,886,443	1,181,436
Interest and dividends receivable	85,299	-	-
Other receivables	2,016,841	-	-
Due from other funds	1,578,856	-	-
Inventories	102,351	-	-
Prepays	1,075,710	-	-
Other assets	7,372	-	-
Advances to subcontractors	-	-	3,488,640
Due from component units	56,170	-	-
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	503,638	7,232,945	-
Investments	196,447	-	-
Total Assets	38,784,025	11,395,440	13,655,442
LIABILITIES			
Liabilities:			
Vouchers and accounts payable	2,762,542	2,780,243	10,728,662
Accrued liabilities	1,439,617	7,284	69,668
Funds held in escrow	771,501	-	-
Due to other funds	-	210,782	-
Due to other governments	98,524	-	326,888
Deferred revenues	3,562,056	7,232,945	2,530,224
Other liabilities	1,980,806	-	-
Total liabilities	10,615,046	10,231,254	13,655,442
FUND BALANCE			
Fund balance:			
Fund balance, reserved	1,178,061	-	-
Fund balance, unreserved	26,990,918	1,164,186	-
Total fund balance	28,168,979	1,164,186	-
Total liabilities and fund balance	\$ 38,784,025	\$ 11,395,440	\$ 13,655,442

	Other Governmental Funds			Total Governmental Funds
	Capital Improvement	Debt Service		
Assets:				
Cash and cash equivalents	\$ 7,739	\$ 10,273,111	\$ 6,824,136	\$ 49,087,854
Investments	1,118	1,484,863	983,836	6,898,435
Taxes receivable	-	546,791	400,590	4,894,831
Grants receivable	-	-	11,517,886	18,649,588
Interest and dividends receivable	41,533	-	1,400	128,232
Other receivables	4,474	317,916	741,955	3,081,186
Due from other funds	-	-	-	1,578,856
Inventories	-	-	-	102,351
Prepays	43,843	-	36,306	1,155,859
Other assets	-	-	500	7,872
Advances to subcontractors	-	-	71,138	3,559,778
Due from component units	-	-	-	56,170
Restricted assets:				
Temporarily restricted:				
Cash and cash equivalents	15,748,286	-	413,551	23,898,420
Investments	45,851,616	-	-	46,048,063
Total Assets	61,698,609	12,622,681	20,991,298	159,147,495

Liabilities:				
Vouchers and accounts payable	12,800,517	45,121	6,364,889	35,481,974
Accrued liabilities	21,727	71	508,413	2,046,780
Funds held in escrow	-	-	7,325	778,826
Due to other funds	-	-	1,338,586	1,549,368
Due to other governments	-	-	3,216	428,628
Deferred revenues	-	439,452	3,319,602	17,084,279
Other liabilities	-	-	-	1,980,806
Total liabilities	12,822,244	484,644	11,542,031	59,350,661

Fund balance:				
Fund balance, reserved	315,206	12,138,037	5,400,118	19,031,422
Fund balance, unreserved	48,561,159	-	4,049,149	80,765,412
Total fund balance	48,876,365	12,138,037	9,449,267	99,796,834

Total liabilities and fund balance	\$ 61,698,609	\$ 12,622,681	\$ 20,991,298
---	----------------------	----------------------	----------------------

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.	2,407,278
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as a fund liability.	(327,472,233)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	6,149,293
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	203,311,995
NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ (15,806,833)

COUNTY OF CHESTER, PENNSYLVANIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2005

REVENUES	General	Managed Behavioral Healthcare	Mental Health Mental Retardation
Revenues:			
Taxes:			
Real estate	\$ 92,390,330	\$ -	\$ -
Personal property	70,558	-	-
Licenses and permits	1,764,565	-	-
General grants	4,755,012	-	-
Health and welfare grants	8,751,885	41,297,786	59,174,479
Departmental earnings	13,104,358	-	46,829
Court costs and fines	4,186,352	-	-
Interest and rent	2,153,863	56,586	379,378
Other	3,207,586	-	15,315
Total revenues	130,384,509	41,354,372	59,616,001

EXPENDITURES	General	Managed Behavioral Healthcare	Mental Health Mental Retardation
Expenditures:			
Current:			
General government	23,828,921	-	-
Judicial	31,691,672	-	-
Public safety	2,948,516	-	-
Corrections	29,284,738	-	-
Public works	-	-	-
Human services	11,610,289	40,321,806	60,683,204
Culture and recreation	-	-	-
Conservation and development	4,710,464	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Debt issuance costs	-	-	-
Capital outlay:			
Bridges	-	-	-
Other	902,308	-	-
Total expenditures	104,976,908	40,321,806	60,683,204

EXPENDITURES	General	Managed Behavioral Healthcare	Mental Health Mental Retardation
Other financing sources (uses):			
Bond issuance	-	-	-
Premium on bond issue	-	-	-
Note issuance	-	-	-
Payment to refunded bond escrow agent	-	-	-
Note refunding	-	-	-
Transfers in	114,405	37,867	1,240,722
Transfers out	(23,587,513)	(197,041)	(173,519)
Sale of capital assets	24,043	-	-
Total other financing sources (uses)	(23,449,065)	(159,174)	1,067,203

Change in fund balance	1,958,536	873,392	-
Fund balance - beginning of year	25,945,148	290,794	-
Prior period adjustment	265,295	-	-
Fund balance - end of year	\$ 28,168,979	\$ 1,164,186	\$ -

	Capital Improvement	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes:				
Real estate	\$ -	\$ 17,325,740	\$ 11,944,703	\$ 121,660,773
Personal property	-	-	-	70,558
Licenses and permits	-	-	-	1,764,565
General grants	349,865	-	15,592,988	20,697,865
Health and welfare grants	-	-	32,095,327	141,319,477
Departmental earnings	-	1,563,526	19,312,231	34,026,944
Court costs and fines	-	-	348,694	4,535,046
Interest and rent	2,183,389	797,830	648,111	6,219,157
Other	-	1,697,717	486,332	5,406,950
Total revenues	2,533,254	21,384,813	80,428,386	335,701,335

Expenditures:				
Current:				
General government	2,125,850	92,611	44,899	26,092,281
Judicial	-	-	5,293,245	36,984,917
Public safety	231,673	-	12,441,503	15,621,692
Corrections	1,021,688	-	-	30,306,426
Public works	366,187	-	690,831	1,057,018
Human services	3,689,748	-	64,953,240	181,258,287
Culture and recreation	4,434,047	-	11,872,415	16,306,462
Conservation and development	457,030	-	-	5,167,494
Debt service:				
Principal	-	13,010,860	-	13,010,860
Interest	-	10,446,572	-	10,446,572
Debt issuance costs	-	698,127	-	698,127
Capital outlay:				
Bridges	300	-	-	300
Other	66,734,392	-	1,640,860	69,277,560
Total expenditures	79,060,915	24,248,170	96,936,993	406,227,996

Other financing sources (uses):				
Bond issuance	30,012,587	99,422,413	-	129,435,000
Premium on bond issue	-	8,487,921	-	8,487,921
Note issuance	65,297,000	-	-	65,297,000
Payment to refunded bond escrow agent	-	(47,663,801)	-	(47,663,801)
Note refunding	-	(59,955,000)	-	(59,955,000)
Transfers in	-	4,344,970	16,276,425	22,014,389
Transfers out	-	-	(1,044,083)	(25,002,156)
Sale of capital assets	268,902	-	15,829	308,774
Total other financing sources (uses)	95,578,489	4,636,503	15,248,171	92,922,127

Change in fund balance	19,050,828	1,773,146	(1,260,436)	22,395,466
Fund balance - beginning of year	29,894,368	10,428,333	10,726,751	77,285,394
Prior period adjustment	(68,831)	(63,442)	(17,048)	115,974
Fund balance - end of year	\$ 48,876,365	\$ 12,138,037	\$ 9,449,267	\$ 99,796,834

This page left blank intentionally.

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, 2005

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

Net changes in fund balances - total governmental funds

\$ 22,395,466

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

4,177,234

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.

(81,658,251)

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.

685,510

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

60,910,580

Change in Net Assets of Governmental Activities

\$ 6,510,539

COUNTY OF CHESTER, PENNSYLVANIA
Statement of Net Assets
Proprietary Funds
December 31, 2005

CURRENT ASSETS	Business-type Activities		Governmental Activities	
	Enterprise Fund		Internal Service	
	Pocopson		Funds	
Assets:				
Current assets:				
Cash and cash equivalents	\$	691,107	\$	5,839,702
Investments		80,759		827,870
Receivables (net of allowances for uncollectibles)		3,226,111		1,778,636
Inventories		99,340		-
Prepays		15,705		680,000
Deferred charges		7,438		-
Restricted assets:				
Restricted cash and cash equivalents		260,110		-
Total current assets		4,380,570		9,126,208
Noncurrent assets:				
Capital assets net of accumulated depreciation:				
Land improvements		4,135		-
Buildings		862,162		-
Building improvements		159,543		-
Construction in process		30,452		-
Machinery and equipment		266,958		927,563
Total noncurrent assets		1,323,250		927,563
Total assets				
	\$	5,703,820	\$	10,053,771

	Business-type Activities		Governmental Activities	
	Enterprise Fund		Internal Service	
	Pocopson		Funds	
Liabilities:				
Current liabilities:				
Vouchers and accounts payable	\$	398,305	\$	472,870
Accrued liabilities		242,537		4,158
Funds held as fiduciary		197,984		-
Deferred revenue		16,286		-
Other liabilities		-		147,688
Compensated absences		389,125		-
Workers' compensation claims		-		664,410
Health and long-term disability claims		-		1,935,415
Notes and bonds payable		48,492		-
Capital leases payable		-		604,717
Total current liabilities		1,292,729		3,829,258
Noncurrent liabilities:				
Compensated absences		390,847		-
Workers' compensation claims		-		1,705,860
Health and long-term disability claims		-		872,700
Notes and bonds payable		801,543		-
Capital leases payable		-		322,846
Total noncurrent liabilities		1,192,390		2,901,406
Total liabilities		2,485,119		6,730,664
Net assets:				
Invested in capital assets, net of related debt		473,215		-
Restricted		62,126		-
Unrestricted		2,683,360		3,323,107
Total net assets		3,218,701		3,323,107
TOTAL NET ASSETS		3,218,701	\$	3,323,107
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds.		915,824		
Net assets of business-type activities	\$	4,134,525		

This page left blank intentionally.

COUNTY OF CHESTER, PENNSYLVANIA
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2005

OPERATING REVENUES		Business-type Activities	Governmental Activities
		Enterprise Fund Pocopson	Internal Service Funds
	Operating revenues:		
	Net patient service revenues	\$ 20,999,069	\$ -
	Self insurance premiums - employer	-	32,825,291
	Self insurance premiums - employee	-	2,273,196
	Computer usage fees	-	1,489,634
	Other	34,924	2,190,615
	Total operating revenues	21,033,993	38,778,736
	Operating expenses:		
	Personal services	18,650,538	550,022
	Other services and charges	3,524,241	8,732,122
	Self insurance claims	188,006	23,427,680
	Bad debt	200,000	-
	Depreciation	223,084	1,005,204
	Amortization	595	-
	Indirect costs	1,285,890	43,557
	Total operating expenses	24,072,354	33,758,585
	Operating loss	(3,038,361)	5,020,151
	Nonoperating revenues (expenses):		
	Capital grant	30,452	-
	Interest income	42,121	366,593
	Interest expense	(20,154)	(3,479)
	Total nonoperating revenues (expenses)	52,419	363,114
	Transfers in	2,987,768	-
	Change in net assets	1,826	5,383,265
	Net assets - beginning of year	-	2,322,462
	Prior period adjustment	-	(4,382,620)
	Net assets - end of year	\$ 1,826	\$ 3,323,107
	Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds	(1,206,031)	
	Change in net assets of business-type activities	\$ 1,207,857	

COUNTY OF CHESTER, PENNSYLVANIA
STATEMENT OF FIDUCIARY NET ASSETS
 Fiduciary Funds
 December 31, 2005

ASSETS	Employee Retirement Trust Fund	Tax Claim Agency Fund	Row Office Agency Fund	Hotel Tax Agency Fund	Total Fiduciary
Assets:					
Cash and cash equivalents	\$ 11,210,252	\$ 1,221,342	\$ 12,388,683	\$ 91,867	\$ 24,912,144
Investments, at fair value:		176,531	-	13,279	189,810
US government obligations	36,371,238	-	-	-	36,371,238
Domestic corporate bonds	7,022,713	-	-	-	7,022,713
Municipal bonds	15,615,850	-	-	-	15,615,850
Miscellaneous fixed income	4,741,168	-	-	-	4,741,168
Equities	51,906,969	-	-	-	51,906,969
Mutual funds	89,973,864	-	-	-	89,973,864
Accrued interest and dividends	703,543	-	-	-	703,543
Agency tax / interest receivable	-	11,741,649	-	-	11,741,649
Hotel tax receivable	-	-	-	1,126	1,126
Total assets	217,545,597	13,139,522	12,388,683	106,272	243,180,074

Liabilities:					
Accounts payable	204,627	-	-	-	204,627
Accrued liabilities	33,557	-	-	-	33,557
Due to other funds	29,488	-	-	-	29,488
Due to other governments	-	-	5,148,368	-	5,148,368
Other liabilities	-	-	7,240,315	-	7,240,315
Due to taxing authorities	-	13,139,522	-	-	13,139,522
Hotel tax payable	-	-	-	106,272	106,272
Total liabilities	267,672	\$ 13,139,522	\$ 12,388,683	\$ 106,272	\$ 25,902,149

Net assets:					
Held in trust for pension benefits and other purposes	217,277,925	-	-	-	217,277,925
Total net assets	\$ 217,277,925	-	-	-	\$ 217,277,925

COUNTY OF CHESTER, PENNSYLVANIA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
Fiduciary Funds
Year ended December 31, 2005

ADDITIONS		Employee Retirement Trust Fund
	Additions:	
	Contributions:	
	Employer	\$ 8,175,119
	Employee	5,658,539
	Other	-
	Total contributions	13,833,658
	Investment earnings:	
	Interest	2,759,135
	Net increase in fair value of investments	6,513,467
	Dividends	1,337,168
	Total investment earnings	10,609,770
	Less investment expense	868,852
	Net investment earnings	9,740,918
	Total additions	23,574,576
	Deductions:	
	Benefit payments	6,825,695
	Refund of employee contributions	940,552
	Interest on refunds of employee contributions	177,870
	Total deductions	7,944,117
	Change in net assets	15,630,459
	Net assets - beginning of year	201,647,466
	Prior period adjustment	-
	Net assets - end of year	\$ 217,277,925

STATEMENT OF CAPITAL EXPENDITURES

GOVERNMENTAL-TYPE/BUSINESS-TYPE ACTIVITY	GOVERNMENTAL-TYPE ACTIVITY:	Capital Purchases	Capital Construction	Total
	General government	\$ 2,741,472	\$ 23,172,539	\$ 25,914,011
	Judicial government	73,071	-	73,071
	Public safety	1,105,510	231,673	1,337,183
	Corrections	452,176	24,578,880	25,031,056
	Public works	3,067	378,415	381,482
	Human services	510,673	10,889,833	11,400,506
	Culture and recreation	388,861	887,019	1,275,880
	Conservation and development	4,882,596	-	4,882,596
	BUSINESS-TYPE ACTIVITY:			
Enterprise fund - Pocopson Home	12,149	30,452	42,601	
TOTAL CAPITAL EXPENDITURES	\$ 10,169,576	\$ 60,168,810	\$ 70,338,386	

TAX RATES & EMPLOYEE COMPENSATION	TAX RATES & EMPLOYEE COMPENSATION	
	TAX RATES:	
	General purposes	2.702 mills
	Debt purposes	.507 mills
	All other purposes	.349 mills
	Total	3.558 mills
	EMPLOYEE COMPENSATION:	
	Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)	\$ 102,494,685

DEBT STATEMENT

GENERAL OBLIGATION	List Each Issue or Loan	Year of Issue	Original Amount of Issue	Outstanding January 1st or Issued During Year	Principal Paid During Year	Principal Outstanding December 31st
	General Obligation Bonds and Notes					
	G.O. Bond-Retire 1995 Note, Info. Tech., Open Space and Facilities Improvements.	1998	30,000,000	24,480,000	20,350,000	4,130,000
	G.O. Bond-Partial refunding of 1995 Bonds	1999	24,390,000	23,615,000	165,000	23,450,000
	G.O. Bond-Refunding 1998 G.O. Note for Open Space, Equip & Fixtures and Advance Refund 1996 G.O. Bond Open Space, 911, Reassessment, Technology, etc.	2001	65,550,000	58,490,000	28,390,000	30,100,000
	G.O. Bond-Refunding 2000 Note and 2000 series B Note	2003	21,675,000	20,765,000	1,020,000	19,745,000
	G.O. Note-Refunding G.O. Bond 1993	2003	22,922,000	21,239,000	2,041,000	19,198,000
	G.O. Bond-Open Space, Ag. Preservation, Equip. & Fixtures, Const. & Imprmt. County Buildings & Bridges, Debt Serv.	2004	24,265,000	24,265,000	1,680,000	22,585,000
	G.O. Bond-Open Space, Ag. Preservation, Equip. & Fixtures, Const. & Imprmt. County Buildings & Bridges, Debt Serv. and Refunding 2001 G.O. Note & 2002 G.O. Note	2005	84,685,000	84,685,000	-	84,685,000
	G.O. Bond Series A-Partial advance refunding of 1998 and 2001 G.O. Bonds.	2005	44,750,000	44,750,000	-	44,750,000
	G.O. Note-Open Space, Ag. Preservation, Equip. & Fixtures, Const. & Imprmt. County Buildings & Bridges, Debt Serv.	2005	65,297,000	65,297,000	-	65,297,000

REVENUE	Revenue Bonds and Notes	Year of Issue	Original Amount of Issue	Outstanding January 1st or Issued During Year	Principal Paid During Year	Principal Outstanding December 31st

LEASE RENTAL	Lease Rental Debt of Authority	Year of Issue	Original Amount of Issue	Outstanding January 1st or Issued During Year	Principal Paid During Year	Principal Outstanding December 31st
		Computer Leases	2003	1,026,932	342,310	342,310
	Computer Leases	2004	843,359	562,429	281,357	281,072
	Computer Leases	2005	977,929	977,929	325,976	651,953

TAX REVENUE ANTICIPATION	Tax and Revenue Anticipation Notes	Year of Issue	Original Amount of Issue	Outstanding January 1st or Issued During Year	Principal Paid During Year	Principal Outstanding December 31st

TOTAL DEBT AND REVENUE ANTICIPATION NOTES	\$ 314,873,025
--	-----------------------

This page left blank intentionally.



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 26, 2006

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, 2005. 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, 2005.

Signed:

Valentino F. DiGiorgio III, Esq.
Controller

Commonwealth of Pennsylvania)
) SS:
County of Chester)

Subscribed and sworn to before me
this 26 day of June, 2006 (Seal)

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Kathleen E. Mitnacht, Notary Public
West Chester Boro, Chester County
My Commission Expires Mar. 28, 2009
Member, Pennsylvania Association of Notaries

Signed:
Notary Public

