

BERKELEY COUNTY, WEST VIRGINIA

FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2005

BERKELEY COUNTY, WEST VIRGINIA

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For the Fiscal Year Ended June 30, 2005

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BERKELEY COUNTY, WEST VIRGINIA
SCHEDULE OF FUNDS INCLUDED IN REPORT
For the Fiscal Year Ended June 30, 2005

GOVERNMENTAL FUND TYPES

Major Funds

General County
Coal Severance Tax
Building Commission

Nonmajor Funds

Special Revenue Funds

Dog and Kennel	General School	Magistrate Court
Worthless Check	Emergency Communication 911	Home Confinement
Federal Grant #09	Community Partnership Grant #10	Fiduciary
Wireless Communication	Enhanced 911 3%	Assessor's Valuation
Rainy Day Fund	Concealed Weapons	Voter's Registration
Enforcement Forfeiture	Prosecuting Attorney Forfeiture	Enforcement Block Grant
Universal Hiring Grant	Task Force Reimbursement	Homeland Security - Citizen's Corp
COPS Universal Hiring	FEMA Hazard Mitigation	County Health Insurance
Engineering Special Fees	Homeland Security - Law Enforcement	Homeland Security Planner
Emergency Shelter	Judicial Center LEDA Grant	South Berkeley Little League
Homeland Security EOC	Round House #23	Local Law Enforcement #103
ESPG Grant	2003 Bullet Proof Vest	DOT Round House grant
Eagles Wings	Hedgesville Little League	Eastern Panhandle AIDS Grant
Lambert Park	Martinsburg Midget Football	

FIDUCIARY FUND TYPES

Agency Funds

State
School
County Offices
Other Agency

BERKELEY COUNTY, WEST VIRGINIA
COUNTY OFFICIALS
For the Fiscal Year Ended June 30, 2005

OFFICE	NAME	TERM
<u>Elective</u>		
County Commission:	Howard L. Strauss	01-01-01 / 12-31-06
	Steve Teufel	01-01-03 / 12-31-08
	Ronald K. Collins	01-01-05 / 12-31-10
Clerk of the County Commission	John W. Small, Jr.	01-01-05 / 12-31-10
Clerk of the Circuit Court	Virginia Sine	01-01-05 / 12-31-10
Sheriff	W. Randy Smith	01-01-05 / 12-31-08
Prosecuting Attorney	Pamela Games-Neely	01-01-05 / 12-31-08
Assessor	Preston Gooden	01-01-05 / 12-31-08
<u>Appointive</u>		
Administrator	Deborah E. Hammond	



ACCOUNTANTS' REPORT

Honorable Members of the
Berkeley County Commission
Martinsburg, West Virginia

We have compiled the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Berkeley County, West Virginia ("County"), as of and for the year ended June 30, 2005, which collectively comprise the County's basic financial statements as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected not to present all component units as basic financial statement information as required by the Governmental Accounting Standards Board. If the omitted component units financial statement information was included in the financial statements, it might influence the user's conclusion about the County's net assets and results of activities. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The management discussion and analysis on pages 6-16 is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. The supplemental information on pages 56-66 is presented for purposes of additional analysis and is not a required part of the basic financial statements. We have compiled the supplemental information from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion on any other form of assurance on the supplemental information.

We are not independent with respect to Berkeley County, West Virginia.

CoxHollida LLP

October 7, 2005

Berkeley County, West Virginia
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2005

Our discussion and analysis of the Berkeley County's financial performance provides an overview of the County's financial activities for the year ended June 30, 2005. This discussion and analysis should be read in conjunction with the County's financial statements, which follow immediately after.

FINANCIAL HIGHLIGHTS

During 2005, the County increased its net assets by approximately 29% (or \$4.1 million) to \$18.0 million. This was a result of increases in both governmental and business-type activities of \$3.1 and \$0.9 million respectively. The remaining \$0.1 was a prior period adjustment to net assets.

Governmental revenues increased by \$3.3 million to \$22.4 million with related increase of governmental expenses of \$1.9 million to \$19.3 million.

The business-type activities realized an 38% increase in revenues with a related 38% increase of expenses. The additional revenues and expenses were generated by additional lease revenues that were required to cover related current year debt service requirements.

The County's public safety function realized the largest increase in expenses of \$1.2 million followed by culture and recreation in the amount \$0.7 million.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the County as a whole and present a long-term view of the County's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the county as a whole

Our analysis of the County as a whole begins with the Statement of Net Assets. One of the most important questions asked about the County's finances is, "Is the County, as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net assets and changes to them. The County's net assets—the difference between assets and liabilities—is one way of measuring the County's financial health or position. Over time, increases or decreases in the County's net assets are one indicator of whether its financial health is improving or deteriorating. However, other non-financial factors such as changes in the County's property tax base and its capital assets should be considered in order to assess the overall health of the County.

See Accountants' Report.

Berkeley County, West Virginia
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Fiscal Year Ended June 30, 2005

USING THIS ANNUAL REPORT (Continued)

Reporting the county as a whole (continued)

In the Statement of Net Assets and the Statement of Activities, we normally divide the County into two kinds of activities:

Governmental Activities—Most of the County's basic services are reported here, including the police, fire, ambulance and general administration. Property and other taxes, licenses and permits, and state and federal grants finance most of these activities.

Business-type Activities—Customers are charged a fee to help the County cover most or all of the cost of business-type activities. The County's Building Commission, a blended component unit, is the only business-type activity reported in these financial statements.

Reporting the County's Most Significant Funds

The fund financial statements provide detailed information about the most significant funds—not the County as a whole. Some funds are required to be established by West Virginia Code. However, the County Commission establishes many other funds to help it control and manage money for particular purposes (for example, the General School Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like monies received from Federal grants).

Governmental funds—Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a separate reconciliation statement included with these financial statements.

Proprietary funds - When the County charges customers for the services it provides - whether to outside customers or to other units of the County - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Revenues, Expenditures and Changes in Fund Net Assets. In fact, the County's enterprise fund is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

The County as Trustee

The County is the fiduciary for several other entities. All of the County's fiduciary activities are reported in a separate Statement of Fiduciary Net Assets. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

See Accountants' Report.

Berkeley County, West Virginia
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Fiscal Year Ended June 30, 2005

THE COUNTY AS A WHOLE

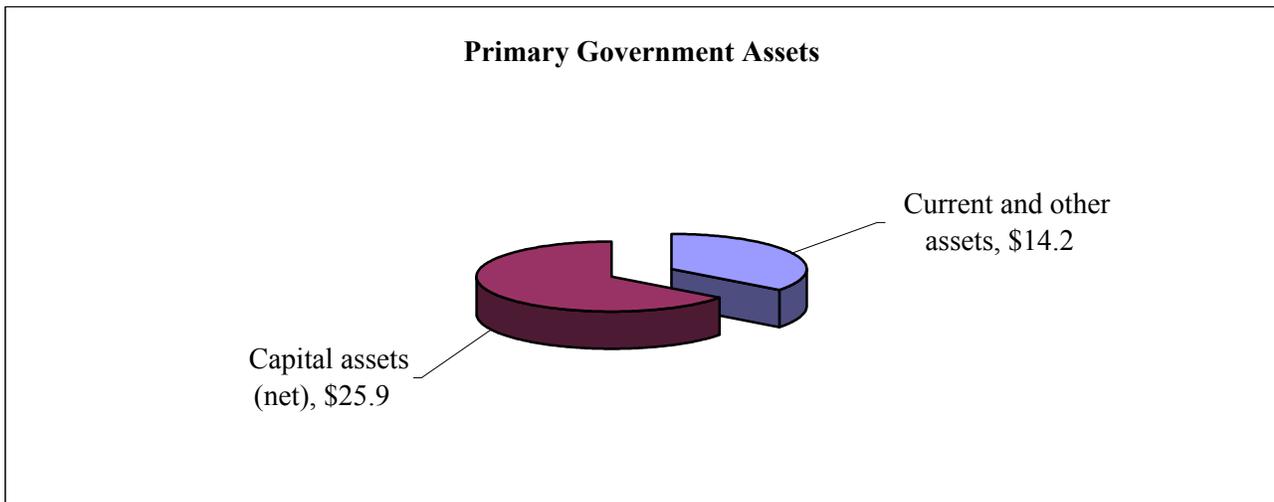
Our analysis below focuses on net assets (Table 1) and changes in net assets (Table 2):

Table 1

Net assets (in millions):	<u>Governmental activities</u>		<u>Business Activities</u>		<u>Primary Government</u>	
	<u>2005</u>	2004 <u>Restated</u>	<u>2005</u>	2004 <u>Restated</u>	<u>2005</u>	2004 <u>Restated</u>
Assets:						
Current and other assets	\$9.5	\$6.6	\$4.7	\$4.3	\$14.2	\$10.9
Capital assets (net)	<u>7.5</u>	<u>7.3</u>	<u>18.4</u>	<u>7.9</u>	<u>25.9</u>	<u>15.2</u>
Total assets	17.0	13.9	23.1	12.2	40.1	26.1
Liabilities:						
Other liabilities	0.4	0.2	1.6	0.3	2.0	0.5
Long-term liabilities	<u>1.3</u>	<u>1.5</u>	<u>18.8</u>	<u>10.2</u>	<u>20.1</u>	<u>11.7</u>
Total liabilities	1.7	1.7	20.4	10.5	22.1	12.2
Net assets:						
Invested in capital assets, net of debt	7.1	6.9	2.1	1.3	9.2	8.2
Restricted	1.3	0.6	0.6	0.4	1.9	1.0
Unrestricted	<u>6.9</u>	<u>4.7</u>	<u>0.0</u>	<u>0.0</u>	<u>6.9</u>	<u>4.7</u>
Total net assets	<u>\$15.3</u>	<u>\$12.2</u>	<u>\$2.7</u>	<u>\$1.7</u>	<u>\$18.0</u>	<u>\$13.9</u>

Chart 1

Primary government assets (in millions):



See Accountants' Report.

Berkeley County, West Virginia
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Fiscal Year Ended June 30, 2005

THE COUNTY AS A WHOLE (Continued)

Chart 2

Primary government liabilities and net assets (in millions):

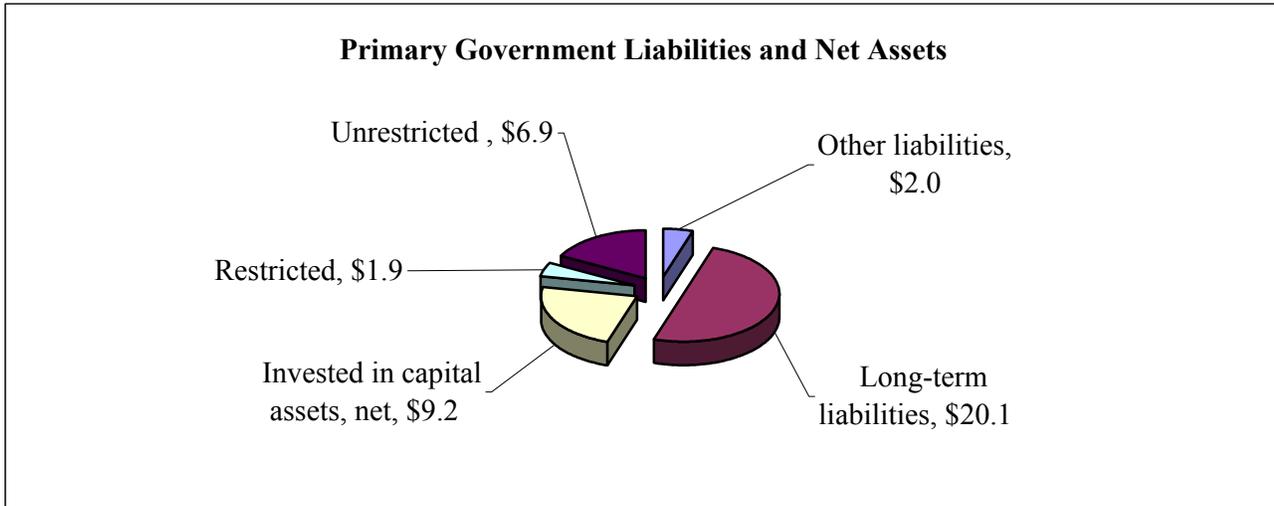


Table 1 (previous page) and Chart 1 (previous page) presents the assets that consist of the primary government. Chart 2 (above) presents the liabilities and restrictions associated to the assets in Chart 1.

Cash and cash equivalents increased by approximately \$3.0 million, up from \$6.5 million at June 30, 2004. This amount was the result excess of revenues over expenses for both the governmental and business-type activities during the current fiscal year.

The Berkeley County Building Commission placed in service approximately \$1.5 of new building renovations in services during the year. The Building Commission also accumulated additional \$9.0 of new renovations for the Judicial Center which were not placed in service as of the end of the fiscal year.

Net assets of the County increased by approximately 29%, to \$18.0 million, up from \$13.9 million at June 30, 2004. Unrestricted net assets (the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements) increased to \$6.9 million, from \$4.7 million. The increase in restricted net assets was the result of E-911 revenues that were not expended in the current year.

Invested in capital assets, net of related debt increased for governmental funds as the result of the reduction of capital lease liability and fixed asset purchases that were financed through current year revenues. Business-type activities increased its invested in capital assets, net of debt by \$0.8 million. This was the result of current year operations and payments of long term debt.

Other liabilities increased by \$1.5 million to \$2.0 million. This was the result of the County's governmental activities reporting capital lease payments due within one year in amount approximately \$0.2 million as a current liability in 2005 and the business-type activities reporting a construction accounts payable of approximately \$1.0. The remainder the increase in other liabilities are made of increases in accrued interest and the current portion of lease revenue bonds payable for the business-type activities.

See Accountants' Report.

Berkeley County, West Virginia
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Fiscal Year Ended June 30, 2005

THE COUNTY AS A WHOLE (Continued)

Table 2

Changes in net assets (in millions):

	<u>Governmental activities</u>		<u>Business Activities</u>		<u>Primary Government</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Revenues:						
Charges for services	\$4.2	\$3.8	\$1.1	\$0.8	\$5.3	\$4.6
Property taxes	9.3	8.9	0.0	0.0	9.3	8.9
Other taxes	3.1	1.9	0.0	0.0	3.1	1.9
Licenses and permits	1.6	0.6	0.0	0.0	1.6	0.6
Intergovernmental:						
Federal	2.1	2.1	0.0	0.0	2.1	2.1
Local / reimbursements	0.2	0.1	0.0	0.0	0.2	0.1
Unrestricted interest	0.2	0.1	0.0	0.0	0.2	0.1
Miscellaneous	<u>1.7</u>	<u>1.6</u>	<u>0.0</u>	<u>0.0</u>	<u>1.7</u>	<u>1.6</u>
Total revenues	<u>22.4</u>	<u>19.1</u>	<u>1.1</u>	<u>0.8</u>	<u>23.5</u>	<u>19.9</u>
Expenditures:						
General government	9.4	9.6	0.2	0.1	9.6	9.7
Public safety	7.5	6.3	0.0	0.0	7.5	6.3
Health and sanitation	0.2	0.1	0.0	0.0	0.2	0.1
Culture and recreation	2.0	1.3	0.0	0.0	2.0	1.3
Economic development	0.1	0.0	0.0	0.0	0.1	0.0
Social services	<u>0.1</u>	<u>0.1</u>	<u>0.0</u>	<u>0.0</u>	<u>0.1</u>	<u>0.1</u>
Total expenditures	<u>19.3</u>	<u>17.4</u>	<u>0.2</u>	<u>0.1</u>	<u>19.5</u>	<u>17.5</u>
Excess of revenue over expenditures	3.1	1.7	0.9	0.7	4.0	2.4
Net assets beginning of the year previously stated	12.2	10.5	1.7	1.0	13.9	11.5
Prior period adjustment	<u>0.0</u>	<u>0.0</u>	<u>0.1</u>	<u>0.0</u>	<u>0.1</u>	<u>0.0</u>
Net assets beginning of the restated	<u>12.2</u>	<u>10.5</u>	<u>1.8</u>	<u>1.0</u>	<u>14.0</u>	<u>11.5</u>
Net end of the year	<u>\$15.3</u>	<u>\$12.2</u>	<u>\$2.7</u>	<u>\$1.7</u>	<u>\$18.0</u>	<u>\$13.9</u>

Table 2 (above) and Chart 3 (below) present revenues from each of the County's largest sources of revenues. Revenues increased approximately \$3.6 million over the prior year. Governmental activities increases were about \$3.3 million and consist of increases in other taxes of \$1.2 million, licenses and permits of \$1.0 million with the remainder consisting of property taxes \$0.4, charges for services of \$0.4 million and other miscellaneous increases of \$0.3 million. Property transfer taxes made up the largest increase in other taxes and building inspection fees made up the largest increase in licenses and permits. Please note that property taxes make up 41% of total revenues compared to 49% for the fiscal year ended June 30, 2004.

See Accountants' Report.

Berkeley County, West Virginia
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
 For the Fiscal Year Ended June 30, 2005

THE COUNTY AS A WHOLE (Continued)

Table 2 (previous page) and Chart 4 (below) present each of the County's governmental programs in dollars and percentage of total expenses, respectively. Expenditures increased in the current year by approximately \$1.9 million for governmental activities and \$0.1 for business activities. Public safety increased by \$1.2 million as the result of higher staffing and staffing related costs, such as health insurance. Culture and recreation increase was the result of additional Federal funding of the train station project. In fiscal year 2005, the County spent 48% in general government and 39% in public safety as shown in Chart 4.

Chart 3

Governmental revenues (as a percentage of total revenues)

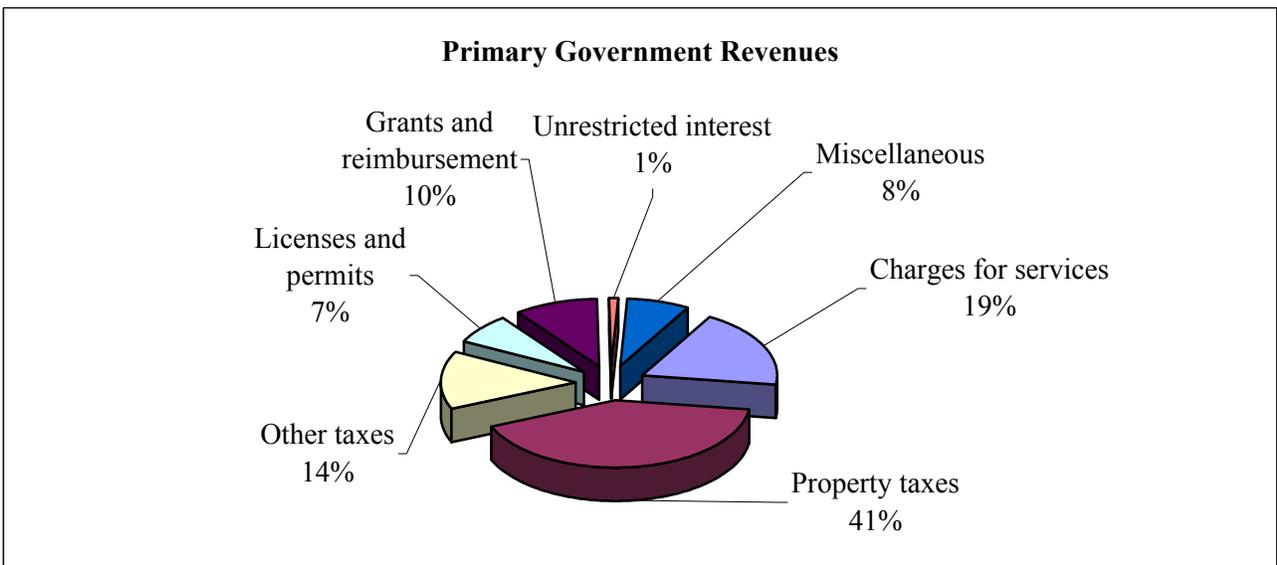
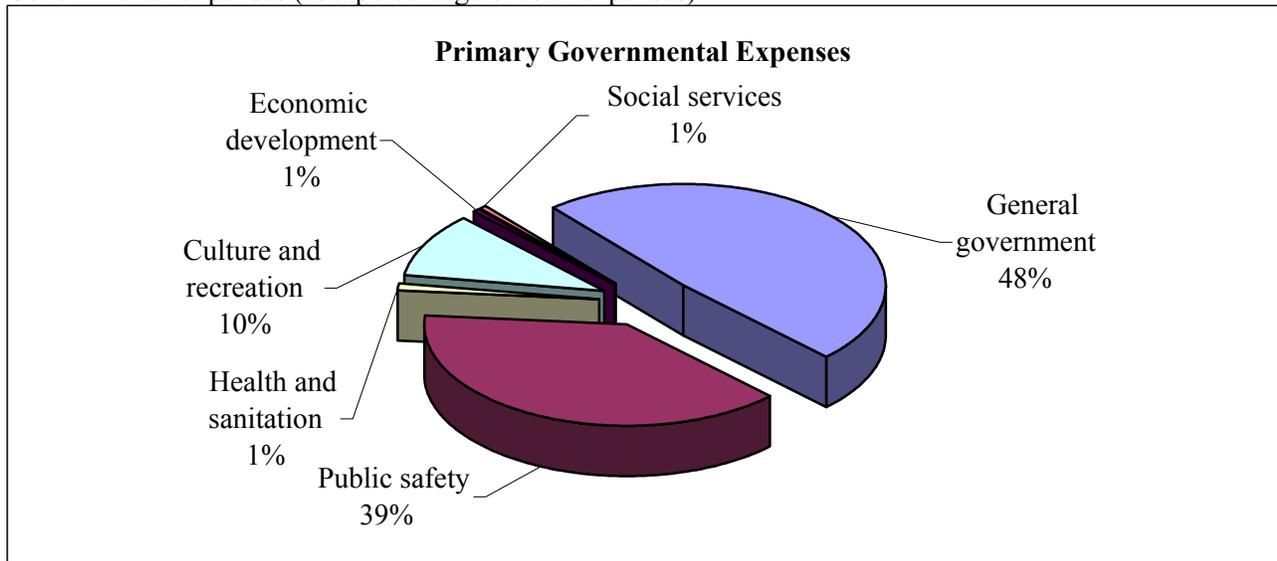


Chart 4

Governmental expenses (as a percentage of total expenses)



See Accountants' Report.

Berkeley County, West Virginia
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Fiscal Year Ended June 30, 2005

FINANCIAL RATIOS

The following Financial Ratios should be used to assess the financial stability of the County over an extended period of time.

The Ratios of Working Capital and Days Cash in Investment and Reserve demonstrates the continuing ability to finance operations with cash. The relative stability of the Current Ratio and the Liabilities to Net Assets demonstrates the fact that the County's governmental activities has not financed its Working Capital and Days Cash and Investment in Reserve with a substantially increasing proportion of debt. However the County's business activities are leveraged with debt and construction payables as demonstrated with both the current ratio and liabilities to net assets.

"Working capital" is the amount by which current assets exceed current liabilities. Generally, the higher the working capital, the greater the amount of resources available to the County to provide services and pay its obligations. Working capital increased over the prior year by \$1.9 million for the primary government.

The "Current Ratio," which compares current assets to current liabilities, is an indicator of the ability to pay current obligations. Generally, the higher the current ratio, the greater the "cushion" between current obligations and the County's ability to pay them. The current year decrease in this ratio was the result of reporting additional liabilities of construction payables and accrued debt service requirements.

"Days cash in investments and reserve" represents the number of days that normal operations could continue with no revenue collection. This ratio compares days cash in investment and reserve to average daily expenditures.

"Liabilities to net assets" indicates the extent of borrowing and determines the extent of liabilities used to finance assets. The liabilities to net assets for the business reflect the additional debt that was acquired during the current year.

	<u>Governmental activities</u>		<u>Business Activities</u>		<u>Primary Government</u>	
	<u>2005</u>	<u>2004 Restated</u>	<u>2005</u>	<u>2004 Restated</u>	<u>2005</u>	<u>2004 Restated</u>
Working capital (in millions)	\$9.1	\$6.3	\$3.1	\$4.0	\$12.2	\$10.3
Current Ratio	23.8	32.5	2.9	14.3	7.1	21.6
Days cash in investment and reserve	205	160	91	1,460	193	169
Liabilities to net assets	10%	14%	756%	618%	122%	88%

See Accountants' Report.

Berkeley County, West Virginia
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Fiscal Year Ended June 30, 2005

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Governmental accounting standards requires all governmental entities to report their infrastructure assets such as roads and bridges in their financial statements. The infrastructure assets that are located in Berkeley County are owned, maintained and reported by the State of West Virginia.

At the end of June 30, 2005, the County had \$25.8 million invested in capital assets net of accumulated depreciation, including police and fire equipment and buildings. This represents a net increase of \$10.6 million, or about 70% percent, over last year for the primary government. This is the result construction projects which occurred with the Judicial Center and Dunn Building in the amount \$10.6 million. The remainder of the difference is the result of some minor purchases and depreciation expense.

The Berkeley County Building Commission is planning to issue additional bonds in the fiscal year ended June 30, 2006 to finance additional renovations to the Dunn Building and Judicial Center project.

At fiscal year end, capital assets at cost or estimated original values (in millions):

	<u>Governmental activities</u>		<u>Business Activities</u>		<u>Primary Government</u>	
	2004		2004		2004	
	<u>2005</u>	<u>(Restated)</u>	<u>2005</u>	<u>(Restated)</u>	<u>2005</u>	<u>(Restated)</u>
Land	\$0.9	\$0.9	\$1.1	\$1.1	\$2.0	\$2.0
Buildings	4.2	4.2	3.8	1.7	8.0	5.9
Improvements	2.3	2.4	0.0	0.0	2.3	2.4
Equipment	3.7	2.9	0.0	0.0	3.7	2.9
Construction Work						
in progress	<u>0.0</u>	<u>0.0</u>	<u>13.8</u>	<u>5.3</u>	<u>13.8</u>	<u>5.3</u>
Subtotal	11.1	10.4	18.7	8.1	29.8	18.5
Accumulated depreciation	<u>(3.7)</u>	<u>(3.1)</u>	<u>(0.3)</u>	<u>(0.2)</u>	<u>(4.0)</u>	<u>(3.3)</u>
Totals	<u>\$7.4</u>	<u>\$7.3</u>	<u>\$18.4</u>	<u>\$7.9</u>	<u>\$25.8</u>	<u>\$15.2</u>

More detailed information amount the County's capital assets is presented in the notes of the financial statements.

Debt

The County's governmental activities outstanding capital leases obligations for the years ended June 30, 2005 and June 30, 2004 were \$0.3 million and \$0.5 million respectively.

See Accountants' Report.

Berkeley County, West Virginia
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Fiscal Year Ended June 30, 2005

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Debt (Continued)

During the fiscal year ended June 30, 2005, the County's Business-type activities issued approximately \$20.0 million in debt, of which about \$10.0 million was used to pay off the 2003 series bonds with the remaining \$10.0 million is to be used for the renovation project at the Judicial Center.

At fiscal year end, Capital lease and revenues bonds (in millions):

<u>Governmental activities</u>	<u>2005</u>	<u>2004</u>
Capital leases obligations, backed by the County	<u>\$0.3</u>	<u>\$0.5</u>
 <u>Business activities</u>		
1999 Series revenue bonds	0.5	0.5
2003 Series revenue bonds	0.0	10.0
2004 A Series revenue bonds	9.9	0.0
2004 B Series revenue bonds	<u>9.0</u>	<u>0.0</u>
Subtotal	<u>19.4</u>	<u>10.5</u>
Total capital leases and bonds	<u>\$19.7</u>	<u>\$11.0</u>

More detailed information about the County's long term liabilities is presented in the notes to the basic financial statements.

GRANTS

The Berkeley County Commission serves as the sponsor of a number of state and federal grants for community agencies including the Berkeley County Roundhouse Authority, Martinsburg-Berkeley County Parks and Recreation Department and the Berkeley County Youth Fair, to name but a few. The funds received in these federal and state grants are in the form of pass-through funds whereby the Commission serves as the sponsor, a fund is established for the receipt and expenditure of the funds, and a check is written to the sponsor upon the receipt of the expended funds. These funds do not contribute to the County's general county fund.

The Berkeley County Commission also receives state and federal grants for operating programs of the County. These include state funds for the VOCA grant program operated through the Prosecuting Attorney's office, Local Law Enforcement Block grants for the purchase of equipment for the Sheriff's Law Enforcement Office, and COPS grants for the funding of law enforcement positions in the Sheriff's Law Enforcement Office. The Commission has also received a court security grant to assist in security purchases in the judicial center. These funds are competitive and are applied for on an annual basis. The continuation of these grants is contingent upon available funds at the state and federal level. The County Commission is also required to provide matching funds in the form of in-kind services or actual cash matches.

See Accountants' Report.

Berkeley County, West Virginia
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Fiscal Year Ended June 30, 2005

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the County Commission revised the General Fund budget several times to reflect changes in revenues and expenditures as information became available to provide better estimates. Other changes were made to reclassify revenues and expenditures into proper accounts.

Even with these adjustments, the actual revenues were approximately \$4.0 million over budget and expenditures were about \$1.0 million under budget. The excess revenues were mainly due to other taxes and licenses being higher than projected revenues, and the over- and under-budgeted expenditures were the result of many smaller factors.

PRIOR PERIOD ADJUSTMENTS

The County restated capital balances and related accumulated depreciation as June 30, 2004 for both governmental activities and business-type activities.

Governmental activities:

Transfer Dunn Building renovations to the Berkeley County Building Commission, net of accumulated depreciation of \$2,418	\$ (94,315)
Restatement of capital asset balances:	
Land	20,600
Equipment	36,607
Accumulated Depreciation	<u>10,097</u>
Capital asset adjustments	\$ <u>(27,011)</u>
Other liabilities:	
To recorded inter governmental payable	\$ <u>50,000</u>

Business-type activities:

Transfer Dunn Building renovations from Berkeley County, net of accumulated depreciation of \$2,418	\$ <u>94,315</u>
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ECONOMIC FACTORS

The County considered many factors when setting the upcoming budget for the fiscal year ending June 30, 2005. Among these were the population growth in Berkeley County which has averaged 4.45% for the past 4 years for a total population of 89,362 in 2004.

The County Commission also considered the increasing cost of employment and employment related costs such as health insurance. Another consideration is the funding required for the capital improvements and debt service requirements for the Berkeley County Judicial Center project, which major construction began in the Spring of 2004.

See Accountants' Report.

Berkeley County, West Virginia
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Fiscal Year Ended June 30, 2005

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Clerk's Office at 100 West King Street, Martinsburg, WV 25401.

See Accountants' Report.

BERKELEY COUNTY, WEST VIRGINIA
STATEMENT OF NET ASSETS
June 30, 2005

	Primary Government		<u>Total</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 9,022,753.90	\$ 514,607.88	\$ 9,537,361.78
Investments	-	3,476,951.00	3,476,951.00
Receivables, net	464,826.98	-	464,826.98
Due from other governments	-	62,500.00	62,500.00
Capital assets:			
Land	892,473.20	1,070,595.92	1,963,069.12
Building and equipment, net of depreciation	6,562,646.50	3,559,354.17	10,122,000.67
Construction in progress	-	13,767,534.23	13,767,534.23
Other debits:			
Unamortized bond issue costs, net of amortization	-	653,991.84	653,991.84
Total assets	\$ 16,942,700.58	\$ 23,105,535.04	\$ 40,048,235.62
LIABILITIES			
Current liabilities payable from current assets:			
Accounts payable	\$ 116,267.66	\$ -	\$ 116,267.66
Leases payable	190,267.20	-	190,267.20
Compensated absences payable	1,167,166.84	-	1,167,166.84
Due to other governments	62,500.00	-	62,500.00
Current liabilities payable from restricted assets:			
Accounts payable - construction	-	1,025,968.14	1,025,968.14
Bonds payable	-	426,907.50	426,907.50
Interest payable	-	115,139.09	115,139.09
Noncurrent liabilities:			
Bonds payable, net of bond discount	-	18,821,434.85	18,821,434.85
Leases payable	132,196.76	-	132,196.76
Total liabilities	1,668,398.46	20,389,449.58	22,057,848.04

See accompanying notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
STATEMENT OF NET ASSETS
June 30, 2005

	Primary Government		<u>Total</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
NET ASSETS			
Invested in capital assets, net of related debt	\$ 7,132,655.74	\$ 2,081,616.67	\$ 9,214,272.41
Restricted for:			
Debt service	-	172,500.00	172,500.00
E911 fees	1,149,718.52	-	1,149,718.52
E911 wireless fees	3,283.00	-	3,283.00
Dunn Building	-	57,054.38	57,054.38
Judicial Center	-	457,545.45	457,545.45
Public safety	44,114.00	-	44,114.00
Unrestricted	6,944,530.86	(52,631.04)	6,891,899.82
Total net assets	15,274,302.12	2,716,085.46	17,990,387.58
 Total liabilities and net assets	 \$ 16,942,700.58	 \$ 23,105,535.04	 \$ 40,048,235.62

See accompanying notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2005

	Program Revenues			Net (Expense) Revenues and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Business-type Activities
Functions / Programs						
Primary government:						
Governmental activities:						
General government	\$ 9,438,166.14	\$ 4,154,831.93	\$ -	\$ -	\$ (5,283,334.21)	\$ (5,283,334.21)
Public safety	7,544,250.18	-	-	-	(7,544,250.18)	(7,544,250.18)
Health and sanitation	166,540.46	-	-	-	(166,540.46)	(166,540.46)
Culture and recreation	2,023,814.63	-	-	-	(2,023,814.63)	(2,023,814.63)
Social services	139,889.63	-	-	-	(139,889.63)	(139,889.63)
Economic development	60,000.00	-	-	-	(60,000.00)	(60,000.00)
Total governmental activities	<u>19,372,661.04</u>	<u>4,154,831.93</u>	<u>-</u>	<u>-</u>	<u>(15,217,829.11)</u>	<u>(15,217,829.11)</u>
Business type activities:						
Building Commission	196,330.09	1,092,685.04	-	42,454.00	-	938,808.95
Total primary government	<u>\$ 19,568,991.13</u>	<u>\$ 5,247,516.97</u>	<u>\$ -</u>	<u>\$ 42,454.00</u>	<u>(15,217,829.11)</u>	<u>938,808.95</u>
General revenues:						
Ad valorem property taxes				9,333,465.89	-	9,333,465.89
Property transfer tax				2,190,146.20	-	2,190,146.20
Coal severance tax				169,420.00	-	169,420.00
Other taxes				515,070.80	-	515,070.80
Payments in lieu of taxes				205,564.00	-	205,564.00
Licenses and permits				1,590,111.47	-	1,590,111.47
Intergovernmental:						
Federal				1,578,985.00	-	1,578,985.00
State				90,582.00	-	90,582.00
Local				470,873.00	-	470,873.00
Unrestricted investment earnings				245,134.00	-	245,134.00
Fines and forfeitures				768,589.00	-	768,589.00
Refunds				308,819.00	-	308,819.00
Reimbursement				193,195.59	-	193,195.59
Miscellaneous				599,998.95	-	599,998.95
Total general revenues				<u>18,259,954.90</u>	<u>-</u>	<u>18,259,954.90</u>
Change in net assets				<u>3,042,125.79</u>	<u>938,808.95</u>	<u>3,980,934.74</u>
Net assets at beginning of year as previously stated				12,232,176.33	1,682,961.04	13,915,137.37
Prior period adjustment				-	94,315.47	94,315.47
Net assets at beginning of year as restated				<u>12,232,176.33</u>	<u>1,777,276.51</u>	<u>14,009,452.84</u>
Net assets - ending				<u>\$ 15,274,302.12</u>	<u>\$ 2,716,085.46</u>	<u>\$ 17,990,387.58</u>

See accompanying notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2005

	<u>General</u>	<u>Coal Severance Tax</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Current:				
Cash and cash equivalents	\$ 6,160,224.90	\$ 201,711.00	\$ 2,660,818.00	\$ 9,022,753.90
Receivables:				
Taxes	464,826.98	-	-	464,826.98
Due from:				
Other funds	<u>100,000.00</u>	<u>-</u>	<u>-</u>	<u>100,000.00</u>
Total assets	<u>\$ 6,725,051.88</u>	<u>\$ 201,711.00</u>	<u>\$ 2,660,818.00</u>	<u>\$ 9,587,580.88</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 116,267.66	\$ -	\$ -	\$ 116,267.66
Due to:				
Other governments	62,500.00	-	-	62,500.00
Other funds	-	-	100,000.00	100,000.00
Deferred tax revenue	<u>336,999.56</u>	<u>-</u>	<u>-</u>	<u>336,999.56</u>
Total liabilities	<u>515,767.22</u>	<u>-</u>	<u>100,000.00</u>	<u>615,767.22</u>
Fund balances:				
Reserved for:				
Encumbrances	259,209.53	-	-	259,209.53
E-911 Fees	1,149,718.52	-	-	1,149,718.52
E-911 Wireless fees	3,283.00	-	-	3,283.00
Public safety	-	-	44,114.00	44,114.00
Unreserved, reported in:				
General fund	4,797,073.61	-	-	4,797,073.61
Special revenue funds	<u>-</u>	<u>201,711.00</u>	<u>2,516,704.00</u>	<u>2,718,415.00</u>
Total fund balances	<u>6,209,284.66</u>	<u>201,711.00</u>	<u>2,560,818.00</u>	<u>8,971,813.66</u>
Total liabilities and fund balances	<u>\$ 6,725,051.88</u>	<u>\$ 201,711.00</u>	<u>\$ 2,660,818.00</u>	<u>\$ 9,587,580.88</u>

See accompanying notes and accountants report.

BERKELEY COUNTY, WEST VIRGINIA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
June 30, 2005

Total fund balances on the governmental fund's balance sheet		\$ 8,971,813.66
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore not reported in the funds.		
Land	\$ <u>892,473.20</u>	892,473.20
Buildings and equipment	10,281,597.76	
Less: accumulated depreciation	<u>(3,718,951.26)</u>	6,562,646.50
Certain revenues are not available to fund current year expenditures and therefore are deferred in the funds.		
Deferred taxes		336,999.56
Compensated absences and capital leases, are not due and payable in the current period.		
Compensated absences		(1,167,166.84)
Leases payable		<u>(322,463.96)</u>
Net assets of governmental activities		\$ <u><u>15,274,302.12</u></u>

See accompanying notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2005

	<u>General</u>	<u>Coal Severance Tax</u>	<u>Other nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes:				
Ad valorem property taxes	\$ 9,293,432.50	\$ -	\$ -	\$ 9,293,432.50
Property transfer tax	2,190,146.20	-	-	2,190,146.20
Other taxes	515,070.80	-	-	515,070.80
Coal severance tax	-	169,420.00	-	169,420.00
Licenses and permits	1,571,886.47	-	18,225.00	1,590,111.47
Intergovernmental:				
Federal	34,758.00	-	1,544,227.00	1,578,985.00
State	-	-	90,582.00	90,582.00
Local	-	-	470,873.00	470,873.00
Charges for services	3,656,546.93	-	498,285.00	4,154,831.93
Fines and forfeits	60,526.00	-	708,063.00	768,589.00
Interest and investment earnings	196,649.00	3,590.00	44,895.00	245,134.00
Refunds	308,819.00	-	-	308,819.00
Reimbursements	69,915.59	-	123,280.00	193,195.59
Payments in lieu of taxes	205,564.00	-	-	205,564.00
Miscellaneous	599,601.86	-	397.00	599,998.86
	<u>18,702,916.35</u>	<u>173,010.00</u>	<u>3,498,827.00</u>	<u>22,374,753.35</u>
EXPENDITURES				
General government	7,465,500.33	-	699,376.00	8,164,876.33
Public safety	6,422,303.18	-	914,684.00	7,336,987.18
Health and sanitation	159,018.96	-	2,100.00	161,118.96
Culture and recreation	670,095.13	-	1,351,526.00	2,021,621.13
Social services	69,750.00	-	47,168.00	116,918.00
Capital outlay	473,141.34	-	244,471.00	717,612.34
Economic development	-	60,000.00	-	60,000.00
Lease/ Contingency	927,651.64	15,033.00	-	942,684.64
	<u>16,187,460.58</u>	<u>75,033.00</u>	<u>3,259,325.00</u>	<u>19,521,818.58</u>
Excess of revenues over expenditures	<u>2,515,455.77</u>	<u>97,977.00</u>	<u>239,502.00</u>	<u>2,852,934.77</u>

See accompanying notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2005

	<u>General</u>	<u>Coal Severance Tax</u>	<u>Other nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 1,050,062.00	\$ -	\$ 1,586,289.00	\$ 2,636,351.00
Transfers (out)	(1,506,622.11)	-	(1,129,729.00)	(2,636,351.11)
Capital leases	<u>85,824.00</u>	<u>-</u>	<u>-</u>	<u>85,824.00</u>
Total other financing sources (uses)	<u>(370,736.11)</u>	<u>-</u>	<u>456,560.00</u>	<u>85,823.89</u>
Excess of revenues and other financing sources over expenditures and other uses	<u>2,144,719.66</u>	<u>97,977.00</u>	<u>696,062.00</u>	<u>2,938,758.66</u>
Fund balances - beginning of year as previously reported	4,114,565.00	103,734.00	1,864,756.00	6,083,055.00
Prior period adjustment	<u>(50,000.00)</u>	<u>-</u>	<u>-</u>	<u>(50,000.00)</u>
Fund balances - beginning of year as restated	<u>4,064,565.00</u>	<u>103,734.00</u>	<u>1,864,756.00</u>	<u>6,033,055.00</u>
Fund balances - ending	<u>\$ 6,209,284.66</u>	<u>\$ 201,711.00</u>	<u>\$ 2,560,818.00</u>	<u>\$ 8,971,813.66</u>

See accompanying notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2005

Net change in fund balances - total governmental funds \$ 2,938,758.66

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

Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.

Current capital outlay 717,612.34

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as a depreciation expense.

Depreciation expense (583,548.65)

Capital lease proceeds are reported as financing sources in governmental funds and thus contributed to the change in fund balance. Repayment of principal on capital leases is an expenditure in the governmental funds, but it reduces the liability in the statement of net assets.

Capital lease proceeds (85,824.00)

Current lease payments recorded as expenditures 246,436.04

The effect of the prior period adjustment at the governmental wide and fund level.

Effect of prior period adjustments governmental wide level (27,010.99)

Effect of prior period adjustments governmental fund level (50,000.00)

Compensated absences liability is not reported in the governmental funds but is reported in the government-wide level of activities.

Current additions to compensated absences expense (154,331.00)

Certain revenues are not available to fund current year expenditures and therefore are deferred in the funds.

Deferred revenues 40,033.39

Change in net assets of governmental activities \$ 3,042,125.79

See accompanying notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended June 30, 2005

	<u>Budgeted Amounts</u>		<u>Actual Modified Accrual Basis</u>	<u>Adjustments Budget Basis</u>	<u>Actual Amounts Budget Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>				
REVENUES						
Taxes:						
Ad valorem property	\$ 9,321,151	\$ 9,321,151	\$ 9,293,433 (A)	\$ 1,733	\$ 9,295,166	\$ (25,985)
Alcoholic beverages	46,350	46,350	-	-	-	(46,350)
Utility services	-	-	2,190,146	-	2,190,146	2,190,146
Hotel occupancy	257,500	257,500	-	-	-	(257,500)
Animal	42,230	42,230	-	-	-	(42,230)
Gas and oil severance	19,669	19,669	-	-	-	(19,669)
Other taxes	814,694	794,094	515,071	-	515,071	(279,023)
Licenses and permits	-	-	1,571,886	-	1,571,886	1,571,886
Intergovernmental:						
Federal	-	-	34,758	-	34,758	34,758
State	54,171	54,171	-	-	-	(54,171)
Charges for services	2,955,520	3,070,654	3,656,547	-	3,656,547	585,893
Fines and forfeits	49,955	49,955	60,526	-	60,526	10,571
Interest and investment						
earnings	116,400	116,400	196,649	-	196,649	80,249
Refunds	-	-	308,819	-	308,819	308,819
Reimbursements	640,844	-	69,916	-	69,916	69,916
Payments in lieu of taxes	185,000	185,000	205,564	-	205,564	20,564
Miscellaneous	787,553	804,919	599,602	-	599,602	(205,317)
Total revenues	15,291,037	14,762,093	18,702,917	1,733	18,704,650	3,942,557
EXPENDITURES						
Current:						
General government	8,386,962	8,537,562	7,465,500 (B)	64,032	7,529,532	1,008,030
Public safety	6,729,731	6,986,577	6,422,303 (B)	2,630	6,424,933	561,644
Health and sanitation	139,546	189,546	159,019	-	159,019	30,527
Culture and recreation	674,639	674,639	670,095 (B)	(13,274)	656,821	17,818
Social services	57,650	59,650	69,750 (B)	(5,000)	64,750	(5,100)
Capital projects	102,509	786,508	473,141	-	473,141	313,367
Lease	-	-	927,652	-	927,652	(927,652)
Total expenditures	16,091,037	17,234,482	16,187,460	48,388	16,235,848	998,634
Excess (deficiency) of revenues over (under) expenditures	(800,000)	(2,472,389)	2,515,457	(46,655)	2,468,802	4,941,191

See accompanying notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended June 30, 2005

	<u>Budgeted Amounts</u>		<u>Actual Modified Accrual Basis</u>	<u>Adjustments Budget Basis</u>	<u>Actual Amounts Budget Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>				
OTHER FINANCING SOURCES (USES)						
Transfers in	\$ -	\$ 540,844	\$ 1,050,062	\$ -	\$ 1,050,062	\$ 509,218
Transfers (out)	-	-	(1,506,622)	-	(1,506,622)	(1,506,622)
Capital leases	-	-	85,824	-	85,824	85,824
Total other financing sources (uses)	-	540,844	(370,736)	-	(370,736)	(911,580)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(800,000)	(1,931,545)	2,144,721	(46,655)	2,098,066	4,029,611
Fund balances - beginning of the year as previously reported	800,000	1,931,545	4,114,565	-	4,114,565	2,183,020
Prior period adjustment	-	-	(50,000) (C)	50,000	-	-
Fund balances - beginning of year as restated	800,000	1,931,545	4,064,565	50,000	4,114,565	2,183,020
Fund balances - ending	\$ -	\$ -	\$ 6,209,286	\$ 3,345	\$ 6,212,631	\$ 6,212,631

NOTES:

- (A) Taxes receivable are not included for budgetary purposes.
- (B) Accounts payable are not included for budgetary purposes.
- (C) Prior period adjustments are not included for budgetary purposes.

See accompanying notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - COAL SEVERANCE TAX FUND
For the Fiscal Year Ended June 30, 2005

	<u>Budgeted Amounts</u>		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Coal severance tax	\$ 90,000	\$ 90,000	\$ 169,420	\$ 79,420
Interest and investment earnings	<u>1,500</u>	<u>1,500</u>	<u>3,590</u>	<u>2,090</u>
Total revenues	<u>91,500</u>	<u>91,500</u>	<u>173,010</u>	<u>81,510</u>
EXPENDITURES				
Economic development	80,000	183,734	60,000	123,734
Contingency	<u>11,500</u>	<u>11,500</u>	<u>15,033</u>	<u>(3,533)</u>
Total expenditures	<u>91,500</u>	<u>195,234</u>	<u>75,033</u>	<u>120,201</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(103,734)</u>	<u>97,977</u>	<u>201,711</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	-	(103,734)	97,977	201,711
Fund balances - beginning	<u>-</u>	<u>103,734</u>	<u>103,734</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 201,711</u>	<u>\$ 201,711</u>

See accompany notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
June 30, 2005

	Business - type Activities
	Enterprise Fund Building Commission
ASSETS	
Current:	
Cash and cash equivalents	\$ 514,607.88
Due from other governments	62,500.00
Total current assets	577,107.88
Restricted:	
Investments	3,476,951.00
Capital assets:	
Land	1,070,595.92
Buildings	3,826,660.39
Construction in progress	13,767,534.23
Less: accumulated depreciation	(267,306.22)
Total capital assets, net of accumulated depreciation	18,397,484.32
Other debits:	
Unamortized debt issue expense, net of accumulated amortization of \$25,644.82	653,991.84
Total other debits	653,991.84
Total assets	\$ 23,105,535.04
LIABILITIES	
Current liabilities payable from restricted assets:	
Accounts payable - construction	\$ 1,025,968.14
Revenue bonds payable	426,907.50
Interest payable	115,139.09
Total current liabilities payable from restricted assets	1,568,014.73
Noncurrent liabilities:	
Bonds payable, net of bond discount \$133,342.84	18,821,434.85
Total liabilities	20,389,449.58

See accompanying notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
June 30, 2005

	Business - type Activities
	Enterprise Fund Building Commission
NET ASSETS	
Invested in capital assets, net of related debt	\$ 2,081,616.67
Restricted for:	
Debt Service	172,500.00
Dunn Building	57,054.38
Judicial Center	457,545.45
Unrestricted	(52,631.04)
Total net assets	2,716,085.46
Total liabilities and net assets	\$ 23,105,535.04

See accompanying notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS - PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2005

	Business-type Activities
	Enterprise Funds Building Commission
OPERATING REVENUES:	
Lease income	\$ 1,092,685.04
OPERATING EXPENSES:	
Depreciation	76,363.24
Operating income	1,016,321.80
NONOPERATING REVENUES (EXPENSES):	
Contribution in aid of construction	42,454.00
Amortization of debt issue expenses	(22,729.13)
Interest and fiscal charges	(93,437.72)
Trustee fees	(3,800.00)
Total nonoperating revenues (expenses)	(77,512.85)
Increase in net assets	938,808.95
Net assets at beginning of year as previously stated	1,682,961.04
Prior period adjustment	94,315.47
Net assets at beginning of year as restated	1,777,276.51
Net assets at end of year	\$ 2,716,085.46

See accompanying notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2005

	Business-type Activities
	Enterprise Funds Building Commission
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from leases	\$ 1,080,185.04
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investment income	116,931.51
CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED ACTIVITIES:	
Payments for construction work in progress	(8,905,449.63)
Principal paid on notes payable	(10,147,187.66)
Bond closing costs	(330,686.66)
Proceeds from revenue bonds	18,808,252.34
Decrease in restricted assets	209,610.77
Contributions in aid of construction	42,454.00
Cash paid for trustee fees	(3,800.00)
Interest paid on revenue bonds	(723,707.51)
Net cash used by capital and related financing activities	(1,050,514.35)
Net increase in cash and cash equivalents	146,602.20
Cash and cash equivalents - beginning of year (restated)	368,005.68
Cash and cash equivalents - end of year	\$ 514,607.88
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating income	\$ 1,016,321.80
Adjustments to reconcile:	
Depreciation expense	76,363.24
Adjustments for changes in operating assets and liabilities	
Increase in operating assets	(12,500.00)
Net cash provided by operating activities	\$ 1,080,185.04
Supplemental schedule of noncash investing and financing activities:	
Acquisition costs on issuance of bonds	\$ (199,000.00)
Discounts on issuance of bonds	\$ (56,776.70)
Amortization of bond acquisition costs	\$ (22,729.13)
Amortization of bond discount costs	\$ (4,816.34)

See accompanying notes and accountants' report.

BERKELEY COUNTY, WEST VIRGINIA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
June 30, 2005

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ <u>707,748.00</u>
LIABILITIES	
Due to other governments	\$ 330,272.00
Other payable	<u>377,476.00</u>
Total liabilities	\$ <u>707,748.00</u>

See accompanying notes and accountants' report

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Except as noted, the accounting policies of the Berkeley County, West Virginia, conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of significant accounting policies:

A. Reporting Entity

Berkeley County is one of fifty-five counties established under the Constitution and the Laws of the State of West Virginia. There are six offices elected county-wide, which are: County Commission, County Clerk, Circuit Clerk, Assessor, Sheriff, and Prosecuting Attorney.

The County Commission is the legislative body for the government, and as such budgets and provides all the funding used by the separate Constitutional Offices except for the offices of the Assessor and the Sheriff, which also have additional revenue sources. The County Clerk's office maintains the accounting system for the county's operations. The operations of the county as a whole, however, including all the Constitutional offices have been combined in these financial statements.

The services provided by the government and accounted for within these financial statements include law enforcement for unincorporated areas of the county, health and social services, cultural and recreational programs, and other governmental services.

The accompanying financial statements present the government and its component unit as required by generally accepted accounting principles. In determining whether to include a governmental department, agency, commission or organization as a component unit, the government must evaluate each entity as to whether they are legally separate and financially accountable based on the criteria set forth by the Governmental Accounting Standards Board (GASB). Legal separateness is evaluated on the basis of (1) its corporate name, (2) the right to sue and be sued and (3) the right to buy, sell or lease and mortgage property. Financial accountability is based on (1) the appointment of the governing authority and (2) the ability to impose will or (3) the providing of specific financial benefit or imposition of specific financial burden. Another factor to consider in this evaluation is whether an entity is fiscally dependent on the County.

Blended Component Unit

The entity below is legally separate from the County and meets Generally Accepted Accounting Principles criteria for component units. This entity is blended with the primary government because they provide services entirely or almost entirely to the County.

The Berkeley County Building Commission serves the citizens of Berkeley County, and is governed by a board comprised of five board members appointed by the County Commission for a term of five years each. The Building Commission acquires property and debt on behalf of the County. The Building Commission is reported as an enterprise fund. Complete financial statements of the Berkeley County Building Commission can be obtained at the County's administrative offices.

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

Related Organizations

The County's officials are also responsible for appointing the members of boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County appoints board members to the following organizations:

<u>Name of Organization</u>	<u>Operating Grant</u>
Airport Authority	\$ 50,875.00
Berkeley County Public Library	374,829.00
Berkeley County Senior Services	61,250.00
Berkeley County Solid Waste Authority	88,796.00
Berkeley County Development Authority	117,781.68
Berkeley County Historic Landmark Commission	5,400.00
District 6 Health Board	40,250.00
Martinsburg - Berkeley County Convention and Visitors	118,497.59
Martinsburg - Berkeley County Parks and Recreation	163,497.54
Eastern Panhandle Transit Authority	3,500.00
Eastern Panhandle Conservation District	10,000.00

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and certain component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Combining financial statements for the non-major governmental funds are included as supplementary information.

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied and collectable. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, interest and special assessments are susceptible to accrual. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the accrual criteria is met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The government reports the following major governmental funds:

The General fund is the government's primary operating fund. It accounts for all financial sources of the general government, except those required to be accounted for in another fund.

The Coal Severance Tax fund, a special revenue fund, accounts for revenues and expenditures from a severance tax placed on coal that is distributed to West Virginia counties. The State Auditor's Office requires an annual budget be submitted for approval for this fund.

The Building Commission fund consists of items and amounts that provide facilities to the public. The legally separate entity leases these facilities to the primary government in accordance to lease agreements which mirror the securing debt requirements. The interfund lease agreements between the County and Building Commission were eliminated in these financial statements. The board promulgates rules and regulations governing the usage and maintenance of the facilities.

Additionally, the government reports the following fund types:

The agency funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the full accrual basis of accounting. These funds are used to account for assets that Berkeley County, West Virginia holds for others in an agency capacity.

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

Berkeley County, West Virginia follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with GASB Pronouncements in both the government-wide and proprietary fund financial statements.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Berkeley County Building Commission, a blended component unit, is charges to customers for services. Operating expenses for the enterprise fund include the cost of services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

Berkeley County, West Virginia's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of less than three months from the date of acquisition. For purposes of the Statement of Cash Flows, restricted assets may be considered cash equivalents based on liquidity.

In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the County reports its investments at fair value, except for non-participating investment contracts (certificates of deposit and repurchase agreements) which are reported at cost, which approximates fair value. All investment income, including changes in fair value of investments, are recognized as revenue in the operating statement. Fair value is determined by quoted market prices.

Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Managed funds related to the retirement systems not listed on an established market are reported at estimated fair value as determined by the respective fund managers based on quoted sales prices of underlying securities. Cash deposits are reported at carrying amount which reasonably estimates fair value. The composition of investments and fair values are presented in Note IV.A.

BERKELEY COUNTY, WEST VIRGINIA
 NOTES TO THE FINANCIAL STATEMENTS
 For the Fiscal Year Ended June 30, 2005

2. Receivables and Payables

Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables or payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds" and are considered current. Any residual balance outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

Property Tax Receivable

The property tax receivable is equal to 75% percent of the property taxes outstanding at June 30, 2005.

All current taxes assessed on real and personal property may be paid in two installments; the first installment is payable on September first of the year for which the assessment is made, and becomes delinquent on October first; the second installment is payable on the first day the following March and becomes delinquent on April first. Taxes paid on or before the date when they are payable, including both first and second installments, are subject to a discount of two and one-half percent. If the taxes are not paid on or before the date in which they become delinquent, including both first and second installments, interest at the rate of nine percent per annum is added from the date they become delinquent until the date they are paid. Taxes paid on or before the due date are allowed a two and one half percent discount. A tax lien is issued for all unpaid real estate taxes as of the date of the sheriff's sale and these liens are sold between October 14th and November 23rd of each year. Sixty days of estimated property tax collections are recorded in revenues at the end of each fiscal year.

All counties within the state are authorized to levy taxes not in excess of the following maximum levies per \$100 of assessed valuation: On Class I property, fourteen and three-tenths cents (14.30 cents); On Class II property, twenty-eight and six-tenths cents (28.60 cents); On Class III property, fifty-seven and two-tenths cents (57.20 cents) On Class IV property, fifty-seven and two-tenths cents (57.20 cents). In addition, counties may provide for an election to lay an excess levy; the rates not to exceed statutory limitations, provided at least sixty percent of the voters cast ballots in favor of the excess levy.

The rates levied by the County per \$100 of assessed valuation for each class of property for the fiscal year ended June 30, 2005, were as follows:

<u>Class of Property</u>	<u>Assessed Valuation For Tax Purposes</u>	<u>Current Expense</u>
Class I	\$ 5,975,150	12.37
Class II	\$ 1,581,467,873	24.74
Class III	\$ 778,268,065	49.48
Class IV	\$ 290,199,270	49.48

BERKELEY COUNTY, WEST VIRGINIA
 NOTES TO THE FINANCIAL STATEMENTS
 For the Fiscal Year Ended June 30, 2005

3. Inventories and Prepaid Items

There are no material inventories maintained; therefore they do not appear on the financial statements.

4. Restricted Assets

Certain assets of the Berkeley County Building Commission are classified as restricted assets because their use is restricted by bond agreements.

The "reserve for construction account" is used to report those proceeds of revenue bond that are restricted for use in construction.

5. Capital Assets and Depreciation

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and estimated to have a useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. Interest incurred during the construction phase of proprietary fund capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds during the same period. The County capitalized \$509,654.17 of interest for the year ended June 30, 2005.

The government depreciates the capital assets using the straight-line method. Capital assets depreciation and capitalization policies are defined by the government as follows:

<u>Asset</u>	<u>Straight-line Years</u>	<u>Capitalize/ Depreciate</u>
Land	not applicable	Capitalize only
Land improvement	20 to 30 years	\$ 5,000.00
Building	40 years	5,000.00
Building improvements	20 to 25 years	5,000.00
Construction in progress	not applicable	Capitalize only
Equipment	5 to 10 years	5,000.00
Vehicles	5 to 10 years	5,000.00

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

6. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements in accordance with GASB Statement No. 16, Accounting for Compensated Absences. Vacation and sick leave benefits are accrued on a calendar year beginning January 1, and ending December 31. Sick leave benefits are accrued at the rate of one and one half days per month and an unlimited amount of sick leave benefits can be carried forward to the following calendar year. Employees earn vacation benefits based on the years of service as follows:

<u>Years of Service</u>	<u>Vacation Benefits per Month</u>
0 to 5	1.25 days
5 to 10	1.50 days
10 to 15	1.75 days
14 and over	2.00 days

Employees are allowed to carry over a maximum of thirty (30) days of vacation benefits at the end of a calendar year. When a permanent full time employee retires, any unused accrued vacation benefits are paid to the employee at the time of retirement based on the employee's salary at the time of retirement.

7. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

8. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between fund balance total governmental funds and net assets-governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including capital leases and compensated absences, are not due and payable in the current period and therefore are not reported in the funds." The details of this \$1,489,630.80 difference are as follows:

Capital leases payable	\$ (322,463.96)
Compensated absences	<u>(1,167,166.84)</u>
Net adjustment to decrease fund balance- total governmental funds to arrive at net assets-governmental activities	<u>\$ (1,489,630.80)</u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances-total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures." However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount that capital outlays exceeded depreciation for the current period. The details of the \$134,063.69 difference are as follows:

Capital outlays	\$ 717,612.34
Depreciation expense	<u>(583,548.65)</u>
Net adjustment to increase net change in fund balance-total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 134,063.69</u>

Another element of that reconciliation shows that the issuance of long-term debt (i.e. leases) provide 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. The details of this \$160,612.04 difference are as follows:

Capital lease financing	\$ (85,824.00)
Current lease payments	<u>246,436.04</u>
Net adjustment to increase net changes in fund balances-total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 160,612.04</u>

BERKELEY COUNTY, WEST VIRGINIA
 NOTES TO THE FINANCIAL STATEMENTS
 For the Fiscal Year Ended June 30, 2005

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this \$1,167,166.84 difference are as follows:

Compensated absences	\$ 1,167,166.84
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net assets of governmental activities	\$ <u>1,167,166.84</u>

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and the Coal Severance Tax Special Revenue Fund. All annual appropriations lapse at fiscal year end.

Berkeley County, West Virginia prepares its budget on the cash basis of accounting. Therefore, a reconciliation has been performed on the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for both the General and Coal Severance Tax Funds.

Prior to March 2nd of each year, the various elected officials submit to the county commission proposed requests for their respective offices for the fiscal year commencing July 1. Upon review and approval of these requests, the county commission prepares proposed budgets on forms prescribed by the State Auditor and submits them to the State Auditor by March 28 for approval. The county commission then reconvenes on the third Tuesday in April to hear objections from the public and to formally lay the levy.

The appropriated budget is prepared by fund, function and department. Transfers of appropriations between departments and revenue related revisions to the budget require approval from the governing council and then submission to the State Auditor for approval. Revisions become effective when approved by the State Auditor and budgeted amounts in the financial statements reflect only such approved amounts. The governing body made the following material supplementary budgetary appropriations throughout the year.

<u>Description</u>	<u>Amount</u>
General Government Expenditure Increase	\$ 150,600
Public Safety Expenditure Increase	256,846
Social Services Expenditure Increase	2,000
Health and Sanitation Expenditure Increase	50,000
Capital Projects Expenditure Increase	683,999
Total	\$ <u>1,143,445</u>

Encumbrance accounting is employed as an extension of the formal budgetary process. Encumbrances (e.g. purchase orders, contracts) are reported as reservations of fund balance and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

BERKELEY COUNTY, WEST VIRGINIA
 NOTES TO THE FINANCIAL STATEMENTS
 For the Fiscal Year Ended June 30, 2005

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2005, expenditures exceeded appropriations in several non major special revenue funds. These over expenditures were funded by available fund balance.

C. Deficit Fund Equity

The Community Partnership Grant Fund had a deficit fund balance of \$3,132 as of June 30, 2005. The fund incurred this deficit because project funded was not received in a timely manner.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Custodial Credit Risk - Deposits

Custodial risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of June 30, 2005, \$11,260,999 of the County's bank balance of \$11,360,999 was exposed to custodial credit risk. Of the bank balance, \$100,000 was covered by Federal Depository Insurance. The remaining balance of \$11,260,999 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the County's name.

At year end the government's investment balances were as follows:

Investments	Maturities	Fair Value
Prime Obligations Fund	Daily	\$ <u>3,476,951</u>
Total investments		\$ <u><u>3,476,951</u></u>

Interest Rate Risk

The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

State statutes authorize the government to invest in the State Investment Pool or the Municipal Bond Commission or to invest such funds in the following classes of securities: Obligations of the United States or any agency thereof, certificates of deposit (which mature in less than one year), general and direct obligations of the state of West Virginia; obligations of the federal mortgage association; indebtedness secured by first lien deed of trusts for property situated within this state if the payment is substantially insured or guaranteed by the federal government; pooled mortgage trusts (subject to limitations); indebtedness of any private corporation that is properly graded as in the top two or three highest rating grades; interest earning deposits which are fully insured or collateralized; and mutual funds registered with S.E.C. which have fund assets over three hundred million dollars. Berkeley County, West Virginia, has no investment policy that would further limit its investment choices.

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

Concentration Risk

State statute limitations concerning the aforementioned investments include the following: at no time can investment portfolios consist of more than seventy-five percent of the indebtedness of any private corporation nor can the portfolio have over twenty-five percent of its portfolio consisting of the indebtedness of a private corporation's debt which matures in less than one year; at no time may more than nine percent of the portfolio be invested in securities issued by a single private corporation or association; and at no time can more than sixty percent of the portfolio be invested in equity mutual funds. The County has no policy that would further limit the amount that they may invest in any one issuer.

B. Receivables

Receivables at year end for the government's individual major funds and non-major, and fiduciary funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	General
Receivables:	
Taxes	\$ <u>616,002.98</u>
Less allowance for Uncollectible	<u>(151,176.00)</u>
Net Total Receivables	\$ <u><u>464,826.98</u></u>

Governmental funds reports deferred revenues in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	Unavailable
Property taxes receivable (General Fund)	\$ <u><u>336,999.56</u></u>

C. Capital Assets

Capital Asset activity for the fiscal year ended June 30, 2005 was as follows:

	Primary Government			
	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land - restated	\$ <u>873,028.00</u>	\$ <u>19,445.20</u>	\$ <u>-</u>	\$ <u>892,473.20</u>
Capital assets being depreciated:				
Buildings - restated	4,197,584.00	24,897.00	-	4,222,481.00
Improvements - restated	2,370,377.46	-	-	2,370,377.46
Equipment - restated	3,015,469.16	673,270.14	-	3,688,739.30
Less: Total accumulated depreciation	<u>(3,135,402.61)</u>	<u>(583,548.65)</u>	<u>-</u>	<u>(3,718,951.26)</u>
Total capital assets being depreciated, net	<u>6,448,028.01</u>	<u>114,618.49</u>	<u>-</u>	<u>6,562,646.50</u>
Governmental activities capital assets, net	<u><u>\$ 7,321,056.01</u></u>	<u><u>\$ 134,063.69</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 7,455,119.70</u></u>

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Blended Component Unit				
Capital assets, not being depreciated:				
Land	\$ 1,070,595.92	\$ -	\$ -	\$ 1,070,595.92
Construction in progress	<u>5,343,059.00</u>	<u>8,999,139.23</u>	<u>(574,664.00)</u>	<u>13,767,534.23</u>
Total capital assets not being depreciated	<u>6,413,654.92</u>	<u>8,999,139.23</u>	<u>(574,664.00)</u>	<u>14,838,130.15</u>
Capital assets being depreciated:				
Buildings	1,722,448.00	2,104,212.39	-	3,826,660.39
Less: total accumulated depreciation	<u>(188,525.00)</u>	<u>(78,781.22)</u>	<u>-</u>	<u>(267,306.22)</u>
Total capital assets being depreciated, net	<u>1,533,923.00</u>	<u>2,025,431.17</u>	<u>-</u>	<u>3,559,354.17</u>
Business-type activities capital assets, net assets, net	<u>\$ 7,947,577.92</u>	<u>\$ 11,024,570.40</u>	<u>\$ (574,664.00)</u>	<u>\$ 18,397,484.32</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:		
General government		\$ 291,944.32
Public safety		261,017.70
Health and sanitation		5,422.50
Culture and recreation		2,192.50
Social services		<u>22,971.63</u>
Total depreciation expense-governmental activities		<u>\$ 583,548.65</u>
Business-type activities:		
Berkeley County Building Commission		<u>\$ 76,363.24</u>

Construction in Progress

The Building Commission is in the construction phase of the Berkeley County Judicial Center project which is funded by lease revenue bonds issued in 2004. The Building Commission expended \$ 13,767,534.23 as of June 30, 2005.

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2005, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Community Partnership Grant	\$ <u>100,000.00</u>
Total		<u>\$ 100,000.00</u>

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

Interfund Transfers:

<u>Transferred from:</u>	<u>Transferred to:</u>	<u>Amount</u>
General	Wireless Communication	\$ 494,088.00
General	County Health Insurance	1,012,534.00
Rainy Day	General	37,528.00
County Health Insurance	General	1,012,534.00
Cops UHG # 107	COPS UHG #100	29,518.00
Cops UHG # 107	COPS UHG #100	26,237.00

E. Leases

The County had the following long term capital lease obligations relating to governmental activities which financed \$852,173 in equipment as of June 30, 2005:

1. A lease purchase agreement for (1) Fire Truck for the Office of Emergency Services payable in annual installments of \$25,589.15, and a final payment of \$25,589.15 on October 16, 2007.

Due in fiscal year ending June 30, 2006	\$ 25,589.15
Due in fiscal year ending June 30, 2007	25,589.15
Due in fiscal year ending June 30, 2008	<u>25,589.15</u>
Total minimum lease payments	76,767.45
Less: amount representing interest	<u>8,391.85</u>
Present value of minimum lease payments.	<u><u>\$ 68,375.60</u></u>

2. A lease purchase agreement dated March 28, 2003 for (6), 2002 Ford Crown Victoria Police Cruisers payable to Ford Motor Credit in annual installments of \$37,516.20, and a final payment of \$37,516.20 due March 28, 2006

Due in fiscal year ending June 30, 2006	\$ 37,516.00
Less amount representing interest	<u>2,123.55</u>
Present value of minimum lease payments	<u><u>\$ 35,392.45</u></u>

3. A lease purchase agreement date March 1, 2003 for a Computer AS 400 payable to IBM in monthly installments of \$10,966.48, and a final payment of \$10,966.48 due February 1, 2006.

Due in fiscal year ending June 30, 2006	\$ 87,731.84
Less amount representing interest	<u>1,941.52</u>
Present value of minimum lease payments	<u><u>\$ 85,790.32</u></u>

4. A lease purchase agreement dated March 1, 2003 for a photocopier for the Finance Department payable to IBM in monthly installments of \$178.36 and a final payment of \$178.36 due February 1, 2006.

Due in fiscal year ending June 30, 2006	\$ 1,426.88
Less amount representing interest	<u>34.12</u>
Present value of minimum lease payments	<u><u>\$ 1,392.76</u></u>

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

5. A lease purchase agreement dated September 1, 2002 for (2) photocopiers for the Prosecuting Attorney Department payable to IBM in monthly installments of \$593.56, and a final payment of \$593.56 due August 1, 2006.

Due in fiscal year ending June 30, 2006	\$ 7,122.72
Due in fiscal year ending June 30, 2007	1,187.12
	8,309.84
Total minimum lease payments	8,309.84
Less amount representing interest	303.46
	\$ 8,006.38

6. A lease purchase agreement dated September 2003 for office equipment payable to Xerox in 60 monthly installments of \$356.70 ending August 2008.

Due in fiscal year ending June 30, 2006	\$ 4,280.40
Due in fiscal year ending June 30, 2007	4,280.40
Due in fiscal year ending June 30, 2008	4,280.40
Due in fiscal year ending June 30, 2009	713.40
	13,554.60
Total minimum lease payments	13,554.60
Less amount representing interest	1,237.85
	\$ 12,316.75

7. A lease purchase agreement dated August 2003 for office equipment payable to Xerox in 36 monthly installments of \$46.12 ending July 2006.

Due in fiscal year ending June 30, 2006	\$ 553.44
Due in fiscal year ending June 30, 2007	46.12
	599.56
Total minimum lease payments	599.56
Less amount representing interest	20.58
	\$ 578.98

8. A lease purchase agreement dated September 2003 for office equipment payable to Xerox in 60 monthly installments of \$152.96 ending August 2008.

Due in fiscal year ending June 30, 2006	\$ 1,835.52
Due in fiscal year ending June 30, 2007	1,835.52
Due in fiscal year ending June 30, 2008	1,835.52
Due in fiscal year ending June 30, 2009	305.92
	5,812.48
Total minimum lease payments	5,812.48
Less amount representing interest	530.92
	\$ 5,281.56

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

9. A lease purchase agreement dated September 2004 for office equipment payable to Xerox in 60 monthly installments of \$165.36 ending August 2008.

Due in fiscal year ending June 30, 2006	\$ 1,984.32
Due in fiscal year ending June 30, 2007	1,984.32
Due in fiscal year ending June 30, 2008	1,984.32
Due in fiscal year ending June 30, 2009	<u>330.72</u>
Total minimum lease payments	6,283.68
Less amount representing interest	<u>573.82</u>
Present value of minimum lease payments	<u>\$ 5,709.86</u>

10. A lease purchase agreement dated March 2004 for office equipment payable to Court Square Leasing in 36 monthly installments of \$62.00 ending March 2007.

Due in fiscal year ending June 30, 2006	\$ 744.00
Due in fiscal year ending June 30, 2007	<u>558.00</u>
Total minimum lease payments	1,302.00
Less amount representing interest	<u>68.95</u>
Present value of minimum lease payments	<u>\$ 1,233.05</u>

11. A lease purchase agreement dated June 2004 for a digital copier payable to Court Square Leasing in 36 monthly installments of \$102.00 ending May 2007.

Due in fiscal year ending June 30, 2006	\$ 1,224.00
Due in fiscal year ending June 30, 2007	<u>1,122.00</u>
Total minimum lease payments	2,346.00
Less amount representing interest	<u>135.06</u>
Present value of minimum lease payments	<u>\$ 2,210.94</u>

12. A lease purchase agreement dated March 2004 for an animal control vehicle payable to Ford Motor Credit in 4 annual installments of \$5,137.65 ending March 2007.

Due in fiscal year ending June 30, 2006	\$ 5,137.65
Due in fiscal year ending June 30, 2007	<u>5,137.65</u>
Total minimum lease payments	10,275.30
Less amount representing interest	<u>882.34</u>
Present value of minimum lease payments.	<u>\$ 9,392.96</u>

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

13. A lease purchase agreement dated November 2003 for a 2003 Kia Sorrento payable to the Bank of Clarke County in 48 monthly installments of \$457.32 ending October, 2007.	
Due in fiscal year ending June 30, 2006	\$ 5,487.72
Due in fiscal year ending June 30, 2007	5,487.72
Due in fiscal year ending June 30, 2008	<u>1,829.24</u>
Total minimum lease payments	12,804.68
Less amount representing interest	<u>692.53</u>
Present value of minimum lease payments	<u>\$ 12,112.15</u>
14. A lease purchase dated December, 2004 for a 2005 Crown Victoria Police Interceptor payable to Comvest Ltd in 48 monthly installments of \$484.82 ending October, 2008.	
Due in fiscal year ending June 30, 2006	\$ 5,817.84
Due in fiscal year ending June 30, 2007	5,817.84
Due in fiscal year ending June 30, 2008	5,817.84
Due in fiscal year ending June 30, 2009	<u>1,939.28</u>
Total minimum lease payments	19,392.80
Less amount representing interest	<u>1,384.84</u>
Present value of minimum lease payments	<u>\$ 18,007.96</u>
15. A lease purchase dated July, 2004 for a 2005 Crown Victoria payable to Comvest Ltd in 48 monthly installments of \$477.40 ending September, 2008.	
Due in fiscal year ending June 30, 2006	\$ 5,728.80
Due in fiscal year ending June 30, 2007	5,728.80
Due in fiscal year ending June 30, 2008	5,728.80
Due in fiscal year ending June 30, 2009	<u>1,432.20</u>
Total minimum lease payments	18,618.60
Less amount representing interest	<u>1,299.18</u>
Present value of minimum lease payments	<u>\$ 17,319.42</u>
16. A lease purchase dated July, 2004 for a 2005 Crown Victoria Police Cruiser payable to Comvest Ltd in 48 monthly installments of \$502.74 ending December, 2008.	
Due in fiscal year ending June 30, 2006	\$ 6,032.88
Due in fiscal year ending June 30, 2007	6,032.88
Due in fiscal year ending June 30, 2008	6,032.88
Due in fiscal year ending June 30, 2009	<u>3,016.44</u>
Total minimum lease payments	21,115.08
Less amount representing interest	<u>1,578.84</u>
Present value of minimum lease payments	<u>\$ 19,536.24</u>

BERKELEY COUNTY, WEST VIRGINIA
 NOTES TO THE FINANCIAL STATEMENTS
 For the Fiscal Year Ended June 30, 2005

17. A lease purchase dated July, 2004 for a 2005 Crown Victoria payable to Comvest Ltd in 48 monthly installments of \$488.26 ending February, 2009 .

Due in fiscal year ending June 30, 2006	\$ 5,859.12
Due in fiscal year ending June 30, 2007	5,859.12
Due in fiscal year ending June 30, 2008	5,859.12
Due in fiscal year ending June 30, 2009	<u>3,911.40</u>
Total minimum lease payments	21,488.76
Less amount representing interest	<u>1,682.18</u>
Present value of minimum lease payments	<u>\$ 19,806.58</u>

A summary of the payments related to all of the lease obligations are as follows:

Due in fiscal year ending June 30, 2006	\$ 204,072.28
Due in fiscal year ending June 30, 2007	70,666.64
Due in fiscal year ending June 30, 2008	58,957.27
Due in fiscal year ending June 30, 2009	<u>11,649.36</u>
Total minimum lease payments	345,345.55
Less amount representing interest	<u>22,881.59</u>
Present value of minimum lease payments	<u>\$ 322,463.96</u>

F. Long-Term Debt

Building Commission, a Blended Component Unit Lease Revenue Bonds

Purpose	Maturity Dates	Interest Rates	Issued	Retired	Balance June 30, 2005
1999 Series Bonds	9/30/2009	6%	\$ 600,000.00	\$ 138,314.81	\$ 461,685.19
2003 Series Bonds	12/1/2033	2%-5.2%	9,995,000.00	9,995,000.00	-
2004A Series Bonds	12/1/2031	1.45%-4.95%	9,995,000.00	75,000.00	9,920,000.00
2004 B Series Bonds	9/1/2034	3.75%-5%	<u>9,000,000.00</u>	<u>-</u>	<u>9,000,000.00</u>
Total revenue bonds			<u>\$ 29,590,000.00</u>	<u>\$ 10,208,314.81</u>	<u>\$ 19,381,685.19</u>

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

Revenue bond debt service requirements to maturity are as follows:

Year Ended	Blended Component Unit Activities	
	Principal	Interest
2006	\$ 426,907.50	\$ 875,454.76
2007	476,821.95	841,335.41
2008	492,031.27	823,019.84
2009	512,520.11	804,012.25
2010	528,404.36	784,196.75
2011 - 2015	2,365,000.00	3,657,613.75
2016 - 2020	2,865,000.00	3,143,976.25
2021 - 2025	3,570,000.00	2,417,427.50
2026 - 2030	4,490,000.00	1,465,876.25
2031 - 2035	3,655,000.00	377,480.00
Totals	<u>\$ 19,381,685.19</u>	<u>\$ 15,190,392.76</u>

Changes in General Long-Term Liabilities

	Governmental Activities				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Capital leases	\$ 483,076.00	\$ 85,824.00	\$ (246,436.04)	\$ 322,463.96	\$ 190,267.20
Compensated absences	1,012,835.84	154,331.00	-	1,167,166.84	1,167,166.84
Governmental activities Long-term liabilities	<u>\$ 1,495,911.84</u>	<u>\$ 240,155.00</u>	<u>\$ (246,436.04)</u>	<u>\$ 1,489,630.80</u>	<u>\$ 1,357,434.04</u>
	Blended Component Unit				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease revenue					
Bonds payable	\$ 10,533,852.20	\$ 18,995,000.00	\$ (10,147,167.01)	\$ 19,381,685.19	\$ 426,907.50
Less: deferred amounts:					
Debt discount	(81,382.48)	(56,776.70)	4,816.34	(133,342.84)	-
Total bonds payable	<u>\$ 10,452,469.72</u>	<u>\$ 18,938,223.30</u>	<u>\$ (10,142,350.67)</u>	<u>\$ 19,248,342.35</u>	<u>\$ 426,907.50</u>

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

G. Restricted Assets

The balances of the restricted asset accounts for the primary government and blended component unit are as follows:

	Governmental Activities	Blended Component Unit
Debt Service	\$ -	\$ 172,500.00
E911 Fees	1,149,718.52	-
E911 Wireless fees	3,283.00	-
Dunn building	-	57,054.38
Judicial center	-	457,545.45
Public safety	44,114.00	-
 Total restricted assets	 \$ 1,197,115.52	 \$ 687,099.83

I. Prior Period Adjustments

The County restated the following capital asset balances and accumulated depreciation as June 30, 2004 for the Primary Government:

	Primary Government			
	Beginning Balance as Previously Stated	Increases	Decreases	Ending Balance Restated
Governmental activities:				
Capital assets, not being depreciated:				
Land - restated	\$ 852,428.00	\$ 20,600.00	\$ -	\$ 873,028.00
 Total capital assets not being depreciated	 852,428.00	 20,600.00	 -	 873,028.00
Capital assets being depreciated:				
Buildings - restated	4,197,584.00	-	-	4,197,584.00
Improvements - restated	2,467,111.28	-	(96,733.82)	2,370,377.46
Equipment - restated	2,978,862.66	36,606.50	-	3,015,469.16
Less: Total accumulated depreciation	(3,147,918.00)	-	12,515.39	(3,135,402.61)
 Total capital assets being depreciated, net	 6,495,639.94	 36,606.50	 (84,218.43)	 6,448,028.01
 Governmental activities capital assets, net	 \$ 7,348,067.94	 \$ 57,206.50	 \$ (84,218.43)	 \$ 7,321,056.01

The County also restated a liability to other governments in the amount of \$50,000. None of these restatements effect the excess (deficiency) of revenues and other financing sources over expenditures and other uses for the current year.

BERKELEY COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2005

Berkeley County Building Commission:

Buildings were restated in the amount \$96,733.82 and the related depreciation of \$2,418.35 to reflect building improvements which were not included on the Building Commissions records as of June 30, 2004. This restatement does not effect the increase in net assets for the current year.

V. Other Information

A. Supplemental Disclosure of Cash Flow Information

The Building Commission capitalized \$509,654,17 of interest expense, net of \$116,931.51 of interest income for the year ended June 30, 2005.

The statement of cash flows beginning cash balance was restated to exclude \$3,686,561.77 of investments, which are not considered to be cash equivalents, that were held in trust accounts for the Building Commission.

B. Risk Management

The government is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries insurance with Smith Nadenboush Insurance Company from the State Board of Risk for umbrella general liability insurance for these various risks.

The County pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. The rate is calculated based on accident history and administrative costs to provide coverage to employees for job related injuries.

Liabilities are reported when it is probable a loss has occurred and the amount of the loss can be reasonably estimated.

C. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

The amount, if any, of expenditures which may be disallowed by the grant or cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the government's counsel that resolution of these matters will not have a material effect on the financial condition of the government.

D. Deferred Compensation Plan

The government offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time government employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held for the exclusive benefit of the participants and their beneficiaries.

BERKELEY COUNTY, WEST VIRGINIA
 NOTES TO THE FINANCIAL STATEMENTS
 For the Fiscal Year Ended June 30, 2005

D. Other Post Employment Benefits

The government does not provide post retirement health benefits except those mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County, however, employees who elect COBRA are covered under the County's self-insured health plan as all active employees and those retired employees who maintain County health plan coverage.

VI. Employee Retirement Systems and Plans

VI.A.1 Plan Descriptions Contribution Information and Funding Policies

Public Employees Retirement System

Eligibility to participate	All county full-time employees, except those covered by other pension
Authority establishing contribution obligations and benefit provisions	State Statute
Funding policy and contributions	PERS members are required to contribute 4.5% of their salary, and the County is required to contribute 10.5%. The contribution requirements of PERS members are established and may be amended only by the State of West Virginia Legislature. The County's contributions to PERS for the fiscal year ended June 30, 2005 totaled \$ 171,940 for employees' share \$401,193 for employer's share.
Period required to vest	Five Years
Benefits and eligibility for distribution	A member who has attained age 60 and has earned 5 years or more of contributing service or age 55 if the sum of his/her age plus years of credited service is equal to or greater than 80. The final average salary (three highest consecutive years in the last 10) times the years of service times 2% equals the annual retirement benefit.
Deferred retirement portion	No
Provisions for:	
Cost of Living	No
Death	Yes
Annual pension cost and amount contributed	For the current fiscal year ended, the annual cost was \$573,133 for all covered employees with a contributed percentage of 100%.

BERKELEY COUNTY, WEST VIRGINIA
 NOTES TO THE FINANCIAL STATEMENTS
 For the Fiscal Year Ended June 30, 2005

West Virginia Deputy Sheriff Retirement System (WVDRS)

Eligibility to participate	West Virginia Deputy sheriffs first employed after the effective date and any deputy sheriffs hired prior to the effective date who elect to become members.
Authority establishing contribution obligations and benefit provisions	State Statute
Funding policy and contributions	Certain fees for reports generated by sheriff's offices are paid to this plan in accordance with West Virginia State Code. WVDRS members are required to contribute 8.5% of their annual covered salary and the county is required to contribute 9.5%. The contribution requirements of WVDRS members are established and may be amended only by the State of West Virginia Legislature. The government's contribution to WVDRS for the current fiscal year ending was \$125,611 for employees' share and \$155,167 for employer's share.
Period required to vest	Five years
Benefits and eligibility for distribution	A member who has attained age 60 and has earned 5 or more years of contributing service or age 50 and if the sum of his/her age plus years of credited service is equal to or greater than 70. The final average salary (three highest consecutive years in the last ten years) times the years of service times 2.25% equal the annual retirement benefit.
Deferred retirement option	No
Provisions for:	
Cost of living	No
Death	Yes
Annual pension cost and amount contributed	For the current fiscal year ended, the annual cost was \$280,778 for all covered employees with a contributed percentage of 100%.

VI.B.2. Trend Information

Fiscal Year	<u>Public Employees' Retirement System (PERS)</u>		<u>West Virginia Deputy Sheriff Retirement System (WVDRS)</u>	
	Annual Pension	Percentage	Annual Pension	Percentage
	Cost	Contributed	Cost	Contributed
2005	\$ 573,133	100%	\$ 280,778	100%
2004	\$ 526,517	100%	\$ 241,612	100%
2003	\$ 450,042	100%	\$ 202,514	100%
2002	\$ 466,450	100%	\$ 194,162	100%

PERS and WVDRS issue a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Public Employees' Retirement System, Building 5, Room 1000, 1900 Kanawha Boulevard East, Charleston, WV 25305.

SUPPLEMENTAL INFORMATION

BERKELEY COUNTY, WEST VIRGINIA
 BUDGETARY COMPARISON SCHEDULE -
 ASSESSOR'S VALUATION FUND
 For the Fiscal Year Ended June 30, 2005

	Budget Amounts		Actual Modified Accrual Basis	Adjustments Budget Basis	Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>				
Revenues:						
Other taxes	\$ 440,929	\$ 440,929	\$ 470,873	\$ -	\$ 470,873	\$ 29,944
Intergovernmental:						
Map sales	700	700	884	-	884	184
Misc	-	-	131	-	131	131
Interest	9,000	9,000	17,462	-	17,462	8,462
Total revenues	450,629	450,629	489,350	-	489,350	38,721
Expenditures:						
General government	418,025	678,100	321,216	-	321,216	356,884
Capital outlay	132,603	232,603	98,603	-	98,603	134,000
Total expenditures	550,628	910,703	419,819	-	419,819	490,884
Excess (deficiency) of revenues over expenditures	(99,999)	(460,074)	69,531	-	69,531	529,605
Fund balance at beginning of year	100,000	460,074	459,989	-	-	-
Fund balance at end of year	\$ 1	\$ -	\$ 529,520	\$ -	\$ 69,531	\$ 529,605

See Accountants' Report.

BERKELEY COUNTY, WEST VIRGINIA
 COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2005

	<u>Dog and Kennel</u>	<u>General School</u>	<u>Worthless Check</u>	<u>911 Emergency Communications</u>	<u>Home Confinement</u>	<u>Federal Grant #9</u>	<u>Community Partnership</u>	<u>Fiduciary</u>	<u>Wireless Communication</u>	<u>Enhanced 911 3%</u>	<u>Assessor Valuation</u>
ASSETS											
Current:											
Cash and cash equivalents	\$ 39,379	\$ 44,806	\$ 1,585	\$ 197,498	\$ 186,750	\$ 135,986	\$ 96,868	\$ 202,935	\$ 535,245	\$ 44,114	\$ 529,520
Total assets	<u>\$ 39,379</u>	<u>\$ 44,806</u>	<u>\$ 1,585</u>	<u>\$ 197,498</u>	<u>\$ 186,750</u>	<u>\$ 135,986</u>	<u>\$ 96,868</u>	<u>\$ 202,935</u>	<u>\$ 535,245</u>	<u>\$ 44,114</u>	<u>\$ 529,520</u>
LIABILITIES AND FUND BALANCES											
Liabilities:											
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Fund balances:											
Reserved for:											
Public safety	-	-	-	-	-	-	-	-	-	44,114	-
Unreserved	39,379	44,806	1,585	197,498	186,750	135,986	(3,132)	202,935	535,245	-	529,520
Total fund balances	<u>39,379</u>	<u>44,806</u>	<u>1,585</u>	<u>197,498</u>	<u>186,750</u>	<u>135,986</u>	<u>(3,132)</u>	<u>202,935</u>	<u>535,245</u>	<u>44,114</u>	<u>529,520</u>
Total liabilities and fund balances	<u>\$ 39,379</u>	<u>\$ 44,806</u>	<u>\$ 1,585</u>	<u>\$ 197,498</u>	<u>\$ 186,750</u>	<u>\$ 135,986</u>	<u>\$ 96,868</u>	<u>\$ 202,935</u>	<u>\$ 535,245</u>	<u>\$ 44,114</u>	<u>\$ 529,520</u>

See Accountants' Report.

BERKELEY COUNTY, WEST VIRGINIA
 COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2005

	Rainy Day	Concealed Weapon	Voter's Registration	Special Law Enforcement Forfeiture	Prosecuting Attorney Forfeiture	Law Enforcement Block Grant	COPS UHG # 100	Task Force Reimbursement	Home Land Security	COPS Universal Hiring	FEMA Hazard Mitigation
ASSETS											
Current:											
Cash and cash equivalents	\$ 110,769	\$ 8,082	\$ 27	\$ 881	\$ 17,478	\$ 1	\$ 23,912	\$ 34,750	\$ 9,207	\$ 76,000	\$ 98,917
Total assets	\$ 110,769	\$ 8,082	\$ 27	\$ 881	\$ 17,478	\$ 1	\$ 23,912	\$ 34,750	\$ 9,207	\$ 76,000	\$ 98,917
LIABILITIES AND FUND BALANCES											
Liabilities:											
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances:											
Reserved for:											
Public safety	-	-	-	-	-	-	-	-	-	-	-
Unreserved	110,769	8,082	27	881	17,478	1	23,912	34,750	9,207	76,000	98,917
Total fund balances	110,769	8,082	27	881	17,478	1	23,912	34,750	9,207	76,000	98,917
Total liabilities and fund balances	\$ 110,769	\$ 8,082	\$ 27	\$ 881	\$ 17,478	\$ 1	\$ 23,912	\$ 34,750	\$ 9,207	\$ 76,000	\$ 98,917

See Accountants' Report.

BERKELEY COUNTY, WEST VIRGINIA
 COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2005

	County Health Insurance	Engineering Special Fees	Law Enforcement Homeland Security	Homeland Security Planner	Emergency Shelter	Judicial Center LEDA Grant	South Berkeley Little League	Homeland Security EOC	Total Nonmajor Special Revenue Funds
ASSETS									
Current:									
Cash and cash equivalents	\$ 103,718	\$ 113,537	\$ 3,600	\$ 14,530	\$ 23	\$ 25,000	\$ 4,980	\$ 720	\$ 2,660,818
Total assets	<u>\$ 103,718</u>	<u>\$ 113,537</u>	<u>\$ 3,600</u>	<u>\$ 14,530</u>	<u>\$ 23</u>	<u>\$ 25,000</u>	<u>\$ 4,980</u>	<u>\$ 720</u>	<u>\$ 2,660,818</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Fund balances:									
Reserved for:									
Public safety	-	-	-	-	-	-	-	-	44,114
Unreserved	<u>103,718</u>	<u>113,537</u>	<u>3,600</u>	<u>14,530</u>	<u>23</u>	<u>25,000</u>	<u>4,980</u>	<u>720</u>	<u>2,516,704</u>
Total fund balances	<u>103,718</u>	<u>113,537</u>	<u>3,600</u>	<u>14,530</u>	<u>23</u>	<u>25,000</u>	<u>4,980</u>	<u>720</u>	<u>2,560,818</u>
Total liabilities and fund balances	<u>\$ 103,718</u>	<u>\$ 113,537</u>	<u>\$ 3,600</u>	<u>\$ 14,530</u>	<u>\$ 23</u>	<u>\$ 25,000</u>	<u>\$ 4,980</u>	<u>\$ 720</u>	<u>\$ 2,660,818</u>

See Accountants' Report.

BERKELEY COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2005

	Dog and Kennel	General School	Magistrate Court	Worthless Check	911 Emergency Communications	Home Confinement	Federal Grant #9	Community Partnership	Fiduciary	Wireless Communication	Roundhouse #23
REVENUES											
Taxes:											
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental:											
Federal	-	-	-	-	-	-	4,028	-	-	-	-
State	-	-	-	-	-	-	-	7,367	-	-	-
Local	-	-	-	-	-	-	-	-	-	-	-
Charges for services	17,530	-	75,000	24,763	10,077	119,528	-	-	42,686	-	-
Fines and forfeits	-	660,967	-	110	-	-	-	-	-	-	-
Interest and investment earnings	939	2,697	-	-	5,826	4,412	122	-	5,509	61	34
Reimbursements	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	138	-	-
Total revenues	<u>18,469</u>	<u>663,664</u>	<u>75,000</u>	<u>24,873</u>	<u>15,903</u>	<u>123,940</u>	<u>4,150</u>	<u>7,367</u>	<u>48,333</u>	<u>61</u>	<u>34</u>
EXPENDITURES											
Current:											
General government	-	-	75,000	25,240	-	-	-	1,709	1,827	-	-
Public safety	1,935	668,039	-	-	-	40,421	-	90	-	-	-
Health and sanitation	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	3,959	5,658	-	-	41,236
Social services	-	-	-	-	-	-	775	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	22,423	-
Total expenditures	<u>1,935</u>	<u>668,039</u>	<u>75,000</u>	<u>25,240</u>	<u>-</u>	<u>40,421</u>	<u>4,734</u>	<u>7,457</u>	<u>1,827</u>	<u>22,423</u>	<u>41,236</u>
Excess (deficiency) of revenues over (under) expenditures	16,534	(4,375)	-	(367)	15,903	83,519	(584)	(90)	46,506	(22,362)	(41,202)
OTHER FINANCING SOURCES (USES)											
Transfers in	-	-	-	-	-	-	-	-	-	494,088	-
Transfers (out)	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>494,088</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	16,534	(4,375)	-	(367)	15,903	83,519	(584)	(90)	46,506	471,726	(41,202)
Fund balances at beginning of year	<u>22,845</u>	<u>49,181</u>	<u>-</u>	<u>1,952</u>	<u>181,595</u>	<u>103,231</u>	<u>136,570</u>	<u>(3,042)</u>	<u>156,429</u>	<u>63,519</u>	<u>41,202</u>
Fund balances - ending	<u>\$ 39,379</u>	<u>\$ 44,806</u>	<u>\$ -</u>	<u>\$ 1,585</u>	<u>\$ 197,498</u>	<u>\$ 186,750</u>	<u>\$ 135,986</u>	<u>\$ (3,132)</u>	<u>\$ 202,935</u>	<u>\$ 535,245</u>	<u>\$ -</u>

See Accountants' Report.

BERKELEY COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2005

	Enhanced 911 3%	Assessor Valuation	Rainy Day	Concealed Weapon	Voter's Registration	Enforcement Forfeiture	Attorney Forfeiture	Enforcement Block Grant	UHG # 100	Force Reimbursement	Home Land Security
REVENUES											
Taxes:											
Licenses and permits	\$ -	\$ -	\$ -	\$ 18,225	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental:											
Federal	-	-	-	-	-	-	-	-	104,854	32,757	-
State	-	-	-	-	-	-	-	-	-	-	-
Local	-	470,873	-	-	-	-	-	-	-	-	-
Charges for services	17,509	884	-	-	1,398	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	26,291	20,695	-	-	-	-
Interest and investment earnings	31	17,462	122	292	336	553	442	-	-	-	9
Reimbursements	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	131	-	105	-	-	-	-	-	-	-
Total revenues	<u>17,540</u>	<u>489,350</u>	<u>122</u>	<u>18,622</u>	<u>1,734</u>	<u>26,844</u>	<u>21,137</u>	<u>-</u>	<u>104,854</u>	<u>32,757</u>	<u>9</u>
EXPENDITURES											
Current:											
General government	-	321,216	-	-	14,456	-	3,213	-	-	-	-
Public safety	-	-	-	22,292	-	28,344	-	-	49,099	3,614	2,697
Health and sanitation	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	98,603	-	-	-	20,902	6,043	-	-	-	-
Total expenditures	<u>-</u>	<u>419,819</u>	<u>-</u>	<u>22,292</u>	<u>14,456</u>	<u>49,246</u>	<u>9,256</u>	<u>-</u>	<u>49,099</u>	<u>3,614</u>	<u>2,697</u>
Excess (deficiency) of revenues over (under) expenditures	17,540	69,531	122	(3,670)	(12,722)	(22,402)	11,881	-	55,755	29,143	(2,688)
OTHER FINANCING SOURCES (USES)											
Transfers in	-	-	-	-	-	-	-	-	23,912	-	-
Transfers (out)	-	-	(37,528)	-	-	-	-	-	(55,755)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(37,528)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,843)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	17,540	69,531	(37,406)	(3,670)	(12,722)	(22,402)	11,881	-	23,912	29,143	(2,688)
Fund balances at beginning of year	<u>26,574</u>	<u>459,989</u>	<u>148,175</u>	<u>11,752</u>	<u>12,749</u>	<u>23,283</u>	<u>5,597</u>	<u>1</u>	<u>-</u>	<u>5,607</u>	<u>11,895</u>
Fund balances - ending	<u>\$ 44,114</u>	<u>\$ 529,520</u>	<u>\$ 110,769</u>	<u>\$ 8,082</u>	<u>\$ 27</u>	<u>\$ 881</u>	<u>\$ 17,478</u>	<u>\$ 1</u>	<u>\$ 23,912</u>	<u>\$ 34,750</u>	<u>\$ 9,207</u>

See Accountants' Report.

BERKELEY COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2005

	Local Law Enforcement # 103	COPS Universal Hiring	FEMA Hazard Mitigation	County Health Insurance	DOT Roundhouse Grant	2003 Bulletproof Vests	ESGP Grant	Engineering Special Fees	Homeland Security	Homeland Security Planner	Eagles Wings
REVENUES											
Taxes:											
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental:											
Federal	-	45,734	-	-	1,259,538	2,625	11,403	-	32,687	14,530	-
State	-	-	-	-	-	-	-	-	-	-	10,000
Local	-	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	188,910	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-
Interest and investment earnings	-	-	-	6,048	-	-	-	-	-	-	-
Reimbursements	-	-	-	123,280	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>45,734</u>	<u>-</u>	<u>129,328</u>	<u>1,259,538</u>	<u>2,625</u>	<u>11,403</u>	<u>188,910</u>	<u>32,687</u>	<u>14,530</u>	<u>10,000</u>
EXPENDITURES											
Current:											
General government	-	-	-	236,274	-	-	-	20,441	-	-	-
Public safety	625	77,577	-	-	-	2,625	-	-	13,411	-	-
Health and sanitation	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	1,259,538	-	-	-	-	-	-
Social services	-	-	-	-	-	-	11,403	-	-	-	10,000
Capital outlay	-	-	19,446	-	-	-	-	54,932	15,676	-	-
Total expenditures	<u>625</u>	<u>77,577</u>	<u>19,446</u>	<u>236,274</u>	<u>1,259,538</u>	<u>2,625</u>	<u>11,403</u>	<u>75,373</u>	<u>29,087</u>	<u>-</u>	<u>10,000</u>
Excess (deficiency) of revenues over (under) expenditures	(625)	(31,843)	(19,446)	(106,946)	-	-	-	113,537	3,600	14,530	-
OTHER FINANCING SOURCES (USES)											
Transfers in	-	55,755	-	1,012,534	-	-	-	-	-	-	-
Transfers (out)	-	(23,912)	-	(1,012,534)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>31,843</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(625)	-	(19,446)	(106,946)	-	-	-	113,537	3,600	14,530	-
Fund balances at beginning of year	<u>625</u>	<u>76,000</u>	<u>118,363</u>	<u>210,664</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 76,000</u>	<u>\$ 98,917</u>	<u>\$ 103,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113,537</u>	<u>\$ 3,600</u>	<u>\$ 14,530</u>	<u>\$ -</u>

See Accountants' Report.

BERKELEY COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2005

	Emergency Shelter	Hedgesville Little League	Judicial Center LEDA Grant	Eastern Panhandle AIDS Grant	Martinsburg Midget Football	Lambert Park	South Berkeley Little League	Homeland Security EOC	Nonmajor Special Revenue Funds
REVENUES									
Taxes:									
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,225
Intergovernmental:									
Federal	24,990	-	-	-	-	-	-	11,081	1,544,227
State	-	8,000	25,000	2,100	10,000	23,135	4,980	-	90,582
Local	-	-	-	-	-	-	-	-	470,873
Charges for services	-	-	-	-	-	-	-	-	498,285
Fines and forfeits	-	-	-	-	-	-	-	-	708,063
Interest and investment earnings	-	-	-	-	-	-	-	-	44,895
Reimbursements	-	-	-	-	-	-	-	-	123,280
Miscellaneous	23	-	-	-	-	-	-	-	397
Total revenues	<u>25,013</u>	<u>8,000</u>	<u>25,000</u>	<u>2,100</u>	<u>10,000</u>	<u>23,135</u>	<u>4,980</u>	<u>11,081</u>	<u>3,498,827</u>
EXPENDITURES									
Current:									
General government	-	-	-	-	-	-	-	-	699,376
Public safety	-	-	-	-	-	-	-	3,915	914,684
Health and sanitation	-	-	-	2,100	-	-	-	-	2,100
Culture and recreation	-	8,000	-	-	10,000	23,135	-	-	1,351,526
Social services	24,990	-	-	-	-	-	-	-	47,168
Capital outlay	-	-	-	-	-	-	-	6,446	244,471
Total expenditures	<u>24,990</u>	<u>8,000</u>	<u>-</u>	<u>2,100</u>	<u>10,000</u>	<u>23,135</u>	<u>-</u>	<u>10,361</u>	<u>3,259,325</u>
Excess (deficiency) of revenues over (under) expenditures	23	-	25,000	-	-	-	4,980	720	239,502
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	-	-	-	-	1,586,289
Transfers (out)	-	-	-	-	-	-	-	-	(1,129,729)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>456,560</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	23	-	25,000	-	-	-	4,980	720	696,062
Fund balances at beginning of year	-	-	-	-	-	-	-	-	1,864,756
Fund balances - ending	<u>\$ 23</u>	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,980</u>	<u>\$ 720</u>	<u>\$ 2,560,818</u>

See Accountants' Report.

BERKELEY COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 June 30, 2005

	<u>State</u>	<u>County Offices</u>	<u>Other</u>	<u>Total Agency</u>
ASSETS				
Cash and cash equivalents	\$ 884	\$ 377,476	\$ 329,388	\$ 707,748
LIABILITIES				
Due to other governments	884	-	329,388	330,272
Other payables	-	377,476	-	377,476
Total liabilities	\$ 884	\$ 377,476	\$ 329,388	\$ 707,748

See Accountants' Report.

BERKELEY COUNTY, WEST VIRGINIA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Fiscal Year Ended June 30, 2005

	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Number</u>		<u>Total Expenditures</u>
U. S. Department of Housing and Urban Development				
Pass-through Programs From:				
West Virginia Development Office				
<u>Program Title</u>				
Emergency Shelter Grants Program	14.231	N/A	\$	24,990.46
Emergency Shelter Grants Program	14.231	N/A		11,402.92
Total U. S. Department of Housing and Urban Development				36,393.38
U. S. Department of Justice				
Direct Programs:				
<u>Program Title</u>				
Local Law Enforcement Block Grants Program				
Universal Hiring Wage and Benefits Assistance Program	16.592	N/A		73,010.66
Local Law Enforcement Block Grants Program				
Universal Hiring Wage and Benefits Assistance Program	16.592	N/A		77,577.87
Pass-through Program From:				
West Virginia Department of Criminal Justice Services				
<u>Program Title</u>				
Juvenile Accountability Incentive Block Grants				
Crime Victim Assistance				
VOCA-Prosecuting Attorney's Office	16.575	N/A		30,871.17
Total U. S. Department of Justice				181,459.70

See Accountants' Report.

BERKELEY COUNTY, WEST VIRGINIA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Fiscal Year Ended June 30, 2005

	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Number</u>	<u>Total Expenditures</u>
U.S. Department of Transportation			
Pass-through Programs From: West Virginia Department of Transportation			
<u>Program Title</u>			
Highway Planning and Construction Roundhouse project	20.205	N/A	\$ <u>1,259,538.28</u>
U.S. Federal Emergency Management Agency			
Pass-through Programs From: West Virginia Office of Emergency Services			
<u>Program Title</u>			
County Projects	83.548	N/A	<u>19,445.20</u>
U.S. Department of Homeland Security			
Direct Program			
<u>Program Title</u>			
Citizens Corporation Council Grant County Homeland Security Program	83.564	N/A	10,360.91
Citizens Corporation Council Grant County Homeland Security Program	83.564	N/A	<u>29,087.48</u>
Total U.S. Department of Homeland Security			<u>39,448.39</u>
TOTAL FEDERAL AWARDS EXPENDITURES			<u>\$ 1,536,284.95</u>

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

N/A = Not Available

See Accountants' Report.