

ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

Communication with Those Charged with Governance

To the Honorable Board of Supervisors County of Amherst, Virginia

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of County of Amherst, Virginia for the year ended June 30, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 20, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by County of Amherst, Virginia are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, County of Amherst, Virginia changed accounting policies related to assets, liabilities, and net position by adopting Statements of Governmental Accounting Standards (GASB Statement) Nos. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and 65, Items Previously Reported as Assets and Liabilities in 2013. Accordingly, the classification and reporting of assets, liabilities, and net position were changed to comply with the new standards. We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements were:

Management's estimate of the depreciation and allowance for uncollectible property taxes are based on established guidelines and experience. We evaluated the key factors and assumptions used to develop the depreciation expense and the allowance for uncollectible property taxes in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

The completion of our audit was delayed due to several factors, including verifying reconciled bank statements, recording of receivables, reconciling of general ledger accounts, and coordinating the required communications required by professional standards.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements (see attached listing). Material misstatements detected as a result of audit procedures were corrected by management: County accounts receivable, items related to property taxes (receivables, 60 day collections, unavailable revenues, and tax relief for the elderly), and School Board prepaid expenses.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 10, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. The County engaged an independent accounting firm to conduct an evaluation of county payroll practices. That engagement had no impact on our opinion.


Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Supervisors and management of County of Amherst, Virginia and is not intended to be, and should not be, used by anyone other than these specified parties.


Charlottesville, Virginia
February 10, 2014

Client: **050501 - County of Amherst, Virginia**
Engagement: **2013 - County of Amherst, Virginia**
Period Ending: **6/30/2013**
Trial Balance: **TB - TB**
Workpaper: **TB-01 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1		R-04		
To reclass prior year VPA receivable adjustment from state to federal revenue.				
3-1-24010-102	PUBLIC ASSISTANCE & WELFARE		77,236.42	
3-1-31010-200	VA PUBLIC ASSISTANCE-FED REVENUE			77,236.42
Total			77,236.42	77,236.42
Adjusting Journal Entries JE # 2		R-03		
To reclassify federal revenues recorded in state account numbers.				
3-1-24040-414	EMERGENCY MANAGEMENT GRANT		14,911.00	
3-1-24040-495	FEMA DISASTER PYMNT		13,987.79	
3-1-33000-108	EMERGENCY MANAGEMENT GRANT			14,911.00
3-1-33000-495	FEMA - DISASTER REFUND			13,987.79
3-8-24040-657	GREENWAY PROJECT (RIVEREDGE)			
3-8-33000-205	RIVEREDGE PARK(GREENWAY PROJECT)			
Total			28,898.79	28,898.79
Adjusting Journal Entries JE # 3		R-05		
To reclassify School revenues to agree to State confirmation.				
3-6-24020-273	CAT-VOC/ED OTHER		1,490.00	
3-6-24020-330	LOTTERY PROCEEDS		20,843.25	
3-6-33800-312	ABE CORRECTION & INSTITUTION		12,240.57	
3-65-24020-400	CAFE STATE (FFVR) FRESH FRUIT & VEG		27,814.37	
3-6-24020-206	TEXTBOOK PAYMENTS			20,843.25
3-6-24020-286	OTHER			1,490.00
3-6-33800-325	ABE FED SPLIT SPCL			12,240.57
3-65-24020-215	SCHOOL FOOD SERVICE			3,620.97
3-65-24020-425	CAFETERIA STATE MISCELLANEOUS			24,193.40
Total			62,388.19	62,388.19
Adjusting Journal Entries JE # 4				
To adjust for prior year retainage payable				
0-8-300-300	PRIOR YR BALANCE		17,049.00	
4-8-81190-3010	CONTRACTED SERVICES			17,049.00
Total			17,049.00	17,049.00
Adjusting Journal Entries JE # 5				
To adjust school fund balance at end of the year				
0-1-200-4000	DUE TO SCHOOL FUND		239,282.00	
3-6-93010-294	TRANSFER FROM GENERAL		239,282.00	
0-6-200-4000	DUE FROM GENERAL FUND			239,282.00
4-1-93010-5899	TRANSFER TO SCHOOL FUND			239,282.00
Total			478,564.00	478,564.00
Adjusting Journal Entries JE # 6		R-06		
To record accounts receivable.				
0-1-100-3000	ACCOUNT RECEIVABLE		151,448.38	
0-83-100-3500	DUE FROM OTHER GOVERNMENT		32,901.00	
3-1-12020-1	UTILITY TAX - ELECTRIC			64,783.61
3-1-12020-3	UTILITY TAX - GAS			935.09
3-1-12100-1	LODGING TAX			7,437.62
3-1-12110-1	MEALS TAX			78,292.06
3-83-31010-101	CDBG PROJECTS			32,901.00
Total			184,349.38	184,349.38
Adjusting Journal Entries JE # 7		R-03		
To reclassify revenue recorded in wrong account.				

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Account	Description	W/P Ref	Debit	Credit
3-1-22010-105	MOBILE HOME TITLING TAX		898.11	
3-1-22010-108	AUTO RENTAL TAX			898.11
Total			898.11	898.11

Adjusting Journal Entries JE # 8
To record tax relief for the elderly.

T-14

4-1-53300-5706	ELDERLY PROPERTY TAX RELIEF		218,786.26	
3-1-11010-53	REAL PROPERTY TAXES 2012			215,736.30
3-1-11030-371	MOBILE HOME TAX 2012			3,049.96
Total			218,786.26	218,786.26

Adjusting Journal Entries JE # 9
To record 60 day accrual of taxes.

T-12

0-1-200-3000	DEFERRED REVENUE - TAXES		291,955.38	
3-1-11010-1000	ROLLBACK TAXES			19.46
3-1-11010-52	REAL PROPERTY TAXES 2013			103,068.31
3-1-11010-53	REAL PROPERTY TAXES 2012			34,425.84
3-1-11010-54	REAL PROPERTY TAXES 2011			21,169.04
3-1-11010-55	REAL PROPERTY TAXES 2010			9,715.07
3-1-11010-56	REAL PROPERTY TAXES 2009			871.66
3-1-11010-57	REAL PROPERTY TAXES 2008			117.18
3-1-11010-58	REAL PROPERTY TAXES 2007			287.47
3-1-11010-59	REAL PROPERTY TAXES 2006			775.32
3-1-11030-270	PER PROPERTY TAXES 2012			84,679.54
3-1-11030-271	PERS PROPERTY TAXES 2011			9,723.95
3-1-11030-272	PER PROPERTY TAXES 2010			3,356.11
3-1-11030-273	PER PROPERTY TAXES 2009			1,613.24
3-1-11030-274	PER PROPERTY TAX 2008			2,143.64
3-1-11030-275	PER PROPERTY TAX 2007			122.72
3-1-11030-276	PER PROPERTY TAX 2007			13.59
3-1-11030-371	MOBILE HOME TAX 2012			1,383.80
3-1-11030-372	MOBILE HOME TAX 2011			172.36
3-1-11030-373	MOBILE HOME TAX 2010			32.24
3-1-11030-374	MOBILE HOME TAX 2009			48.87
3-1-11040-472	MACH & TOOL TAX 2012			5,413.85
3-1-11040-473	MACH & TOOL TAX 2011			1,822.80
3-1-11040-474	MACH & TOOL TAX 2010			841.60
3-1-11050-572	MERCHANT'S CAP TAX 2012			9,720.56
3-1-11050-573	MERCHANT'S CAP TAX 2011			156.41
3-1-11050-574	MERCHANT'S CAP 2010			260.75
Total			291,955.38	291,955.38

Adjusting Journal Entries JE # 10
To reverse prior year entries related to taxes.

T-08

0-1-200-3000	DEFERRED REVENUE - TAXES	7,675,767.57
0-1-200-3001	DEFERRED REAL ESTATE TAXES	86,464.48
3-1-11010-1000	ROLLBACK TAXES	1,279.88
3-1-11010-53	REAL PROPERTY TAXES 2012	86,464.48
3-1-11010-54	REAL PROPERTY TAXES 2011	28,030.39
3-1-11010-55	REAL PROPERTY TAXES 2010	19,628.74
3-1-11010-56	REAL PROPERTY TAXES 2009	8,096.08
3-1-11010-57	REAL PROPERTY TAXES 2008	4,247.32
3-1-11010-58	REAL PROPERTY TAXES 2007	551.20
3-1-11010-59	REAL PROPERTY TAXES 2006	524.30
3-1-11010-60	REAL PROPERTY TAXES 2005	180.87
3-1-11010-62	REAL PROPERTY TAXES 2003	29.95
3-1-11030-271	PERS PROPERTY TAXES 2011	93,611.25
3-1-11030-272	PER PROPERTY TAXES 2010	3,973.01
3-1-11030-273	PER PROPERTY TAXES 2009	451.85
3-1-11030-274	PER PROPERTY TAX 2008	623.03
3-1-11030-275	PER PROPERTY TAX 2007	355.87

Client: **050501 - County of Amherst, Virginia**
Engagement: **2013 - County of Amherst, Virginia**
Period Ending: **6/30/2013**
Trial Balance: **TB - TB**
Workpaper: **TB-01 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
3-1-11030-276	PER PROPERTY TAX 2007		209.36	
3-1-11030-278	PER PROPERTY TAXES 2004		685.50	
3-1-11030-372	MOBILE HOME TAX 2011		1,310.18	
3-1-11030-373	MOBILE HOME TAX 2010		238.56	
3-1-11030-374	MOBILE HOME TAX 2009		85.28	
3-1-11030-375	MOBILE HOME TAX 2008		2.73	
3-1-11040-473	MACH & TOOL TAX 2011		2,387.80	
3-1-11050-573	MERCHANT'S CAP TAX 2011		366.57	
0-1-100-4000	TAXES RECEIVABLE			7,928,839.07
3-1-11010-53	REAL PROPERTY TAXES 2012			86,464.48
3-1-11010-63	REAL PROPERTY TAXES 2002			257.60
3-1-11030-277	PER PROPERTY TAXES 2005			5.10
Total			8,015,566.25	8,015,566.25

Adjusting Journal Entries JE # 11 **T-08**
To record tax receivable and deferral at year-end.

0-1-100-4000	TAXES RECEIVABLE		7,795,023.02	
3-1-11010-52	REAL PROPERTY TAXES 2013		103,068.31	
0-1-200-3000	DEFERRED REVENUE - TAXES			7,898,091.33
Total			7,898,091.33	7,898,091.33

Adjusting Journal Entries JE # 12 **E-10**
To record retainage payable .

4-1-12100-3013	CONTRACTED SERVICE		15,934.51	
4-66-66300-3120900100	OTHER PROFES. SERVICES		9,988.45	
0-1-200-2600	RETAINAGE PAYABLE			15,934.51
0-66-200-2600	RETAINAGE PAYABLE			9,988.45
Total			25,922.96	25,922.96

Adjusting Journal Entries JE # 13 **E-11**
To record prepaid expenses for School Board.

0-6-100-NEW	PREPAID EXPENSES		129,898.21	
4-6-61100-3120300100	OTHER PROFES. SERVICES			12,000.00
4-6-61100-3120300100	OTHER PROFES. SERVICES			15,000.00
4-6-61100-7000300400	JOINT OPERATIONS			58,800.00
4-6-62110-5801900100	DUES AND ASSOCIATE MEMBER			8,164.21
4-6-62120-3120900100	OTHER PROFES. SERVICES			2,500.00
4-6-62120-3120900100	OTHER PROFES. SERVICES			15,000.00
4-6-62140-3120900100	OTHER PROFES. SERVICES			5,000.00
4-6-62160-3120900100	OTHER PROFES. SERVICES			3,000.00
4-6-64200-8101900100	REPLACE MACHN & EQUIP			10,434.00
Total			129,898.21	129,898.21

Adjusting Journal Entries JE # 14 **E-11**
To reverse prior year School Board prepaid expenses - not recorded

0-1-200-4000	DUE TO SCHOOL FUND		109,486.89	
4-6-61100-3120300100	OTHER PROFES. SERVICES		14,994.21	
4-6-61100-7000300400	JOINT OPERATIONS		58,800.00	
4-6-62110-5801900100	DUES AND ASSOCIATE MEMBER		8,257.68	
4-6-62120-3120900100	OTHER PROFES. SERVICES		15,205.00	
4-6-62120-5801900100	DUES AND ASSOCIATE MEMBER		2,230.00	
4-6-62160-3120900100	OTHER PROFES. SERVICES		10,000.00	
0-1-300-300	PRIOR YR FUND BALANCE			109,486.89
0-6-200-4000	DUE FROM GENERAL FUND			109,486.89
Total			218,973.78	218,973.78

Adjusting Journal Entries JE # 15 **E-10**
To record additional accounts payable.

4-1-12100-3013	CONTRACTED SERVICE		16,182.35	
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Client: **050501 - County of Amherst, Virginia**
Engagement: **2013 - County of Amherst, Virginia**
Period Ending: **6/30/2013**
Trial Balance: **TB - TB**
Workpaper: **TB-01 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
4-1-35990-3091	CONFINE CARE OF JUVENILES		16,056.00	
4-85-42080-3002	PROF SERVICES - ENGINEERING		6,685.00	
4-85-42080-3023	ENVIRONMENTAL MONITORING		2,406.00	
4-85-42100-3002	PROF SERVICES - ENGINEERING		1,086.50	
0-1-200-2500	ACCOUNTS PAYABLE			32,238.35
0-85-200-2500	ACCOUNT PAYABLE			10,177.50
Total			42,415.85	42,415.85
Adjusting Journal Entries JE # 16				
To record debt activity.		D-04		
0-97-180-1020	AMOUNT TO BE PROVIDED		3,651,462.45	
0-97-270-1010	COUNTY NOTES PAYABLE		46,570.44	
0-97-270-1020	COUNTY REVENUE BONDS		540,000.00	
0-97-270-1060	SCHOOL 'GO' BONDS		1,376,004.00	
0-97-270-1090	PREMIUM ON BOND PAYABLE		9,722.00	
0-97-270-1040	LNDFLL CLOSURE & POST LIABILITY			2,152,598.89
0-97-270-1050	COMPENSATED ABSENCES(COUNTY)			
0-97-270-1095	JOINT VENTURE DEBT - REGION 2000			3,471,160.00
0-98-180-1020	AMOUNT TO BE PROVIDED			
0-98-270-1050	COMPENSATED ABSENCES(SCHOOLS)			
Total			5,623,758.89	5,623,758.89
Adjusting Journal Entries JE # 17				
To reclassify principal activity.		D-04		
4-86-91200-9860	USDA DEBT SERVICE		3,620.28	
4-86-91050-9775	LOAN- CARTER BANK (CMC)			3,620.28
Total			3,620.28	3,620.28
Adjusting Journal Entries JE # 18				
To adjust school transfers for prepaid entries.		E-11		
0-1-200-4000	DUE TO SCHOOL FUND		20,411.32	
3-6-93010-294	TRANSFER FROM GENERAL		20,411.32	
0-6-200-4000	DUE FROM GENERAL FUND			20,411.32
4-1-93010-5899	TRANSFER TO SCHOOL FUND			20,411.32
Total			40,822.64	40,822.64
Adjusting Journal Entries JE # 19				
To adjust account for entry debited instead of credited.		R-12		
3-1-14010-1200	FINES & FORFEITURES - COUNTY20%			8,690.14
3-1-14010-1200	FINES & FORFEITURES - COUNTY20%			8,690.14
Total			0.00	17,380.28
Adjusting Journal Entries JE # 20				
To record FY13 AR for clerk remittances and sheriff fees		R-12		
0-1-100-3000	ACCOUNT RECEIVABLE		22,140.88	
0-16-100-3000	ACCOUNTS RECEIVABLE		817.00	
3-1-12070-1	LOCAL RECORDATION TAXES			4,387.34
3-1-12070-3	LOCAL TAX ON DEEDS			15,999.08
3-1-13030-5	TRANSFER FEES			74.70
3-1-13030-60	COURTHOUSE MAINTENANCE FEES			42.00
3-1-14010-1	FINES & FORFEITURES			291.69
3-1-15020-208	SALE OF XEROX COPIES			507.30
3-1-16000-103	SHERIFF'S FEES			408.83
3-1-16000-201	COMMONWEALTH ATTORNEY			273.27
3-1-16000-250	COURTHOUSE SECURITY FEES			97.30
3-1-16000-251	JAIL PROCESSING FEES			47.50
3-1-18990-925	BLOOD TEST/DNA FEES			11.87
3-16-18000-115	DARE ESCROW			817.00

Client: 050501 - County of Amherst, Virginia
Engagement: 2013 - County of Amherst, Virginia
Period Ending: 6/30/2013
Trial Balance: TB - TB
Workpaper: TB-01 - Adjusting Journal Entries Report

Account	Description	W/P Ref	Debit	Credit
Total			22,957.88	22,957.88
Adjusting Journal Entries JE # 21				
To reverse FY12 AR for clerk remittances and sheriff fees - not recorded.				
		R-12		
3-1-12070-1	LOCAL RECORDATION TAXES		2,887.52	
3-1-12070-3	LOCAL TAX ON DEEDS		10,630.54	
3-1-13030-5	TRANSFER FEES		76.50	
3-1-13030-60	COURTHOUSE MAINTENANCE FEES		1,673.29	
3-1-14010-1	FINES & FORFEITURES		47,885.70	
3-1-15020-208	SALE OF XEROX COPIES		453.67	
3-1-16000-201	COMMONWEALTH ATTORNEY		403.44	
3-1-16000-250	COURTHOUSE SECURITY FEES		8,501.97	
3-1-16000-251	JAIL PROCESSING FEES		205.31	
3-1-18990-925	BLOOD TEST/DNA FEES		35.98	
3-1-18990-926	TOBACCO		47.50	
3-16-18000-115	DARE ESCROW		779.00	
0-1-300-300	PRIOR YR FUND BALANCE			72,801.42
0-16-300-300	PRIOR YR FUND BALANCE			779.00
Total			73,580.42	73,580.42
Adjusting Journal Entries JE # 22				
To reclassify clerk remittances recorded as state revenue.				
		R-12		
3-1-24040-489	NON-CONSECUTIVE JAIL TIME		36.02	
3-1-16000-252	INMATE KEEPER FEES(DAILY OPER FEES)			36.02
Total			36.02	36.02
Adjusting Journal Entries JE # 23				
To reclassify federal funds recorded as state funds and vice versa.				
3-1-18990-9980	LOCAL NOT OTHERWISE IDENTIFIED		304.39	
3-1-33000-110	INMATE SSA/SSI PAYMENTS		2,600.00	
3-8-24040-101	DMV MINI GRANT		19,754.14	
3-1-18990-9980	LOCAL NOT OTHERWISE IDENTIFIED			2,600.00
3-1-33000-0099	RENT AND ROYALTIES - FEDERAL			304.39
3-8-33000-108	TRANSPORTATION SAFETY GRANT			19,754.14
Total			22,658.53	22,658.53