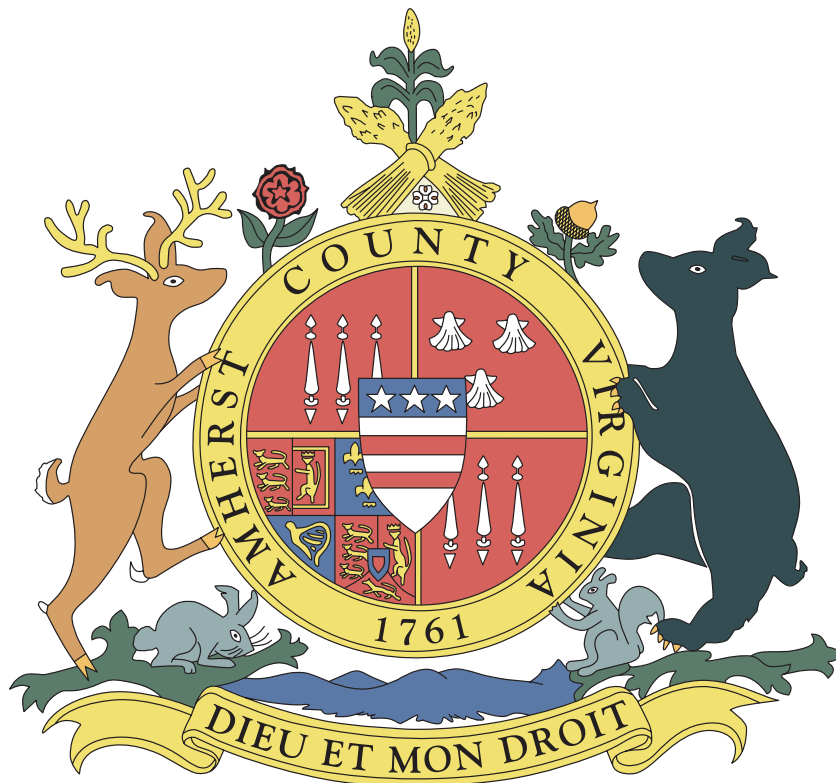


*County of Amherst, Virginia*  
*Financial Report*

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*Year Ended June 30, 2009*





**COUNTY OF AMHERST, VIRGINIA**

**FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2009**

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## COUNTY OF AMHERST, VIRGINIA

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### BOARD OF SUPERVISORS

Leon J. Parrish, Chairman

Christopher R. Adams, Vice-Chairman  
R. Ray Vandall

Donald W. Kidd  
Vernon L. Wood

### COUNTY SCHOOL BOARD

Jones Stanley, Chairman

Elizabeth Gamble, Vice Chairman  
Margaret R. Morton  
Dr. William D. Brown

Gloria C. Walker  
Susan D. Cunningham  
Priscilla M. Liggon

### COUNTY SOCIAL SERVICES BOARD

D. Jack Hamilton, Chairman

Carol J. Charles, Vice Chairman  
Juanita Roberson

Donald W. Kidd  
Wayne Stark

### COUNTY LIBRARY BOARD

Jean Higginbotham, President

Stephen Witham, Vice President  
James B. Young

Larry A. Langhans  
William E. Hathaway

### OTHER OFFICIALS

Judge of the Circuit Court  
Clerk of the Circuit Court  
Judge of the General District Court  
Judge of the Juvenile and Domestic Relations Court  
Commonwealth's Attorney  
Commissioner of the Revenue  
Treasurer  
Sheriff  
Superintendent of Schools  
Clerk of the School Board  
Director of Social Services  
Librarian  
Acting County Administrator

J. Michael Gamble  
Roy C. Mayo, III  
Joseph M. Serkes  
Michael Garrett  
Stephanie S. Maddox  
Linda M. Byers  
Donald T. Wood  
L.J. Ayers, III  
Brian Ratliff  
Teresa Crouch  
Glenn W. Sullivan  
Steve Preston  
David R. Proffitt



COUNTY OF AMHERST, VIRGINIA

Financial Report  
For The Fiscal Year Ended June 30, 2009

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**COUNTY OF AMHERST, VIRGINIA**  
Financial Report  
For The Fiscal Year Ended June 30, 2009

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## COUNTY OF AMHERST, VIRGINIA

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### BOARD OF SUPERVISORS

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Glenn W. Sullivan  
Steve Preston  
David R. Proffitt



# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

## Independent Auditors' Report

To the Honorable Board of Supervisors  
County of Amherst  
Amherst, Virginia

We have audited the accompanying 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 the County of Amherst, Virginia, as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the County of Amherst, Virginia's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Amherst, Virginia, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2009, on our consideration of the County of Amherst, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The Management's Discussion and Analysis and required supplementary information as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Amherst, Virginia's basic financial statements. The introductory section, combining and individual fund financial statements, supporting schedules and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the County of Amherst, Virginia. The combining and individual nonmajor fund financial statements, supporting schedules, and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Robinson, Farmer, Cox Associates*

Charlottesville, Virginia  
October 12, 2009

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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To the Honorable Members of the Board of Supervisors  
To the Citizens of Amherst County  
County of Amherst, Virginia

As management of the County of Amherst, Virginia we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2009.

### Financial Highlights

#### Government-wide Financial Statements

The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$19,401,372 (net assets). The County's business type activities assets exceeded its liabilities by \$15,607,598.

#### Fund Financial Statements

The Governmental Funds, on a current financial resource basis, reported revenues of \$39,968,384 and note proceeds of \$308,000 for a total of \$40,276,384. Total expenditures were \$40,956,102. As of the close of the current fiscal year; the County's funds reported ending fund balances of \$22,755,193 (Exhibit 4), an overall decrease of \$679,718 in comparison with the prior year.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components:

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements - The Government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

## **Overview of the Financial Statements (Continued)**

The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned and unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, courts, police protection, sanitation, social services, education, cultural events, and recreation.

The Government-wide financial statements include not only the County of Amherst, Virginia itself (known as the primary government), but also a legally separate school district and a service authority for which the County of Amherst, Virginia is financially accountable. Financial information for these component units is reported separately from the financial information present for the primary government itself.

The Government-wide financial statements can be found on page 9-11 of this report.

**Fund financial statements** - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Amherst, Virginia, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds** - Governmental funds are used to account for essentially the same functions or services reported as governmental activities in the government-wide financial statements. Whereas the government-wide financial statements are prepared on the accrual basis of accounting, the governmental fund financial statements are prepared on the modified accrual basis of accounting. The focus of modified accrual reporting is on near-term inflows and outflows of financial resources and the balance of financial resources available at the end of the fiscal year. Since the governmental funds focus is narrower than that of the government-wide financial statements a reconciliation between the two methods is provided at the bottom of the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The County has one major governmental fund - the General Fund.

**Proprietary funds** - Proprietary funds consist of enterprise funds. Enterprise funds are established to account for the delivery of goods and services to the general public and use the accrual basis of accounting, similar to private sector business.

The Amherst County Service Authority is a component unit of the County of Amherst. The Authority's financial statements are shown as an enterprise fund in the County's fund statements. The Service Authority provides a centralized source for water and sewer services to County residents.

**Fiduciary funds** - The County is the trustee, or fiduciary, for the County's agency funds. It is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets. The County excludes these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations. Agency funds are County custodial funds used to provide accountability of client monies for which the County is custodian.

## Overview of the Financial Statements (Continued)

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information - In addition to the basic financial statement and accompanying notes, this report also presents certain required supplementary information for budgetary comparison schedules and presentation of combining financial statements for the discretely presented component unit School Board. The School Board does not issue separate financial statements.

## Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a County's financial position. In the case of the County, assets exceeded liabilities by \$ 19,401,372 at the close of the most recent fiscal year.

### County of Amherst's, Net Assets

	<u>Governmental</u>		<u>Business-type</u>		<u>Totals</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Current and other assets	\$ 33,063,384	\$ 33,690,129	\$ 5,537,505	\$ 6,891,946	\$ 38,600,889	\$ 40,582,075
Capital assets	<u>30,895,478</u>	<u>29,131,022</u>	<u>17,186,690</u>	<u>16,266,114</u>	<u>48,082,168</u>	<u>45,397,136</u>
Total assets	<u>\$ 63,958,862</u>	<u>\$ 62,821,151</u>	<u>\$ 22,724,195</u>	<u>\$ 23,158,060</u>	<u>\$ 86,683,057</u>	<u>\$ 85,979,211</u>
Long-term liabilities						
outstanding	\$ 30,630,840	\$ 33,895,785	\$ 6,436,211	\$ 6,669,117	\$ 37,067,051	\$ 40,564,902
Current liabilities	<u>13,926,650</u>	<u>13,812,999</u>	<u>680,386</u>	<u>622,383</u>	<u>14,607,036</u>	<u>14,435,382</u>
Total liabilities	<u>\$ 44,557,490</u>	<u>\$ 47,708,784</u>	<u>\$ 7,116,597</u>	<u>\$ 7,291,500</u>	<u>\$ 51,674,087</u>	<u>\$ 55,000,284</u>
Net assets:						
Invested in capital assets,						
net of related debt	\$ 6,187,103	\$ 4,233,585	\$ 13,401,691	\$ 12,396,114	\$ 19,588,794	\$ 16,629,699
Restricted	-	-	317,700	1,316,667	317,700	1,316,667
Unrestricted	<u>13,214,269</u>	<u>10,878,782</u>	<u>1,888,207</u>	<u>2,153,779</u>	<u>15,102,476</u>	<u>13,032,561</u>
Total net assets	<u>\$ 19,401,372</u>	<u>\$ 15,112,367</u>	<u>\$ 15,607,598</u>	<u>\$ 15,866,560</u>	<u>\$ 35,008,970</u>	<u>\$ 30,978,927</u>

At the end of the current fiscal year, the County's investment in capital assets net of related debt used to acquire those assets that is still outstanding represents approximately 56% of total net assets. The County uses these capital assets to provide services to citizens therefore; these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

## Government-wide Financial Analysis (Continued)

Restricted net assets represent resources that are subject to external restrictions on how they may be used. The majority of these net assets are to be used only for County and Schools capital improvements.

Governmental Activities - Governmental activities increased the County's net assets by \$4,289,005. Key elements of this increase are as follows:

County of Amherst, Virginia's Changes in Net Assets For the Years Ended June 30, 2009 and 2008						
	Governmental Activities		Business-type Activities		Totals	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 1,992,752	\$ 1,975,513	\$ 2,877,007	\$ 2,652,256	\$ 4,869,759	\$ 4,627,769
Operating grants and contributions	7,857,167	7,117,806	-	-	7,857,167	7,117,806
Capital grants and contributions	234,481	484,764	876,774	1,931,588	1,111,255	2,416,352
General revenues:						
General property taxes	19,187,260	16,564,067	-	-	19,187,260	16,564,067
Other local taxes	7,151,819	7,159,264	-	-	7,151,819	7,159,264
Use of money and property	762,078	999,385	137,776	177,613	899,854	1,176,998
C/VA non-categorical aid	2,424,258	2,435,830	-	-	2,424,258	2,435,830
Other general revenues	313,710	316,706	39,097	39,004	352,807	355,710
Total revenues	\$ 39,923,525	\$ 37,053,335	\$ 3,930,654	\$ 4,800,461	\$ 43,854,179	\$ 41,853,796
Expenses:						
General government administration	\$ 1,845,246	\$ 1,926,555	\$ -	\$ -	\$ 1,845,246	\$ 1,926,555
Judicial administration	1,382,588	1,320,578	-	-	1,382,588	1,320,578
Public safety	9,754,820	9,415,252	-	-	9,754,820	9,415,252
Public works	1,992,168	2,620,346	-	-	1,992,168	2,620,346
Health and welfare	5,107,006	4,194,455	-	-	5,107,006	4,194,455
Education	10,643,924	13,869,415	-	-	10,643,924	13,869,415
Parks, recreation, and cultural	1,273,589	1,236,661	-	-	1,273,589	1,236,661
Community development	1,957,203	925,484	-	-	1,957,203	925,484
Interest and other fiscal charges	1,677,976	1,657,450	-	-	1,677,976	1,657,450
Water and sewer	-	-	3,189,616	2,944,126	3,189,616	2,944,126
Total expenses	\$ 35,634,520	\$ 37,166,196	\$ 3,189,616	\$ 2,944,126	\$ 38,824,136	\$ 40,110,322
Change in net assets	\$ 4,289,005	\$ (112,861)	\$ 741,038	\$ 1,856,335	\$ 5,030,043	\$ 1,743,474
Net assets, beginning	15,112,367	15,225,228	15,866,560	14,010,225	30,978,927	29,235,453
Net assets, ending	\$ 19,401,372	\$ 15,112,367	\$ 16,607,598	\$ 15,866,560	\$ 36,008,970	\$ 30,978,927



## Government-wide Financial Analysis (Continued)

Property taxes increased by \$2,623,193 during the year. Most of this increase is the product of general growth in assessments. Personal Property Tax Relief Act (PPTRA) revenue is included in this analysis. The Commonwealth of Virginia no longer reimburses at 70%, rather a ceiling was established and the County is eligible to receive \$2,199,000 per budget year. For the FY2009 budget year, the Board of Supervisors established a vehicle threshold of \$20,000 and approved a PPTRA rate of 46.31%.

Operating grants for governmental activities continues to be a sufficient source of funding for the County. The majority of the grants are recurring grant funds on the State level. Grants funds help to support activities and programs of three County functions: public safety, social services, sheriff and recreation.

For the most part, increases in expenditures were a result of growth in the demand for services.

## Financial Analysis of the County's Funds

As noted earlier, the County used fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a County's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported fund balances of \$22,755,193 an overall decrease of \$679,718 in comparison with the prior year, **reference exhibit 10**. The increase is derived from the issuance of long-term debt for capital project, as well as an overall increase in revenues. It is prudent to point out total revenues did exceed expectation for the 2008-2009 year, however, the realized decrease is hinged upon increases in expenditures related to depot relocation and capital projects. The remainder of fund balance is reserved to indicate that is not available for new spending because it has already been committed.

## Proprietary funds

The County's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

## General Fund Budgetary Highlights

- Difference between the original budget and the final amended budget was an overall increase of \$1,764,543. Increases in expenditures include the following:
- \$227,664 in increases for Public Works
- \$1,099,880 in increases for Public Safety
- \$820,474 in increases for Health and Welfare
- \$112,210 in increases for Community Development
- \$32,151 in increases for General Government Administration

## **Capital Asset and Debt Administration**

Capital assets - The County's investment in capital assets totals \$30,895,478, the School Board's totals \$19,576,649 and the Service Authority's totals \$17,186,690 (net of accumulated depreciation), reference Note 6. This investment in capital assets includes infrastructure, buildings and improvements, and machinery and equipment. Most of the major capital asset events during the current fiscal year are construction in progress and were completed by the close of the fiscal year.

Additional information on the County's capital assets can be found in note 6.

Long-term debt - At the end of the current fiscal year, the County had total obligations outstanding of \$34,280,822. Of this amount \$8,918,000 represents bonds secured solely by specified revenue sources (i.e. revenue bonds). The remainder is comprised of debt backed by the full faith and credit of the County. The County's total long-term obligations decreased during the current fiscal year by \$2,874,324.

Additional information on the County of Amherst, Virginia's long-term debt can be found in Note 8 of this report.

## **Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for the United States between July 2008 and July 2009 rose from 6.1% to 9.7%. For the Commonwealth during the same period, unemployment rose from 4.1% to 6.9% and for the City of Lynchburg VA unemployment rose from 5.4% to 8.7%. Amherst County realized its share of unemployment with a rate increase of 3% from 4.5% to 7.6% during the fiscal year ending June 30, 2009.
- Inflationary trends as measured by the United States Bureau of Labor Statistics in its Consumer Price Index (Southern Urban) had an overall decrease of 1.3% during the past twelve months as of September 30, 2009. It is prudent to say inflationary trends for food, housing and clothing decreased while energy seemed to have a slight increase.
- Residential growth decreased however, due to overall economic conditions, locally provided services such as emergency services, social services, and law enforcement, seem to be areas of increased demand. For FY2009, The County realized a drop in permits issued for single family dwellings. The County's Office of Building Safety and Inspections issued 89 permits for single family dwellings for the period of July 1 - June 30, 2008 compared to the 71 permits issued for the there were 11 less single family dwelling building permits issued than the prior fiscal year. Amherst County seen a drop in its permits issued FY2008, the Office of Building Safety and Inspections for the County issued 84 single family dwellings building permits, but for FY2009 there were only 71 building permits issued for single family dwellings in Amherst County, a reduction of 11 permits from the prior fiscal year.

## **Requests for Information**

This financial report is designed to provide a general overview of the County of Amherst, Virginia's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the County Administrator, P. O. Box 390, 153 Washington Street, Amherst, Virginia 24521.

## **Basic Financial Statements**

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## **Government-wide Financial Statements**

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Statement of Net Assets  
At June 30, 2009

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	School Board
<b>ASSETS</b>				
Current Assets:				
Cash and cash equivalents	\$ 30,323,965	\$ 2,562,901	\$ 32,886,866	\$ 1,911,838
Restricted assets	-	317,700	317,700	-
Receivables (net of allowance for uncollectibles):				
Property taxes	809,680	-	809,680	-
Accounts receivable	247,246	243,083	490,329	-
Prepaid expenses	-	26,254	26,254	-
Inventory	-	240,199	240,199	-
Due from primary government	-	-	-	3,583,976
Due from other governmental units	1,682,493	-	1,682,493	1,178,251
Total Current Assets	\$ 33,063,384	\$ 3,390,137	\$ 36,453,521	\$ 6,674,065
Noncurrent Assets:				
Restricted assets	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -
Capital assets (net of accumulated depreciation):				
Land	1,887,580	619,290	2,506,870	309,826
Buildings and improvements	13,429,397	13,260,069	26,689,466	7,435,631
Equipment	1,219,932	-	1,219,932	1,684,114
Joint tenancy	13,110,264	-	13,110,264	10,147,078
Construction in progress	1,248,305	3,307,331	4,555,636	-
Other assets	-	2,147,368	2,147,368	-
Total Noncurrent Assets	\$ 30,895,478	\$ 20,334,058	\$ 51,229,536	\$ 19,576,649
Total Assets	\$ 63,958,862	\$ 23,724,195	\$ 87,683,057	\$ 26,250,714
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable and accrued expenses	\$ 450,692	\$ 432,530	\$ 883,222	\$ 4,902,044
Unearned revenue	5,636,927	-	5,636,927	-
Due to component unit	3,583,976	-	3,583,976	-
Accrued interest payable	605,073	-	605,073	-
Current portion of long-term obligations	3,663,625	247,856	3,911,481	112,225
Total Current Liabilities	\$ 13,940,293	\$ 680,386	\$ 14,620,679	\$ 5,014,269
Noncurrent Liabilities:				
Noncurrent portion of long-term obligations	30,617,197	6,436,211	37,053,408	338,401
Total Liabilities	\$ 44,557,490	\$ 7,116,597	\$ 51,674,087	\$ 5,352,670
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	\$ 6,187,103	\$ 13,401,691	\$ 19,588,794	\$ 19,429,694
Restricted	-	317,700	317,700	-
Unrestricted assets	13,214,269	2,888,207	16,102,476	1,468,350
Total Net Assets	\$ 19,401,372	\$ 16,607,598	\$ 36,008,970	\$ 20,898,044
Total Liabilities and Net Assets	\$ 63,958,862	\$ 23,724,195	\$ 87,683,057	\$ 26,250,714

The accompanying notes to financial statements are an integral part of this statement.

COUNTY OF AMHERST, VIRGINIA

Statement of Activities  
Year Ended June 30, 2009

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental activities:				
General government administration	\$ 1,845,246	\$ -	\$ 406,998	\$ -
Judicial administration	1,382,588	361,305	731,057	-
Public safety	9,754,820	953,428	2,962,367	-
Public works	1,992,168	293,608	10,946	-
Health and welfare	5,107,006	-	3,403,274	-
Education	10,643,924	-	-	-
Parks, recreation, and cultural	1,273,589	384,411	342,525	-
Community development	1,957,203	-	-	234,481
Interest on long-term debt	1,677,976	-	-	-
Total governmental activities	<u>\$ 35,634,520</u>	<u>\$ 1,992,752</u>	<u>\$ 7,857,167</u>	<u>\$ 234,481</u>
Business-type activities:				
Water and sewer	<u>\$ 3,189,616</u>	<u>\$ 2,877,007</u>	<u>\$ -</u>	<u>\$ 876,774</u>
Total primary government	<u><u>\$ 38,824,136</u></u>	<u><u>\$ 4,869,759</u></u>	<u><u>\$ 7,857,167</u></u>	<u><u>\$ 1,111,255</u></u>
COMPONENT UNIT:				
School Board	<u>\$ 50,473,220</u>	<u>\$ 1,691,888</u>	<u>\$ 35,020,725</u>	<u>\$ -</u>

General revenues:  
 General property taxes  
 Local sales and use taxes  
 Consumers' utility taxes  
 Business license taxes  
 Motor vehicle license taxes  
 Meals tax  
 Other local taxes  
 Unrestricted revenues from use of money and property  
 Commonwealth of Virginia non-categorical aid  
 County contribution to School Board  
 Miscellaneous  
 Total general revenues  
 Change in net assets  
 Net assets - beginning  
 Net assets - ending

The accompanying notes to financial statements are an integral part of this statement.



Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Unit School Board
Governmental Activities	Business- Type Activities	Total	
\$ (1,438,248)	\$ -	\$ (1,438,248)	\$ -
(290,226)	-	(290,226)	-
(5,839,025)	-	(5,839,025)	-
(1,687,614)	-	(1,687,614)	-
(1,703,732)	-	(1,703,732)	-
(10,643,924)	-	(10,643,924)	-
(546,653)	-	(546,653)	-
(1,722,722)	-	(1,722,722)	-
(1,677,976)	-	(1,677,976)	-
\$ (25,550,120)	\$ -	\$ (25,550,120)	\$ -
\$ -	\$ 564,165	\$ 564,165	\$ -
\$ -	\$ 564,165	\$ (24,985,955)	\$ -
\$ -	\$ -	\$ -	\$ (13,760,607)
\$ 19,187,260	\$ -	\$ 19,187,260	\$ -
2,703,027	-	2,703,027	-
832,844	-	832,844	-
394,169	-	394,169	-
690,471	-	690,471	-
849,401	-	849,401	-
1,681,907	-	1,681,907	-
762,078	137,776	899,854	41,231
2,424,258	-	2,424,258	-
-	-	-	11,907,981
313,710	39,097	352,807	629,844
\$ 29,839,125	\$ 176,873	\$ 30,015,998	\$ 12,579,056
\$ 4,289,005	\$ 741,038	\$ 5,030,043	\$ (1,181,551)
15,112,367	15,866,560	30,978,927	22,079,595
\$ 19,401,372	\$ 16,607,598	\$ 36,008,970	\$ 20,898,044

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## **Fund Financial Statements**

Balance Sheet - Governmental Funds  
At June 30, 2009

	<b>Governmental Fund Types</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 30,323,965
Receivables (Net of allowance for uncollectibles):	
Taxes, including penalties	809,680
Accounts receivable	247,246
Due from other governmental units	<u>1,682,493</u>
Total assets	<u>\$ 33,063,384</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 450,692
Deferred revenue	6,273,523
Due to component unit	<u>3,583,976</u>
Total liabilities	<u>\$ 10,308,191</u>
<b>FUND BALANCES</b>	
Unreserved:	
Designated for construction projects	\$ 7,130,871
Designated for subsequent expenditures	3,689,933
Undesignated	<u>11,934,389</u>
Total fund balances	<u>\$ 22,755,193</u>
Detailed explanation of adjustments from fund statements to government-wide statement of net assets:	
Total fund balances above	\$ 22,755,193
When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the locality as a whole.	30,895,478
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(605,073)
Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example, receivables) are offset by deferred revenues in the governmental funds and thus are not included in the fund balance.	636,596
Long-term liabilities applicable to the locality's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities--both current and long term--are reported in the statement of net assets.	<u>(34,280,822)</u>
Net assets of general government activities	<u>\$ 19,401,372</u>

The accompanying notes to financial statements are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances -  
 Governmental Funds  
 Year Ended June 30, 2009

	<b>Governmental Fund Types</b>
Revenues:	
General property taxes	\$ 18,974,212
Other local taxes	7,151,819
Permits, privilege fees and regulatory licenses	200,835
Fines and forfeitures	274,117
Revenue from use of money and property	762,078
Charges for services	1,517,800
Miscellaneous	313,710
Recovered costs	257,907
Intergovernmental:	
Commonwealth	7,798,508
Federal	2,717,398
Total revenues	<u>\$ 39,968,384</u>
Expenditures:	
Current:	
General government administration	\$ 1,911,715
Judicial administration	1,287,362
Public safety	9,518,249
Public works	4,237,721
Health and welfare	5,076,383
Education	10,621,450
Parks, recreation, and cultural	1,300,894
Community development	1,952,125
Debt service:	
Principal retirement	3,256,399
Interest and other fiscal charges	1,793,804
Total expenditures	<u>\$ 40,956,102</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (987,718)</u>
Other financing sources (uses):	
Long-term debt issued	<u>\$ 308,000</u>
Total other financing sources (uses)	<u>\$ 308,000</u>
Net change in fund balances	\$ (679,718)
Fund balances at beginning of year	<u>23,434,911</u>
Fund balances at end of year	<u><u>\$ 22,755,193</u></u>

The accompanying notes to financial statements are an integral part of this statement.

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
Year Ended June 30, 2009

		<u>Primary Government Governmental Funds</u>
Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balances - total governmental funds	\$	(679,718)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period. The following details support this adjustment.		
Capital outlay	\$ 2,575,557	
Depreciation expense	<u>(1,334,360)</u>	1,241,197
Transfer of joint tenancy assets from Primary Government to the Component Unit		523,258
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. Details of this item consist of deferred taxes.		213,048
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items the treatment of long-term debt and related items. A summary of items supporting this adjustment is as follows:		
Principal retired on notes payable	\$ 190,271	
Principal retired on County general obligation bonds	515,000	
Principal retired on County capital leases	173,928	
Principal retired on County revenue bonds	553,900	
Principal retired on School general obligation bonds	1,523,300	
Principal retired on School literary fund loans	300,000	
Long-term debt issued	<u>(309,067)</u>	2,947,332
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 following is a summary of items supporting this adjustment:		
Decrease in interest payable	\$ 116,896	
Increase in accrued leave	<u>(73,008)</u>	43,888
Change in net assets of governmental activities	\$	<u><u>4,289,005</u></u>

The accompanying notes to financial statements are an integral part of this statement.

Statement of Net Assets - Proprietary Fund  
At June 30, 2009

	<u>Business- Type Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 2,562,901
Restricted assets	317,700
Accounts receivable	243,083
Prepaid expenses	26,254
Inventory	<u>240,199</u>
Total current assets	\$ <u>3,390,137</u>
Noncurrent assets:	
Restricted assets	\$ 1,000,000
Capital Assets:	
Land	619,290
Construction in progress	3,307,331
Buildings and equipment, net of depreciation	13,260,069
Other Assets	<u>2,147,368</u>
Total noncurrent assets	\$ <u>20,334,058</u>
Total Assets	<u><u>23,724,195</u></u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable and accrued expenses	\$ 432,530
Current portion of long-term obligations	<u>247,856</u>
Total current liabilities	\$ <u>680,386</u>
Noncurrent liabilities:	
Noncurrent portion of long-term obligations	\$ <u>6,436,211</u>
Total Liabilities	<u>7,116,597</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	\$ 13,401,691
Restricted for debt service	317,700
Unrestricted assets	<u>2,888,207</u>
Total Net Assets	\$ <u>16,607,598</u>
Total Liabilities and Net Assets	<u><u>\$ 23,724,195</u></u>

The accompanying notes to financial statements are an integral part of this statement.

Statement of Revenues, Expenses and Changes in Net Assets --  
 Proprietary Fund  
 Year Ended June 30, 2009

	Proprietary Fund Enterprise
Operating revenues:	
Water	\$ 2,139,084
Sewer	627,856
Other	110,067
	<hr/>
Total operating revenues	\$ 2,877,007
	<hr/>
Operating expenses:	
Source of supply	\$ 324,251
Water treatment	442,759
Water distribution	235,811
Sewer line	20,194
Sewage pumping	47,362
Sewage treatment	163,400
Customer accounting	207,658
Administrative and general	657,332
Depreciation and amortization	547,962
	<hr/>
Total operating expenses	\$ 2,646,729
	<hr/>
Operating income (loss)	\$ 230,278
	<hr/>
Non-operating revenues (expenses)	
Interest income	\$ 137,776
Connection and availability charges	179,888
Capital contributions	456,800
Line extension and other fees	240,086
Interest expense	(291,824)
Capacity payment - City of Lynchburg	(198,900)
Miscellaneous outlays and connection expenses	(52,163)
Other nonoperating revenues	39,097
	<hr/>
Total nonoperating revenues (expenses)	\$ 510,760
	<hr/>
Net income (loss)	\$ 741,038
	<hr/>
Net assets at beginning of year	15,866,560
	<hr/>
Net assets at end of year	\$ 16,607,598
	<hr/>

The accompanying notes to financial statements are an integral part of this statement.



Statement of Cash Flows -  
Proprietary Fund  
Year Ended June 30, 2009

	<u>Proprietary Fund</u>
	<u>Enterprise</u>
Cash flows from operating activities:	
Receipts from customers and users	\$ 2,834,614
Payments to suppliers	(1,263,513)
Payments to employees	(774,863)
	<u>796,238</u>
Net cash provided by operating activities	\$ 796,238
Cash flows from capital and related financing activities:	
Additions to utility plant	\$ (1,004,730)
Retirement of debt	(85,000)
Interest paid on debt	(291,824)
Connection and availability fees	179,888
Line extension and other fees	240,086
Capacity payments - City of Lynchburg	(198,900)
Other nonoperating income	39,099
Miscellaneous connection expenses	(52,163)
	<u>(1,173,544)</u>
Net cash (used in) capital and related financing activities	\$ (1,173,544)
Cash flows from investing activities:	
Interest earned	\$ 137,776
	<u>137,776</u>
Net cash provided by investing activities	\$ 137,776
Decrease in cash and cash equivalents	\$ (239,530)
Cash and cash equivalents at beginning of year (including restricted assets)	<u>4,120,131</u>
Cash and cash equivalents at end of year (including restricted assets)	<u>\$ 3,880,601</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:	
Operating income (loss)	\$ 230,278
Adjustments to reconcile net operating income (loss)+A86 to net cash provided by operations:	
Depreciation and amortization	547,962
Changes in operating assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	(42,393)
Prepaid expenses	(26,254)
Inventory	27,305
(Decrease) increase in:	
Accounts payable and accrued expenses	<u>59,340</u>
Net cash provided by operating activities	<u>\$ 796,238</u>

The accompanying notes to financial statements are an integral part of this statement.

Statement of Fiduciary Net Assets  
At June 30, 2009

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	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ <u>67,271</u>
Total assets	\$ <u><u>67,271</u></u>
<b>LIABILITIES</b>	
Amounts held for others	\$ <u><u>67,271</u></u>

The accompanying notes to financial statements are an integral part of this statement.

## COUNTY OF AMHERST, VIRGINIA

### Notes to Financial Statements As of June 30, 2009

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#### **Note 1—Summary of Significant Accounting Policies:**

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The County of Amherst, Virginia is governed by an elected five member Board of Supervisors. The Board of Supervisors is responsible for appointing the County Administrator. The County provides a full range of services for its citizens. These services include police and volunteer fire protection, sanitation services, recreational activities, cultural events, education, social services.

The financial statements of the County of Amherst, Virginia have been prepared in conformity with the specifications promulgated by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia, and the accounting principles generally accepted in the United States as specified by the Governmental Accounting Standards Board. The more significant of the government's accounting policies are described below.

#### Financial Statement Presentation

Management's Discussion and Analysis - GASB Statement No. 34 requires the financial statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "Management's Discussion and Analysis" (MD&A).

#### Government-wide and Fund Financial Statements

Government-wide financial statements - The reporting model includes financial statements prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities but also capital assets and long-term liabilities (such as buildings and general obligation debt).

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund 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.

Statement of Net Assets - The Statement of Net Assets is designed to display financial position of the primary government (government and business-type activities) and its discretely presented component units. Governments will report all capital assets, in the government-wide Statement of Net Assets and will report depreciation expense - the cost of "using up" capital assets - in the Statement of Activities. The net assets of a government will be broken down into three categories - 1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted.

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 1–Summary of Significant Accounting Policies: (Continued)

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Statement of Activities - The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. 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.

Budgetary Comparison Schedules - Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments, and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Under the reporting model governments provide budgetary comparison information in their annual reports, including the original budget and a comparison of final budget and actual results.

#### A. Financial Reporting Entity

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for basic financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organizations governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity. These financial statements present the County of Amherst, Virginia (the primary government) and its component unit. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government.

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 1–Summary of Significant Accounting Policies: (Continued)

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#### **B. Individual Component Unit Disclosures**

##### Blended Component Unit - Amherst County Service Authority

The Amherst County Service Authority serves all the citizens of the government and is governed by a board comprised of the government's elected supervisors. The rates for user charges and bond issuance authorizations are approved by the government's board. The Authority operates on a calendar year which ends December 31. The Authority's December 31, 2008 financial report is presented as an enterprise fund in the County's financial statements.

##### Discretely Presented Component Unit - Amherst County School Board

The School Board members are appointed by the County's Board of Supervisors and are responsible for the operations of the County's school system within the County boundaries. The School Board is fiscally dependent on the County. The County has the ability to approve its County budget and any amendments. The primary funding is from the General Fund of the County. The School Fund does not issue a separate financial report. The financial statements of the School Board are presented as a discrete presentation of the County financial statements for the fiscal year ended June 30, 2009.

##### Other Related Organizations Not Included in the County Financial Report Amherst Industrial Development Authority

The Industrial Development Authority is excluded because the County exercises no oversight responsibilities nor has accountability for the fiscal affairs of the Authority. The County nominates members for the board however final appointment of board members rest with The Town of Amherst. The County is also not liable for any obligations of the authority.

##### Other Related Organizations

##### Included in the County's Financial Report

None

#### **C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The accompanying financial statements are prepared in accordance with pronouncements issued by the Governmental Accounting Standards Board. The principles prescribed by GASB represent generally accepted accounting principles applicable to governmental units.

The County applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989 unless these pronouncements conflict with or contradict GASB pronouncements.

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 1–Summary of Significant Accounting Policies: (Continued)

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#### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation: (Continued)

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 timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (public safety, public works, health and welfare, etc.) which are otherwise being supported by general government revenues, (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.) The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (public safety, public works, health and welfare, etc.) or a business-type activity.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be 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. All other revenue items are considered to be measurable and available only when cash is received by the government. 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.

The County's fiduciary funds are presented in the fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

In the fund financial statements, financial transactions and accounts of the County are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

#### 1. Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed. The government reports the following major governmental funds.

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 1–Summary of Significant Accounting Policies: (Continued)

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#### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation: (Continued)

##### 1. Governmental Funds: (continued)

###### a. General Fund

The General Fund is the primary operating fund of the County. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for service, and interest income. A significant part of the General Fund's revenues is used principally to finance the operations of the Component Unit School Board. The General Fund is considered a major fund for government-wide reporting purposes.

###### Proprietary Fund

Account for operations that are financed in a manner similar to private business enterprises. The Proprietary Fund measurement focus is upon determination of net income, financial position, and changes in financial position. The Proprietary Fund consists of the Enterprise Fund.

###### Enterprise Fund

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

The County reports the following major enterprise fund:

Amherst County Service Authority - This fund is used to account for a sewage treatment plant, sewage pumping stations and collection systems as well as the water distribution system.

Fiduciary Funds (Trust and Agency Funds) account for assets held by the County unit in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds. These funds include Agency Funds. These funds utilize the modified accrual basis of accounting described in the Governmental Fund Presentation. Fiduciary funds are not included in the government-wide financial statements.

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 1–Summary of Significant Accounting Policies: (Continued)

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#### **D. Budgets and Budgetary Accounting**

The following procedures are used by the County in establishing the budgetary data reflected in the financial statements:

1. Prior to March 30, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.
4. The Appropriations Resolution places legal restrictions on expenditures at the line item level. The appropriation for each department can be revised only by the Board of Supervisors. However, the School Board is authorized to transfer budgeted amounts within the School system's categories.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund.
6. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Appropriations lapse on June 30, for all County units.
8. All budgetary data presented in the accompanying financial statements is the original to the current comparison of the final budget and actual results.

#### **E. Cash and Cash Equivalents**

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County government and the School Board to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the Local Government Investment Pool.

Investments for the government, as well as for its component units, are reported at fair value. The Local Government Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

#### **F. Investments**

Investments are stated at fair value which approximates market; no investments are valued at cost. Certificates of deposit and short-term repurchase agreements are reported in the accompanying financial statements as cash and cash equivalents. Investments consist of assets held by a trustee.



## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 1–Summary of Significant Accounting Policies: (Continued)

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#### G. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans). All other outstanding balances between funds are reported as “advances to/from other funds.”

All trade and property tax receivables are shown net of an allowance for uncollectibles. The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately \$31,041 at June 30, 2009 is comprised of \$19,410 in property taxes and \$11,631 in utility accounts.

Property is assessed at its value on January 1. Property taxes attach as an enforceable lien on property as of January 1. Taxes are payable June 5th and December 5th. The County bills and collects its own property taxes.

#### H. Inventory

Inventory is reported at cost.

#### I. Capital Assets

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 County as land, buildings, road registered vehicles, and equipment with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. 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 asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. There was no interest attributable to capitalized assets as of June 30, 2009.

Property, plant and equipment of the primary government, as well as the component units, is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building Improvements	20-40
Infrastructure	20-40
Vehicles	5
Office and computer equipment	5
Buses	12

**Note 1–Summary of Significant Accounting Policies: (Continued)**

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**J. Compensated Absences**

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as an expense in the Statement of Activities and a long-term obligation in the Statement of Net Assets. In accordance with the provisions of Government Accounting Standards No. 16, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as "terminal leave" prior to retirement.

**K. Long-term Obligations**

In the government-wide 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. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**L. 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.

**M. Retirement Plan**

Retirement plan contributions are actuarially determined and consist of current services costs and amortization of prior service cost over a 30-year period. The County's policy is to fund pension costs as it accrues.

**N. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**O. Net Assets**

Net assets are the difference between assets and liabilities. Net assets invested in capital assets represent capital assets, less accumulated depreciation less any outstanding debt related to the acquisition, construction or improvement of those assets.

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 2—Deposits and Investments:

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#### Deposits

All cash of the primary government and its discretely presented component unit is maintained in accounts collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.2-4400 et. seq. of the Code of Virginia or covered by federal depository insurance.

#### Investments

Statutes authorize the County to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper and certain corporate notes, banker’s acceptances, repurchase agreements and the State Treasurer’s Local Government Investment Pool (LGIP).

#### Custodial Credit Risk (Investments)

The County’s investments at June 30, 2009 were held by the County or in the County’s name by the County’s custodial banks.

#### Credit Risk of Debt Securities

The County’s rated debt investments as of June 30, 2009 were rated by Standard and Poor’s and the ratings are presented below using Standard and Poor’s rating scale.

<u>Amherst County's Rate Debt Investments' Values</u>	
	<u>Fair Quality Ratings</u>
<u>Rated Debt Investments</u>	<u>AAAm</u>
SNAP	\$ <u>6,982,562</u>

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 2—Deposits and Investments: (Continued)

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#### External Investment Pool

The fair value of the positions in the external investment pool (State Non-Arbitrage Pool) is the same as the value of the pool shares. As this pool is not SEC registered, regulatory oversight of the pool rests with the Virginia State Treasury.

#### Deposits—Amherst County Service Authority

The Authority's rated debt investments as of December 31, 2008 were rated by Standard and Poor's and the ratings are presented below using the Standard and Poor's Rating Scale.

<u>Authority's Rated Debt Investments' Values</u>	
<u>Related Debt Investments</u>	<u>Fair Quality Rating AAAm</u>
Repurchase Agreements Underlying STI Classic Institutional Municipal Money Market Fund	\$ <u>317,700</u>
Total	\$ <u><u>317,700</u></u>

### Note 3—Property Taxes Receivable:

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Property is assessed at its value on January 1. Property taxes attach as an enforceable lien on property as of January 1. Taxes are payable on June 5 and December 5. The County bills and collects its own property taxes.

COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

**Note 4—Due from Other Governmental Units:**

	<u>Primary Government</u>	<u>Component Unit</u>
Commonwealth of Virginia:		
Local sales tax	\$ 388,852	\$ -
Public assistance and welfare administration	64,350	-
Motor vehicle carriers tax	69,122	-
Commonwealth Attorney	35,445	-
Sheriff	191,112	-
Commissioner of Revenue	10,818	-
Treasurer	12,117	-
Clerk	24,694	-
Comprehensive Services Act	685,410	-
Miscellaneous grants	75,223	-
State sales tax	-	738,131
Federal Government:		
School Grants	-	440,120
Public assistance and welfare administration	90,993	-
Miscellaneous grants	<u>34,357</u>	<u>-</u>
Total	\$ <u>1,682,493</u>	\$ <u>1,178,251</u>

**Note 5—Due To/From Primary Government/Component Units:**

<u>Fund</u>	<u>Due to Component Unit</u>	<u>Due From Primary Government</u>
General	\$ 3,583,976	\$ -
School	<u>-</u>	<u>3,583,976</u>
Totals	\$ <u>3,583,976</u>	\$ <u>3,583,976</u>

# COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

## Note 6—Capital Assets:

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2009:

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>
Primary Government:				
Capital assets, not being depreciated:				
Land	\$ 2,130,563	\$ -	\$ 242,983	\$ 1,887,580
Construction in progress	2,368,483	2,354,024	3,474,202	1,248,305
Construction in progress-jointly owned assets	<u>1,689,357</u>	<u>1,672,225</u>	<u>3,361,582</u>	<u>-</u>
Total capital assets not being depreciated	\$ <u>6,188,403</u>	\$ <u>4,026,249</u>	\$ <u>7,078,767</u>	\$ <u>3,135,885</u>
Capital assets being depreciated:				
Buildings	\$ 15,310,029	\$ 3,453,697	\$ -	\$ 18,763,726
Equipment	4,615,131	485,022	119,705	4,980,448
Jointly owned assets	<u>16,338,468</u>	<u>3,500,000</u>	<u>1,936,473</u>	<u>17,901,995</u>
Total capital assets being depreciated	\$ <u>36,263,628</u>	\$ <u>7,438,719</u>	\$ <u>2,056,178</u>	\$ <u>41,646,169</u>
Less accumulated depreciation for:				
Buildings	\$ 4,865,438	\$ 468,891	\$ -	\$ 5,334,329
Equipment	3,560,484	319,737	119,705	3,760,516
Jointly owned assets	<u>4,895,087</u>	<u>545,732</u>	<u>649,088</u>	<u>4,791,731</u>
Total accumulated depreciation	\$ <u>13,321,009</u>	\$ <u>1,334,360</u>	\$ <u>768,793</u>	\$ <u>13,886,576</u>
Total capital assets being depreciated, net	\$ <u>22,942,619</u>	\$ <u>6,104,359</u>	\$ <u>1,287,385</u>	\$ <u>27,759,593</u>
Governmental capital assets, net	\$ <u>29,131,022</u>	\$ <u>10,130,608</u>	\$ <u>8,366,152</u>	\$ <u>30,895,478</u>

# COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

## Note 6—Capital Assets: (Continued)

The following is a summary of changes in capital assets of the Component Unit School Board for the fiscal year ended June 30, 2009:

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
Component Unit School Board:				
Capital assets, not being depreciated:				
Land	\$ 309,826	\$ -	\$ -	\$ 309,826
Construction in progress	<u>25,249</u>	<u>-</u>	<u>25,249</u>	<u>-</u>
Total capital assets not being depreciated	<u>\$ 335,075</u>	<u>\$ -</u>	<u>\$ 25,249</u>	<u>\$ 309,826</u>
Capital assets being depreciated:				
Buildings	\$ 22,660,058	\$ 25,249	\$ -	\$ 22,685,307
Equipment	6,330,106	152,637	-	6,482,743
Jointly owned assets	<u>12,057,532</u>	<u>1,936,473</u>	<u>-</u>	<u>13,994,005</u>
Total capital assets being depreciated	<u>\$ 41,047,696</u>	<u>\$ 2,114,359</u>	<u>\$ -</u>	<u>\$ 43,162,055</u>
Less accumulated depreciation for:				
Buildings	\$ 14,195,257	\$ 1,054,419	\$ -	\$ 15,249,676
Equipment	4,376,142	422,487	-	4,798,629
Jointly owned assets	<u>3,197,839</u>	<u>649,088</u>	<u>-</u>	<u>3,846,927</u>
Total accumulated depreciation	<u>\$ 21,769,238</u>	<u>\$ 2,125,994</u>	<u>\$ -</u>	<u>\$ 23,895,232</u>
Total capital assets being depreciated, net	<u>\$ 19,278,458</u>	<u>\$ (11,635)</u>	<u>\$ -</u>	<u>\$ 19,266,823</u>
Governmental capital assets, net	<u>\$ 19,613,533</u>	<u>\$ (11,635)</u>	<u>\$ 25,249</u>	<u>\$ 19,576,649</u>

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 6—Capital Assets: (Continued)

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

Governmental activities:	
General government	\$ 66,888
Judicial administration	95,613
Public safety	461,228
Public works	104,829
Health and welfare	6,336
Education	545,732
Parks, recreation and cultural	29,288
Community development	<u>24,446</u>
Total	\$ <u><u>1,334,360</u></u>
Business-type activities:	
Amherst County Service Authority	\$ <u><u>540,952</u></u>
Component Unit-School Board	\$ <u><u>1,476,906</u></u> *
* Total depreciation above	\$ 1,476,906
Transfer of jointly owned assets	<u>649,088</u>
Total accumulated depreciation prior page	\$ <u><u>2,125,994</u></u>



COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

Note 6—Capital Assets: (Continued)

Amherst County Service Authority

Details of changes in property and equipment for the fiscal year are as follows:

	Balance January 1, 2008	Additions	Deletions	Balance December 31, 2008
Capital assets, not being depreciated:				
Land	\$ 619,290	\$ -	\$ -	\$ 619,290
Construction in progress, see detail below	2,577,834	729,497	-	3,307,331
Total capital assets not being depreciated	<u>\$ 3,197,124</u>	<u>\$ 729,497</u>	<u>\$ -</u>	<u>\$ 3,926,621</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 84,535	\$ -	\$ -	\$ 84,535
Vehicles and other equipment	918,135	-	-	918,135
Utility plant in service	24,588,603	732,031	-	25,320,634
Total capital assets being depreciated	<u>\$ 25,591,273</u>	<u>\$ 732,031</u>	<u>\$ -</u>	<u>\$ 26,323,304</u>
Less accumulated depreciation	<u>\$ 12,522,283</u>	<u>\$ 540,952</u>	<u>\$ -</u>	<u>\$ 13,063,235</u>
Total capital assets being depreciated, net	<u>\$ 13,068,990</u>	<u>\$ 191,079</u>	<u>\$ -</u>	<u>\$ 13,260,069</u>
Business-type activities capital assets, net	<u>\$ 16,266,114</u>	<u>\$ 920,576</u>	<u>\$ -</u>	<u>\$ 17,186,690</u>
Construction in Progress Details:				
Graham Creek Reservoir dam	\$ 2,577,834	\$ 579,445	\$ -	\$ 3,157,279
Water tank rehabilitation	<u>-</u>	<u>150,053</u>	<u>-</u>	<u>150,053</u>
Total construction in progress	<u>\$ 2,577,834</u>	<u>\$ 729,498</u>	<u>\$ -</u>	<u>\$ 3,307,332</u>

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 7—Other Assets — Amherst County Service Authority:

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Other assets consist of bond issue costs (\$154,222) and the investment in the City of Lynchburg Sewage facilities (\$1,993,146) at December 31, 2008:

#### A. Bond Issue Costs:

Bond issue costs are amortized over the life of the bond issue, or 10 or 30 years, using the straight-line method and costs are summarized as follows:

	<u>Amortization Costs</u>	<u>Accumulated Amortization January 1, 2008</u>	<u>Current Year Amortization</u>	<u>Total</u>	<u>Net Book Value</u>
2000 Issue	\$ <u>210,303</u>	\$ <u>49,071</u>	\$ <u>7,010</u>	\$ <u>56,081</u>	\$ <u>154,222</u>

#### B. Investment in City of Lynchburg Sewage Facilities:

The Authority invests in various City of Lynchburg Sewage Facilities Projects and agrees to repay the City for its applicable ownership interest annually.

	<u>2008</u>
Balance, beginning of year	\$ 2,142,391
Increases	-
Decreases	<u>149,245</u>
Balance, end of year	\$ <u>1,993,146</u>

COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

**Note 7—Other Assets — Amherst County Service Authority: (Continued)**

**C. Restricted Cash:**

At December 31, 2008 restricted assets consist of the following:

	<u>Current Assets</u>	<u>Non-current Assets</u>
Rate stabilization fund CD	\$ -	\$ 1,000,000
2000 Debt Service Reserve	<u>317,700</u>	<u>-</u>
Totals	<u>\$ 317,700</u>	<u>\$ 1,000,000</u>

**Note 8—Long-Term Obligations:**

The following is a summary of long-term obligation transactions of the County for the year ended June 30, 2009:

	<u>Balance Outstanding July 1, 2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance Outstanding June 30, 2009</u>	<u>Amount Due Within One Year</u>
County notes payable	\$ 3,082,546	\$ 309,067	\$ 190,271	\$ 3,201,342	\$ 221,455
County revenue bonds	9,433,000	-	515,000	8,918,000	826,000
County general obligation bonds	1,654,900	-	553,900	1,101,000	540,100
Landfill closure and post-closure liability	1,795,953	-	-	1,795,953	-
Compensated absences	1,161,524	145,894	72,886	1,234,532	123,453
School general obligation bonds	18,226,457	-	1,523,300	16,703,157	1,471,660
School literary fund loans	1,200,000	-	300,000	900,000	300,000
County capital leases	<u>600,766</u>	<u>-</u>	<u>173,928</u>	<u>426,838</u>	<u>180,957</u>
Total	<u>\$ 37,155,146</u>	<u>\$ 454,961</u>	<u>\$ 3,329,285</u>	<u>\$ 34,280,822</u>	<u>\$ 3,663,625</u>

COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

Note 8—Long-Term Obligations: (Continued)

Annual requirements to amortize long-term debt and related interest are as follows:

Year Ending June 30,	Notes Payable		General Obligation Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 221,455	\$ 106,582	\$ 540,100	\$ 36,262	\$ 826,000	\$ 354,954
2011	236,243	123,375	560,900	16,340	497,000	320,775
2012	143,761	114,859	-	-	523,000	300,578
2013	46,570	111,051	-	-	540,000	279,312
2014	48,849	108,772	-	-	328,000	257,361
2015	51,243	106,378	-	-	341,000	244,438
2016	53,758	103,863	-	-	354,000	231,002
2017	56,402	101,219	-	-	368,000	217,055
2018	59,180	98,440	-	-	382,000	202,555
2019	62,101	95,520	-	-	397,000	187,505
2020	65,171	92,450	-	-	413,000	171,863
2021	68,398	89,673	-	-	430,000	155,591
2022	71,791	88,830	-	-	446,000	138,649
2023	76,358	82,263	-	-	465,000	121,076
2024	57,877	78,880	-	-	482,000	102,755
2025	49,573	76,751	-	-	501,000	83,764
2026	51,657	74,667	-	-	521,000	64,025
2027	53,829	72,495	-	-	541,000	43,498
2028	56,091	70,233	-	-	563,000	22,182
2029	58,449	67,876	-	-	-	-
2030	60,907	65,417	-	-	-	-
2031	63,467	62,857	-	-	-	-
2032	66,135	60,189	-	-	-	-
2033	68,915	57,409	-	-	-	-
2034	71,813	54,512	-	-	-	-
2035	74,831	51,493	-	-	-	-
2036	77,977	48,347	-	-	-	-
2037	81,255	45,069	-	-	-	-
2038	84,671	41,653	-	-	-	-
2039	88,231	38,093	-	-	-	-
2040	91,940	34,384	-	-	-	-
2041	95,805	30,519	-	-	-	-
2042	99,832	26,492	-	-	-	-
2043	104,029	22,295	-	-	-	-
2044	108,403	17,922	-	-	-	-
2045	112,960	13,364	-	-	-	-
2046	117,708	8,616	-	-	-	-
2047	122,657	3,667	-	-	-	-
2048	21,048	116	-	-	-	-
	<u>\$ 3,201,342</u>	<u>\$ 2,546,588</u>	<u>\$ 1,101,000</u>	<u>\$ 52,602</u>	<u>\$ 8,918,000</u>	<u>\$ 3,498,937</u>

COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

Note 8—Long-Term Obligations: (Continued)

Year Ending June 30,	School General Obligation Bonds		School Literary Fund Loans		General Capital Lease	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 1,471,660	\$ 815,882	\$ 300,000	\$ 27,000	\$ 180,957	\$ 16,396
2011	1,435,224	739,002	300,000	18,000	187,871	9,482
2012	1,408,351	664,497	300,000	9,000	58,010	2,303
2013	1,381,004	592,169	-	-	-	-
2014	1,383,798	520,326	-	-	-	-
2015	1,366,739	448,088	-	-	-	-
2016	1,369,833	367,206	-	-	-	-
2017	1,168,089	308,921	-	-	-	-
2018	896,515	256,109	-	-	-	-
2019	900,119	211,709	-	-	-	-
2020	703,916	172,268	-	-	-	-
2021	702,909	138,539	-	-	-	-
2022	505,000	109,921	-	-	-	-
2023	480,000	86,528	-	-	-	-
2024	435,000	64,562	-	-	-	-
2025	370,000	44,985	-	-	-	-
2026	315,000	28,293	-	-	-	-
2027	235,000	14,768	-	-	-	-
2028	175,000	4,463	-	-	-	-
Total	\$ <u>16,703,157</u>	\$ <u>5,588,234</u>	\$ <u>900,000</u>	\$ <u>54,000</u>	\$ <u>426,838</u>	\$ <u>28,181</u>

Details of Long-term Obligations:

	<u>Amount Outstanding</u>
<u>County General Obligation Bonds/Loans:</u>	
\$2,262,600, issued December 18, 2003, maturing annually in various installments through July 15, 2010; interest at 2.47% payable semi-annually	\$ 601,000
\$3,500,000 issued January 1, 1996, maturing annually in installments of \$250,000 interest at an average rate of 4.49%, payable semi-annually	<u>500,000</u>
Total County general obligation bonds	\$ <u>1,101,000</u>

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 8—Long-Term Obligations: (Continued)

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#### Details of Long-term Obligations: (Continued)

	<u>Amount Outstanding</u>
<u>County Notes Payable:</u>	
\$2,420,000 VRA note issued September 27, 2007, maturing in monthly installments of principal and interest of \$10,527 beginning October 1, 2009 through 2047, interest at 4.125%	\$ 2,420,000
\$1,258,600 issued August 20, 2004, maturing in semi-annual installments of principal and interest of \$100,999 on July 1, and January 1, through 2012, interest at 3.30%	480,927
\$309,067 issued October 28, 2008, maturing in monthly installments of principal and interest of \$2,608 beginning November 28, 2008 through 2023, interest at 6.00%	<u>300,415</u>
Total notes payable	\$ <u>3,201,342</u>
<u>Revenue Bonds:</u>	
\$4,015,000 IDA Public Facility Lease Revenue Note Series 2001 issued December 20, 2001, maturing in various installments through January 15, 2013, interest payable semi-annually at 4.24%	\$ 1,195,000
\$5,350,000 EDA Lease Revenue Bonds, Series 2007 issued November 21, 2007, maturing in various installments through January 15, 2028, interest payable semi-annually at 3.94%	5,350,000
\$2,373,000 EDA Lease Revenue Bonds, Series 2008 issued January 17, 2008, maturing in various installments through January 15, 2028, interest payable semi-annually at 3.94%	<u>2,373,000</u>
Total revenue bonds	\$ <u>8,918,000</u>
<u>General Capital Leases:</u>	
\$305,203 obligation payable in annual installments of \$67,399 through September 1, 2010, interest at 3.52%	\$ 128,000
\$252,202 capital lease obligation payable in annual installments of \$69,640 through November 1, 2010, interest at 3.99%	131,367
\$218,716 capital lease obligation payable in annual installments of \$60,314 through October 1, 2011, interest at 3.97 %	<u>167,471</u>
Total capital leases	\$ <u>426,838</u>

COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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**Note 8—Long-Term Obligations: (Continued)**

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Details of Long-term Obligations: (Continued)

	<u>Amount Outstanding</u>
<u>School General Obligation Bonds:</u>	
\$1,315,000 issued November 6, 2003, maturing annually in various installments through July 15, 2024, interest payable semi-annually at rates ranging from 3.1% to 5.35%	\$ 975,000
\$3,500,000 issued November 18, 1993, maturing annually in various installments through December 15, 2013; interest payable at rates between 4.475% and 5.0% semi-annually	245,000
\$5,500,000, issued May 15, 1996, maturing annually in installments of \$275,000 through July 15, 2016, interest payable semi-annually at 5.57%	2,200,000
\$2,000,000 issued April 30, 1998, maturing in principal annual installments of \$100,000 through July 15, 2018, interest payable semi-annually at 4.95%	1,000,000
\$550,000, issued November 15, 2001, maturing annually in various installments through July 15, 2021; interest payable semi-annually at rates between 3.10% and 5.25%	340,000
\$2,000,000, issued April 30, 1999, maturing in principal annual installments of \$100,000 through July 15, 2019, interest payable at 4.73%	1,000,000
\$3,351,287 issued November 16, 2000, maturing annually in various installments through July 15, 2020, interest payable at 5.15%	2,148,157
\$1,615,000 issued November 10, 2005, maturing annually in various installments through July 15, 2025, interest payable semi-annually at rates ranging from 4.6% to 5.10%	1,360,000
\$890,000, issued January 3, 1994, maturing annually in various installments through December 15, 2010; interest payable semi-annually at rates between 6.85% and 7.57%	30,000

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

### Note 8—Long-Term Obligations: (Continued)

#### Details of Long-term Obligations: (Continued)

	<u>Amount Outstanding</u>
<u>School General Obligation Bonds: (Continued)</u>	
\$4,000,000 issued May 18, 1995, maturing annually in installments of \$200,000 each through July 15, 2015, interest payable semi-annually at rates between 5.4% and 5.975%	\$ 1,400,000
\$1,120,000 issued November 10, 2004, maturing annually in various installments through July 15, 2024, interest payable semi-annually at rates ranging from 4.1% to 5.6%	880,000
\$965,000 issued November 7, 2002, maturing annually in various installments through July 15, 2022, interest payable semi-annually at rates ranging from 2.35% to 7.85%	665,000
\$1,265,000 issued November 9, 2006, maturing annually in various installments through July 15, 2026, interest payable semi-annually at rates ranging from 4.225% to 5.1%	1,135,000
\$3,500,000 issued November 8, 2007, maturing in annual principal installments of \$175,000 through July 15, 2028, interest payable semi-annually at rates ranging from 4.1% to 5.1%	<u>3,325,000</u>
Total school general obligation bonds	\$ <u>16,703,157</u>
<u>School State Literary Fund Loans:</u>	
\$2,500,000, issued July 15, 1989, due in annual installments of \$125,000 through October 1, 2011, interest at 3%	\$ 375,000
\$3,500,000, issued January 15, 1992, due in annual installments of \$175,000 through February 15, 2012, interest at 3%	<u>525,000</u>
Total State Literary Fund Loans	\$ <u>900,000</u>
Landfill closure and postclosure costs	\$ <u>1,795,953</u>
Accrued leave	\$ <u>1,234,532</u>
Total long-term obligations	<u><u>\$ 34,280,822</u></u>



COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

**Note 8—Long-Term Obligations: (Continued)**

**Component Unit School Board:**

Annual requirements to amortize component unit school board long-term debt and related interest are as follows:

Year Ending June 30,	Capital Lease	
	Principal	Interest
2010	\$ 74,624	\$ 2,366
Total	\$ 74,624	\$ 2,366

The following is a summary of changes in long-term obligation transactions for fiscal year ended June 30, 2009:

	Balance Outstanding July 1, 2008	Increases	Decreases	Balance Outstanding June 30, 2009	Amount Due Within One Year
School capital leases	\$ 146,955	\$ -	\$ 72,331	\$ 74,624	\$ 74,624
School compensated absences	377,831	48,574	50,403	376,002	37,601
Total	\$ 524,786	\$ 48,574	\$ 122,734	\$ 450,626	\$ 112,225

Details of Long-term Obligations:

Capital Leases:

\$352,389 capital lease obligation payable in annual installments of \$76,990 through July 15, 2009, interest at 3.17%

\$ 74,624

Accrued leave

\$ 376,002

Total long-term obligations

\$ 450,626

# COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

## Note 8—Long-Term Obligations: (Continued)

### Amherst County Service Authority:

#### Changes in Long-Term Obligations:

The following is a summary of long-term obligation transactions of the Authority for the year ended December 31, 2008:

	<u>Revenue Bonds</u>	<u>Notes</u>	<u>Compensated Absences</u>	<u>Total</u>
Total outstanding, January 1, 2008	\$ 3,870,000	\$ 2,967,391	\$ 73,299	\$ 6,910,690
Additions:	\$ -	\$ -	\$ 7,621	\$ 7,621
Retirements:				
Bonds	\$ 85,000	\$ -	\$ -	\$ 85,000
Notes	\$ -	\$ 149,244	\$ -	\$ 149,244
Total retirements	\$ 85,000	\$ 149,244	\$ -	\$ 234,244
Total outstanding December 31, 2008	\$ 3,785,000	\$ 2,818,147	\$ 80,920	\$ 6,684,067
Current portion	\$ 90,000	\$ 149,764	\$ 8,092	\$ 247,856

#### Details of Long-Term Obligations Outstanding:

##### Revenue Bonds:

\$4,300,000, issued December 28, 2000 due in annual installments ranging from \$65,000 to \$285,000 through December 15, 2030, interest payable semi-annually at 5.95% \$ 3,785,000

##### Long-Term Notes:

\$421,819 issued in 1993, due in annual principal installments of \$9,736 through June 1, 2023 interest at 5.5% \$ 146,036

\$196,993 issued in 1995, due in annual principal installments of \$9,850 through June 1, 2015, interest at 5.96% 68,950

\$747,643 issued in 1998, due in annual principal installments of \$21,806 through June 1, 2017, interest at 3.5% 414,319

\$1,996,292 issued in 2001, due in annual principal installments of \$93,078 through June 1, 2017, interest at 3% 1,116,940

\$322,159 issued in 2002, due in annual installments of \$23,803 through June 1, 2021 246,902

\$825,000, issued September 21, 2007 payable on September 1, 2010, interest payable 825,000

Total notes payable \$ 2,818,147

Compensated absences \$ 80,920

Total long-term obligations outstanding \$ 6,684,067

**COUNTY OF AMHERST, VIRGINIA**

Notes to Financial Statements  
As of June 30, 2009 (Continued)

**Note 8—Long-Term Obligations: (Continued)****Amherst County Service Authority: (Continued)****Details of Long-Term Obligations Outstanding: (Continued)**

<u>Year Ending December 31,</u>	<u>Revenue Bonds</u>		<u>Long-Term Notes</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 90,000	\$ 225,668	\$ 149,764	\$ 75,975
2010	95,000	220,988	975,304	72,199
2011	100,000	216,000	150,863	37,549
2012	105,000	210,000	151,442	33,735
2013	110,000	203,700	152,041	29,901
2014	115,000	197,100	152,662	26,045
2015	125,000	190,200	153,304	22,156
2016	135,000	182,700	144,119	18,326
2017	140,000	174,600	144,807	17,159
2018	150,000	166,200	145,520	13,666
2019	155,000	157,200	146,258	10,220
2020	165,000	147,900	147,022	6,745
2021	175,000	138,000	54,734	611
2022	185,000	127,500	31,542	-
2023	195,000	116,400	31,542	-
2024	210,000	104,700	21,806	-
2025	220,000	92,100	21,806	-
2026	235,000	78,900	21,806	-
2027	250,000	64,800	21,806	-
2028	265,000	49,800	-	-
2029	280,000	33,900	-	-
2030	285,000	17,100	-	-
Totals	<u>\$ 3,785,000</u>	<u>\$ 3,115,456</u>	<u>\$ 2,818,148</u>	<u>\$ 364,287</u>

**Note 9—Claims, Judgments and Compensated Absences:**

In accordance with GASB Statement 16 "Accounting for Compensated Absences," the County has accrued the liability arising from outstanding claims and judgments and compensated absences. No benefits or pay is received for unused sick leave upon termination except for employees of the Department of Social Services who are paid sick leave at termination if employed by the agency for over five years. Accumulated vacation up to thirty six days is paid upon termination. The Primary Government has outstanding accrued vacation and sick leave pay totaling \$1,234,532. The Service Authority has outstanding accrued vacation and sick leave pay totaling \$80,920 in the enterprise fund. The School Board has outstanding accrued vacation and sick leave pay totaling \$376,002 in the Component Unit Long-term Debt.

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 10—Defined Benefit Pension Plan:

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#### A. Plan Description

Name of Plan: Virginia Retirement System (VRS)  
Identification of Plan: Agent and Cost-Sharing Multiple-Employer Defined Benefit Pension Plan  
Administering Entity: Virginia Retirement System (System)

The County contributes to the Virginia Retirement System (VRS). All full-time, salaried permanent employees of participating employers must participate in the VRS. Benefits vest after five years of service. Employees are eligible for an unreduced retirement benefit at age 65 with 5 years of service (age 60 for participating local law enforcement officers, firefighters, and sheriffs) or at age 50 with at least 30 years of service if elected by the employer (age 50 with at least 25 years for participating local law enforcement officers, firefighters, and sheriffs) payable monthly for life in an amount equal to 1.70% of their average final compensation (AFC) for each year of credited service (1.85% for sheriffs and if the employer elects, for other employees in hazardous duty positions receiving enhanced benefits). Benefits are actuarially reduced for retirees who retire prior to becoming eligible for full retirement benefits. In addition, retirees qualify for annual cost-of-living adjustment (COLA), beginning in their second year of retirement. The COLA is limited to 5% per year. AFC is defined as the highest consecutive 36 months of reported compensation. Participating local law enforcement officers, firefighters, and sheriffs may receive a monthly benefit supplement if they retire prior to age 65. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

The System issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. A copy of that report may be downloaded from their website at <http://www.varetire.org/Pdf/publications/2008annurept.pdf> or obtained by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

#### B. Funding Policy

Plan members are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5.00% of their annual salary to the VRS. This 5.00% member contribution may be assumed by the employer. In addition, the County and School Board are required to contribute the remaining amounts necessary to fund participation in the VRS using the actuarial basis specified by the Code of Virginia and approved by the VRS Board of Trustees. The County's, School's non-professional employees and Authority contribution rates for the fiscal year ended 2009 were 8.14%, 4.59%, and 4.75% of annual covered payroll, respectively.

The School Board's contributions for professional employees were \$2,124,116, \$2,352,364, and \$2,003,759 to the teacher cost-sharing pool for the fiscal years ended June 30, 2009, 2008 and 2007, respectively and these contributions represented 8.81%, 10.30%, and 9.20%, respectively, of current covered payroll.

**COUNTY OF AMHERST, VIRGINIA**

Notes to Financial Statements  
As of June 30, 2009 (Continued)

**Note 10—Defined Benefit Pension Plan: (Continued)****C. Annual Pension Cost**

For fiscal year 2009, the County's annual pension cost of \$665,148 was equal to the County's required and actual contributions.

<b>Three Year Trend Information - County</b>			
<b>Fiscal Year Ending</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
June 30, 2009	\$ 665,148	100%	
June 30, 2008	583,647	100%	-
June 30, 2007	524,395	100%	-

For fiscal year 2009, the County School Board's annual pension cost for the Board's non-professional employees was \$108,454 which was equal to the Board's required and actual contributions.

<b>Three Year Trend Information - County School Board Non-Professional</b>			
<b>Fiscal Year Ending</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
June 30, 2009	\$ 108,454	100%	
June 30, 2008	92,872	100%	-
June 30, 2007	87,985	100%	-

For calendar year ended 2008, the Authority's annual pension cost of \$52,756 was equal to the Board's required and actual contributions.

<b>Three Year Trend Information - Amherst County Service Authority</b>			
<b>Fiscal Year Ending</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
June 30, 2008	\$ 52,756	100%	
June 30, 2007	61,569	100%	-
June 30, 2006	50,494	100%	-

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 10—Defined Benefit Pension Plan: (Continued)

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#### C. Annual Pension Cost: (Continued)

The required contribution was determined as part of the June 30, 2007 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at June 30, 2007 included (a) an investment rate of return (net of administrative expenses) of 7.50%, (b) projected salary increases ranging from 3.75% to 5.60% per year for general government employees and 3.50% to 4.75% for employees eligible for enhanced benefits available to law enforcement officers, firefighters, and sheriffs, and (c) a cost-of-living adjustment of 2.50% per year. Both the investment rate of return and the projected salary increases include an inflation component of 2.50%. The actuarial value of the County's and the County School Board's assets is equal to the modified market value of assets. This method uses techniques that smooth the effects of short-term volatility in the market value of assets over a five-year period. The County's, School Board's, and Authority's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2007 was 20 years.

#### D. Funded Status and Funding Progress

As of June 30, 2008, the most recent actuarial valuation date, the County's plan was 93.70% funded. The actuarial accrued liability for benefits was \$27,027,064, and the actuarial value of assets was \$25,325,285, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,701,779. The covered payroll (annual payroll of active employees covered by the plan) was \$7,796,882 and ratio of the UAAL to the covered payroll was 21.83%.

As of June 30, 2008, the most recent actuarial valuation date, the County School Board's plan was 111.63% funded. The actuarial accrued liability for benefits was \$5,110,393, and the actuarial value of assets was \$5,704,729, resulting in an unfunded actuarial accrued liability (UAAL) of (\$594,336). The covered payroll (annual payroll of active employees covered by the plan) was \$2,176,511, and ratio of UAAL to the covered payroll was (27.31%).

As of June 30, 2008, the most recent actuarial valuation date, the Authority's plan was 91.21% funded. The actuarial accrued liability for benefits was \$3,062,447, and the actuarial value of assets was \$2,793,189, resulting in an unfunded actuarial accrued liability (UAAL) of \$269,258. The covered payroll (annual payroll of active employees covered by the plan) was \$881,798, and ratio of UAAL to the covered payroll was 30.54%.

The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

### Note 11—Deferred Revenue:

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Deferred revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, such amounts are measurable, but not available. Deferred revenue totaling \$6,273,523 is comprised of property taxes paid in advance at June 30, 2009 used to fund expenditures for next fiscal year.

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 12—Contingent Liabilities:

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Federal programs in which the County and its component units participate were audited in accordance with the provisions of U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments*. Pursuant to the provisions of this circular all major programs and certain other programs were tested for compliance with applicable grant requirements. While no matters of noncompliance were disclosed by audit, the Federal Government may subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, any future disallowances of current grant program expenditures, if any, would be immaterial.

#### Contingency

On September 8, 2008 the County received a sales tax payment of \$472,602 from the Commonwealth of Virginia. Currently a certain taxpayer is appealing approximately \$250,089 of this amount. At the time of this report this matter is still pending and the ultimate resolution is unknown.

### Note 13—Landfill Closure and Postclosure Care Costs:

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State and federal laws and regulations require the County to place a final cover on its operating landfill site when they stop accepting waste and to perform certain maintenance and monitoring functions at these sites for thirty years after closure. Although closure and postclosure cost will be paid only near or after the date that the landfills stop accepting waste, the County reports a portion of these closure and postclosure care costs in each period based on landfill capacity used as of each balance sheet date. The \$1,795,953 reported as landfill closure and postclosure care liability at June 30, 2009, represents the cumulative amount reported to date based on the use of 100.00% and 10% of the estimated capacity of the closed Landfill and the operating Landfill, respectively. The County will recognize the remaining estimated cost of closure and postclosure care of \$5,101,351 as the remaining estimated capacities are filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2009. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

It is estimated that the operating Landfill has sufficient capacity to continue accepting waste until 2052.

The County expects to fund the landfill closure and postclosure care costs from its operating and capital budget.

The County has demonstrated financial assurance requirements for closure, postclosure care, and corrective action costs through the submission of a Local Government Financial Test to the Virginia Department of Environmental Quality in accordance with Section 9VAC20-70 of the Virginia Administrative Code.

### Note 14—Litigation:

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At June 30, 2009, there were no other matters of litigation involving the County which would materially affect the County's financial position should any court decision on pending matters not be favorable to the County.

## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

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### Note 15–Risk Management:

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The County of Amherst has contracted with private insurance carriers to provide coverage for property damage, employee dishonesty, general liability and workers compensation. The County bills the Authority for its share of the insurance premiums related to coverages provided to the Authority.

There have been no significant reduction in insurance coverages from the prior year, and there have been no insurance settlements in excess of insurance coverages for the past three years.

The Authority also participates in the County’s health insurance plan. The County contracts with a private carrier for health insurance coverages. The Authority pays its share of these costs.

### Note 16–Surety Bonds:

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	<u>Amount</u>
United State Fidelity & Guaranty Company - Surety Social Services Employees, Blanket Bond	\$ 100,000
Fidelity and Deposit Company of Maryland - Surety	
Teresa Crouch, Clerk of the School Board	10,000
David Proffitt, Interim County Administrator	2,000
Leon J. Parrish, Chairman, Board of Supervisors	1,000
Vernon L. Wood, Supervisor	1,000
Christopher R. Adams, Supervisor	1,000
Donald W. Kidd, Supervisor	1,000
S. Ray Vandall, Supervisor	1,000



## COUNTY OF AMHERST, VIRGINIA

Notes to Financial Statements  
As of June 30, 2009 (Continued)

### Note 17—Expenditures and Appropriations:

Expenditures exceeded appropriations at June 30, 2009 as follows:

	Budget As Amended	Actual	Amount
Primary Government:			
Board of Equalization	\$ 11,710	\$ 13,449	\$ 1,739
Treasurer	326,071	333,834	7,763
VJCCCA	78,678	115,133	36,455
Commonwealth's attorney	521,205	531,507	10,302
County attorney	100,079	106,924	6,845
Emergency medical services	891,567	900,641	9,074
Sheriff - jail	2,027,131	2,127,292	100,161
Building inspections	216,543	238,064	21,521
Other public safety	237,599	241,250	3,651
Miscellaneous public safety grants	257,003	464,068	207,065
DARE program	24,268	25,281	1,013
E-911 expenditures	-	5,346	5,346
Street lights	32,241	34,224	1,983
Non-state welfare administration	1,701,775	1,720,075	18,300
Public assistance	970,052	1,105,093	135,041
Comprehensive services	61,613	1,778,645	1,717,032
Parks and recreation	382,849	431,976	49,127
Depot relocation	-	962,653	962,653
Community development block grant	200,964	401,757	200,793
Nondepartmental	300,121	471,736	171,615
General construction projects	1,344,272	1,512,237	167,965
Interest and fiscal charges	1,564,012	1,793,804	229,792
Component Unit - School Board:			
Operation and maintenance services	3,905,505	4,312,531	407,026
Technology	1,144,539	1,266,537	121,998
School Textbook instruction	-	21,307	21,307

### Note 18—Post Employment Benefits Other Than Pensions:

The Government offers post-employment medical coverage to its retired employees, however has no employees enrolled in the program. The Government has elected not to obtain an actuarial valuation to determine liability for this benefit in accordance with the financial reporting requirements of GASB45 and believes there is no material affect on the County's financial position.

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## **Required Supplementary Information**

Schedule of Revenues, Expenditures and Changes in Fund Balances --  
 Budget and Actual -- General Fund  
 Year Ended June 30, 2009

	General Fund			Variance With Amended Budget Positive (Negative)
	Original Budget	Budget As Amended	Actual	
Revenues:				
General property taxes	\$ 18,222,733	\$ 18,222,733	\$ 18,974,212	\$ 751,479
Other local taxes	7,232,230	7,232,230	7,151,819	(80,411)
Permits, privilege fees and regulatory licenses	226,448	226,448	200,835	(25,613)
Fines and forfeitures	32,378	197,875	274,117	76,242
Revenue from use of money and property	712,735	725,678	762,078	36,400
Charges for services	1,453,289	1,468,289	1,517,800	49,511
Miscellaneous	61,650	453,468	313,710	(139,758)
Recovered costs	142,700	167,042	257,907	90,865
Intergovernmental:				
Commonwealth	8,653,001	8,668,476	7,798,508	(869,968)
Federal	47,645	129,242	2,717,398	2,588,156
Total revenues	\$ 36,784,809	\$ 37,491,481	\$ 39,968,384	\$ 2,476,903
Expenditures:				
Current:				
General government administration	\$ 1,986,562	\$ 2,018,713	\$ 1,911,715	\$ 106,998
Judicial administration	1,249,823	1,250,956	1,287,362	(36,406)
Public safety	8,282,767	9,382,647	9,518,249	(135,602)
Public works	2,638,771	2,866,435	2,253,748	612,687
Health and welfare	3,631,380	3,257,399	5,076,383	(1,818,984)
Education	12,902,626	12,902,626	10,621,450	2,281,176
Parks, recreation, and cultural	1,231,859	1,251,974	1,300,894	(48,920)
Community development	699,877	812,087	1,952,125	(1,140,038)
Nondepartmental	475,224	300,121	471,736	(171,615)
Capital projects	523,798	1,344,272	1,512,237	(167,965)
Debt service:				
Principal retirement	3,598,110	3,598,110	3,256,399	341,711
Interest and other fiscal charges	1,564,012	1,564,012	1,793,804	(229,792)
Total expenditures	\$ 38,784,809	\$ 40,549,352	\$ 40,956,102	\$ (406,750)
Excess (deficiency) of revenues over expenditures	\$ (2,000,000)	\$ (3,057,871)	\$ (987,718)	\$ 2,070,153
Other financing sources (uses):				
Long-term debt issued	\$ 2,000,000	\$ 3,057,871	\$ 308,000	\$ (2,749,871)
Total other financing sources (uses)	\$ 2,000,000	\$ 3,057,871	\$ 308,000	\$ (2,749,871)
Excess (deficiency) of revenues & other sources over expenditures & other uses	\$ -	\$ -	\$ (679,718)	\$ (679,718)
Fund balances at beginning of year	-	-	23,434,911	23,434,911
Fund balances at end of year	\$ -	\$ -	\$ 22,755,193	\$ 22,755,193

## Required Supplementary Information

## Schedule of Pension Funding Progress for the Virginia Retirement System

COUNTY:

Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded (Excess Funded) Actuarial Accrued Liability	Funded Ratio (2)/(3)	Annual Covered Payroll	UAAL as % of Payroll (4)/(6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
6/30/2008	\$ 25,325,285	\$ 27,027,064	\$ 1,701,779	93.70%	\$ 7,796,882	21.83%
6/30/2007	22,598,782	24,556,836	1,958,054	92.03%	6,938,298	28.22%
6/30/2006	19,980,281	21,076,871	1,096,590	94.80%	6,259,070	17.52%

DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARDSCHOOL BOARD NON-PROFESSIONALS:

Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded (Excess Funded) Actuarial Accrued Liability	Funded Ratio (2)/(3)	Annual Covered Payroll	UAAL as % of Payroll (4)/(6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
6/30/2008	\$ 5,704,729	\$ 5,110,393	\$ (594,336)	111.63%	\$ 2,176,511	-27.31%
6/30/2007	5,170,718	4,746,048	(424,670)	108.95%	1,960,620	-21.66%
6/30/2006	4,567,209	4,376,069	(191,140)	104.37%	1,721,309	-11.10%

AMHERST COUNTY SERVICE AUTHORITY:

Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded (Excess Funded) Actuarial Accrued Liability	Funded Ratio (2)/(3)	Annual Covered Payroll	UAAL as % of Payroll (4)/(6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
6/30/2008	\$ 2,793,189	\$ 3,062,447	\$ 269,258	91.21%	\$ 881,798	30.54%
6/30/2007	2,457,504	2,684,318	226,814	91.55%	824,223	27.52%
6/30/2006	2,110,938	2,359,827	248,889	89.45%	853,504	29.16%

## **Other Supplementary Information**

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Combining Schedule of Fiduciary Net Assets -  
 Agency Funds  
 At June 30, 2009

	Agency Funds			Totals
	Special Welfare Fund	Forfeited Assets Fund	Sheriff's Accounts	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 27,730	\$ 20,927	\$ -	\$ 48,657
Cash held by others	-	-	18,614	18,614
Total assets	<u>\$ 27,730</u>	<u>\$ 20,927</u>	<u>\$ 18,614</u>	<u>\$ 67,271</u>
<b>LIABILITIES</b>				
Amounts held for projects	\$ -	\$ 20,927	\$ -	\$ 20,927
Amounts held for inmates	-	-	18,614	18,614
Amounts held for social service clients	27,730	-	-	27,730
Total liabilities	<u>\$ 27,730</u>	<u>\$ 20,927</u>	<u>\$ 18,614</u>	<u>\$ 67,271</u>



Agency Funds  
Combining Schedule of Changes in Assets and Liabilities  
Year Ended June 30, 2009

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Special welfare:				
Assets:				
Cash and cash equivalents	\$ 15,804	\$ 21,652	\$ 9,726	\$ 27,730
Liabilities:				
Amounts held for social service clients	\$ 15,804	\$ 21,652	\$ 9,726	\$ 27,730
Forfeited assets fund:				
Assets:				
Cash and cash equivalents	\$ 22,348	\$ 10,485	\$ 11,906	\$ 20,927
Liabilities:				
Amounts held for projects	\$ 22,348	\$ 10,485	\$ 11,906	\$ 20,927
Sheriff's accounts				
Assets:				
Cash and cash equivalents	\$ 7,509	\$ 164,741	\$ 153,636	\$ 18,614
Liabilities:				
Amounts held for others	\$ 7,509	\$ 164,741	\$ 153,636	\$ 18,614
Revenue maximization:				
Assets:				
Cash and cash equivalents	\$ 85,491	\$ -	\$ 85,491	\$ -
Liabilities:				
Amounts held for others	\$ 85,491	\$ -	\$ 85,491	\$ -
Totals -- All agency funds				
Assets:				
Cash and cash equivalents	\$ 131,152	\$ 196,878	\$ 260,759	\$ 67,271
Total assets	\$ 131,152	\$ 196,878	\$ 260,759	\$ 67,271
Liabilities:				
Amounts held for social service clients	\$ 15,804	\$ 21,652	\$ 9,726	\$ 27,730
Amounts held for projects	22,348	10,485	11,906	20,927
Amounts held for others	85,491	-	85,491	-
Amounts held for inmates	7,509	164,741	153,636	18,614
Total liabilities	\$ 131,152	\$ 196,878	\$ 260,759	\$ 67,271

**Discretely Presented Component Unit–School Board**

## Balance Sheet

Discretely Presented Component Unit - School Board

At June 30, 2009

					Component Unit
	School Operating Fund	School Cafeteria Fund	School Textbook Fund	School Construction Fund	School Board
<b>ASSETS</b>					
Cash and cash equivalents	\$ 3,287	\$ 597,221	\$ 900,345	\$ 410,985	\$ 1,911,838
Due from other governmental units	1,178,251	-	-	-	1,178,251
Due from primary government	3,583,976	-	-	-	3,583,976
Total assets	<u>\$ 4,765,514</u>	<u>\$ 597,221</u>	<u>\$ 900,345</u>	<u>\$ 410,985</u>	<u>\$ 6,674,065</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 82,833	\$ -	\$ -	\$ -	\$ 82,833
Accrued payroll	4,682,681	136,530	-	-	4,819,211
Total liabilities	<u>\$ 4,765,514</u>	<u>\$ 136,530</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,902,044</u>
<b>FUND BALANCES</b>					
Unreserved:					
Designated for construction projects	\$ -	\$ -	\$ -	\$ 410,985	\$ 410,985
Designated for subsequent expenditures	-	460,691	900,345	-	1,361,036
Total fund balances	<u>\$ -</u>	<u>\$ 460,691</u>	<u>\$ 900,345</u>	<u>\$ 410,985</u>	<u>\$ 1,772,021</u>

Detailed explanation of adjustments from fund statements to government-wide Statement of Net Assets:

When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the locality as a whole.

19,576,649

Long-term liabilities applicable to the locality's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities--both current and long-term--are reported in the statement of net assets.

(450,626)

Net assets of General Government Activities

\$ 20,898,044

Statement of Revenues, Expenditures and Changes in Fund Balances -  
Discretely Presented Component Unit - School Board  
Year Ended June 30, 2009

	School Operating Fund	School Cafeteria Fund	School Textbook Fund	School Construction Fund	Component Unit School Board
Revenues:					
Revenue from use of money and property	\$ -	\$ 1,727	\$ 5,802	\$ 33,702	\$ 41,231
Charges for services	411,135	1,007,121	273,632	-	1,691,888
Miscellaneous	629,844	-	-	-	629,844
Intergovernmental:					-
County contribution to School Board	10,620,596	-	-	-	10,620,596
Commonwealth	30,773,336	37,698	-	167,153	30,978,187
Federal	3,041,335	1,001,203	-	-	4,042,538
Total revenues	<u>\$ 45,476,246</u>	<u>\$ 2,047,749</u>	<u>\$ 279,434</u>	<u>\$ 200,855</u>	<u>\$ 48,004,284</u>
Expenditures:					
Current:					
Education	\$ 45,476,246	\$ 2,023,521	\$ 21,307	\$ -	\$ 47,521,074
Capital projects	-	-	-	1,702,037	1,702,037
Total expenditures	<u>\$ 45,476,246</u>	<u>\$ 2,023,521</u>	<u>\$ 21,307</u>	<u>\$ 1,702,037</u>	<u>\$ 49,223,111</u>
Net change in fund balances	\$ -	\$ 24,228	\$ 258,127	\$ (1,501,182)	\$ (1,218,827)
Fund balances at beginning of year	-	436,463	642,218	1,912,167	2,990,848
Fund balances at end of year	<u>\$ -</u>	<u>\$ 460,691</u>	<u>\$ 900,345</u>	<u>\$ 410,985</u>	<u>\$ 1,772,021</u>

COUNTY OF AMHERST, VIRGINIA

Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget and Actual -  
 Discretely Presented Component Unit - School Board  
 Year Ended June 30, 2009

	School Operating Fund				School Cafeteria Fund			
	Original Budget	Budget As Amended	Actual	Variance With Amended Budget Positive (Negative)	Original Budget	Budget As Amended	Actual	Variance With Amended Budget Positive (Negative)
Revenues:								
Revenue from use of money and property	\$ 4,000	\$ 4,000	\$ -	\$ (4,000)	\$ -	\$ -	\$ 1,727	\$ 1,727
Charges for services	356,500	425,993	411,135	(14,858)	948,088	948,088	1,007,121	59,033
Miscellaneous	117,927	540,602	629,844	89,242	-	-	-	-
Intergovernmental:								
County contribution to School Board	10,901,772	10,901,772	10,620,596	(281,176)	-	-	-	-
Commonwealth	31,064,823	31,354,297	30,773,336	(580,961)	25,016	25,016	37,698	12,682
Federal	2,652,182	3,266,309	3,041,335	(224,974)	793,203	1,093,203	1,001,203	(92,000)
Total revenues	\$ 45,097,204	\$ 46,492,973	\$ 45,476,246	\$ (1,016,727)	\$ 1,766,307	\$ 2,066,307	\$ 2,047,749	\$ (18,558)
Expenditures:								
Current:								
Education	\$ 45,097,204	\$ 46,492,973	\$ 45,476,246	\$ 1,016,727	\$ 1,766,307	\$ 2,066,307	\$ 2,023,521	\$ 42,786
Capital projects	-	-	-	-	-	-	-	-
Total expenditures	\$ 45,097,204	\$ 46,492,973	\$ 45,476,246	\$ 1,016,727	\$ 1,766,307	\$ 2,066,307	\$ 2,023,521	\$ 42,786
Net change in fund balances	\$ -	-	-	-	\$ -	-	\$ 24,228	\$ 24,228
Fund balances at beginning of year	-	-	-	-	-	-	436,463	436,463
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 460,691	\$ 460,691

School Textbook Fund				School Construction Fund			
Original Budget	Budget As Amended	Actual	Variance With Amended Budget Positive (Negative)	Original Budget	Budget As Amended	Actual	Variance With Amended Budget Positive (Negative)
\$ -	\$ -	\$ 5,802	\$ 5,802	\$ -	\$ -	\$ 33,702	\$ 33,702
-	-	273,632	273,632	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	2,000,000	2,000,000	-	(2,000,000)
-	-	-	-	-	-	167,153	167,153
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ 279,434	\$ 279,434	\$ 2,000,000	\$ 2,000,000	\$ 200,855	\$ (1,799,145)
\$ -	\$ -	\$ 21,307	\$ (21,307)	\$ -	\$ -	\$ -	\$ -
-	-	-	-	2,000,000	2,000,000	1,702,037	297,963
\$ -	\$ -	\$ 21,307	\$ (21,307)	\$ 2,000,000	\$ 2,000,000	\$ 1,702,037	\$ 297,963
\$ -	\$ -	\$ 258,127	\$ 258,127	\$ -	\$ -	\$ (1,501,182)	\$ (1,501,182)
-	-	642,218	642,218	-	-	1,912,167	1,912,167
\$ -	\$ -	\$ 900,345	\$ 900,345	\$ -	\$ -	\$ 410,985	\$ 410,985

Reconciliation of Statement of Revenues,  
Expenditures, and Changes in Fund Balances  
To the Statement of Activities -  
Discretely Presented Component Unit - School Board  
For the Year Ended June 30, 2009

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**Component  
Unit  
School  
Board**

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

Net change in fund balances - total governmental funds \$ (1,218,827)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period. A summary of items supporting this adjustment are as follows:

Capital outlay	\$ 152,637	
Depreciation expense	<u>(1,476,906)</u>	(1,324,269)

Transfer of joint tenancy assets from primary government 1,287,385

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

72,331

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.

Details supporting these changes are as follows:

Decrease in accrued leave		<u>1,829</u>
---------------------------	--	--------------

Change in net assets of governmental activities \$ (1,181,551)

## **Supporting Schedules**



Governmental Funds and Discretely Presented Component Unit  
 Schedule of Revenues -- Budget and Actual  
 Year Ended June 30, 2009

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government:				
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 11,796,052	\$ 11,796,052	\$ 11,786,066	\$ (9,986)
Real and personal public service corporation property taxes	333,025	333,025	520,275	187,250
Personal property taxes	3,824,363	3,824,363	4,367,545	543,182
Mobile home taxes	80,395	80,395	73,506	(6,889)
Machinery and tools taxes	1,603,219	1,603,219	1,651,318	48,099
Merchant's capital	310,679	310,679	300,469	(10,210)
Penalties	200,000	200,000	177,136	(22,864)
Interest	75,000	75,000	97,897	22,897
Total general property taxes	\$ 18,222,733	\$ 18,222,733	\$ 18,974,212	\$ 751,479
Other local taxes:				
Local sales and use taxes	\$ 2,525,230	\$ 2,525,230	\$ 2,703,027	\$ 177,797
Consumers' utility taxes	832,627	832,627	832,844	217
Business license taxes	398,650	398,650	394,169	(4,481)
Motor vehicle licenses	735,000	735,000	690,471	(44,529)
Bank stock taxes	75,000	75,000	57,546	(17,454)
Taxes on recordation and wills	243,300	243,300	210,277	(33,023)
Lodging taxes	55,000	55,000	64,890	9,890
Meals tax	850,050	850,050	849,401	(649)
Communication taxes	1,517,373	1,517,373	1,349,194	(168,179)
Total other local taxes	\$ 7,232,230	\$ 7,232,230	\$ 7,151,819	\$ (80,411)
Permits, privilege fees and regulatory licenses:				
Animal licenses	\$ 13,400	\$ 13,400	\$ 21,306	\$ 7,906
Building and related permits	182,648	182,648	123,255	(59,393)
Permits and other licenses	30,400	30,400	56,274	25,874
Total permits, privilege fees and regulatory licenses	\$ 226,448	\$ 226,448	\$ 200,835	\$ (25,613)
Fines and Forfeitures:				
Court fines and forfeitures	\$ 32,378	\$ 197,875	\$ 274,117	\$ 76,242
Total fines and forfeitures	\$ 32,378	\$ 197,875	\$ 274,117	\$ 76,242
Revenue from use of money and property:				
Revenue from use of money	\$ 480,000	\$ 480,000	\$ 292,555	\$ (187,445)
Revenue from use of property	232,735	245,678	469,523	223,845
Total revenue from use of money and property	\$ 712,735	\$ 725,678	\$ 762,078	\$ 36,400

Governmental Funds and Discretely Presented Component Unit  
Schedule of Revenues -- Budget and Actual  
Year Ended June 30, 2009 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government: (Continued)				
General Fund: (Continued)				
Revenue from local sources: (Continued)				
Charges for services:				
Sheriff's fees	\$ 2,199	\$ 2,199	\$ 2,199	\$ -
Commonwealth attorney fees	1,000	1,000	1,168	168
Courthouse security fees	40,000	40,000	86,020	46,020
Work release	9,000	9,000	4,445	(4,555)
Charges for parks and recreation	33,000	33,000	101,674	68,674
Library	20,000	20,000	25,037	5,037
Landfill operations	229,550	229,550	293,608	64,058
Emergency medical service fees	887,540	902,540	745,949	(156,591)
Warehouse Charges	225,000	225,000	251,393	26,393
Other charges for services	6,000	6,000	6,307	307
Total charges for services	\$ 1,453,289	\$ 1,468,289	\$ 1,517,800	\$ 49,511
Miscellaneous revenue:				
Miscellaneous	\$ 61,650	\$ 410,728	\$ 244,733	\$ (165,995)
Insurance reimbursements	-	42,740	68,977	26,237
Total miscellaneous revenue	\$ 61,650	\$ 453,468	\$ 313,710	\$ (139,758)
Recovered costs:				
Share of judge's expenses	\$ 18,000	\$ 18,000	\$ 18,940	\$ 940
Social services	-	-	2,275	2,275
CSA recoveries	-	-	71,685	71,685
Salary reimbursement - School Board	122,200	122,200	137,500	15,300
Sheriff department	-	23,123	19,985	(3,138)
Miscellaneous recoveries	2,500	3,719	7,522	3,803
Total recovered costs	\$ 142,700	\$ 167,042	\$ 257,907	\$ 90,865
Total revenue from local sources	\$ 28,084,163	\$ 28,693,763	\$ 29,452,478	\$ 758,715
Revenue from the Commonwealth:				
Noncategorical aid:				
ABC profits	\$ 17,378	\$ 17,378	\$ -	\$ (17,378)
Wine taxes	18,215	18,215	-	(18,215)
Motor vehicles carriers' tax	60,000	60,000	69,091	9,091
Mobile home titling taxes	45,000	45,000	53,794	8,794
Auto rental tax	26,500	26,500	31,192	4,692
PPTRA	2,199,018	2,199,018	2,199,018	-
Recordation tax	52,900	52,900	71,163	18,263
Total noncategorical aid	\$ 2,419,011	\$ 2,419,011	\$ 2,424,258	\$ 5,247

Governmental Funds and Discretely Presented Component Unit  
 Schedule of Revenues -- Budget and Actual  
 Year Ended June 30, 2009 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government: (Continued)				
General Fund: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 438,061	\$ 438,061	\$ 377,326	\$ (60,735)
Sheriff	2,349,131	2,349,131	1,569,990	(779,141)
Commissioner of the Revenue	127,191	127,191	126,057	(1,134)
Treasurer	134,038	134,038	132,347	(1,691)
Medical examiner	500	500	-	(500)
Registrar/electoral board	38,600	38,600	42,841	4,241
Clerk of the Circuit Court	252,354	252,354	288,225	35,871
Total shared expenses	\$ 3,339,875	\$ 3,339,875	\$ 2,536,786	\$ (803,089)
Other categorical aid:				
Public assistance and welfare administration	\$ 2,313,051	\$ 2,117,255	\$ 915,866	\$ (1,201,389)
Health department	-	-	34,564	34,564
Library grant	169,958	185,180	177,714	(7,466)
Fire program	78,000	80,526	80,668	142
EMS - 2 for life	27,500	27,500	31,623	4,123
Juvenile justice - crime control	49,151	49,151	48,340	(811)
Victim witness	-	-	42,908	42,908
Jail	240,000	240,000	257,001	17,001
Juror reimbursement	-	-	17,166	17,166
Department of motor vehicles	-	20,776	4,110	(16,666)
Litter control	7,000	7,000	10,946	3,946
Comprehensive services	-	-	994,286	994,286
E-911 wireless grant	-	-	57,461	57,461
Miscellaneous	9,455	182,202	164,811	(17,391)
Total other categorical aid	\$ 2,894,115	\$ 2,909,590	\$ 2,837,464	\$ (72,126)
Total categorical aid	\$ 6,233,990	\$ 6,249,465	\$ 5,374,250	\$ (875,215)
Total revenue from the Commonwealth	\$ 8,653,001	\$ 8,668,476	\$ 7,798,508	\$ (869,968)
Revenue from the Federal Government:				
Non-categorical aid:				
Payment in lieu of taxes	\$ 47,645	\$ 76,436	\$ 105,753	\$ 29,317

Governmental Funds and Discretely Presented Component Unit  
 Schedule of Revenues -- Budget and Actual  
 Year Ended June 30, 2009 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government: (Continued)				
General Fund: (Continued)				
Revenue from the Federal Government: (Continued)				
Categorical aid:				
Public assistance and welfare	\$ -	\$ -	\$ 1,458,558	\$ 1,458,558
Emergency management	-	-	14,911	14,911
Criminal justice grants	-	-	5,000	5,000
Indoor Plumbing	-	-	188,957	188,957
AMH greenway reimbursement	-	-	21,524	21,524
DMV block grant	-	228	-	(228)
Coastal wetlands planning protection and relocation	-	-	24,000	24,000
AARP funding	-	-	715,698	715,698
Miscellaneous public safety grants	-	52,578	182,997	130,419
Total categorical aid	\$ -	\$ 52,806	\$ 2,611,645	\$ 2,558,839
Total revenue from the Federal Government	\$ 47,645	\$ 129,242	\$ 2,717,398	\$ 2,588,156
Total General Fund	\$ 36,784,809	\$ 37,491,481	\$ 39,968,384	\$ 2,476,903
Grand Total Revenues -- Primary Government	\$ 36,784,809	\$ 37,491,481	\$ 39,968,384	\$ 2,476,903
Component Unit -- School Board:				
Special Revenue Funds:				
School Operating Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of property	\$ 4,000	\$ 4,000	\$ -	\$ (4,000)
Revenue from local sources: (Continued)				
Charges for services:				
Tuition	\$ 356,500	\$ 425,993	\$ 411,135	\$ (14,858)
Miscellaneous revenue:				
Miscellaneous	\$ 117,927	\$ 540,602	\$ 629,844	\$ 89,242
Total revenue from local sources	\$ 478,427	\$ 970,595	\$ 1,040,979	\$ 70,384
Intergovernmental revenue:				
County contribution to School Board	\$ 10,901,772	\$ 10,901,772	\$ 10,620,596	\$ (281,176)

Governmental Funds and Discretely Presented Component Units  
 Schedule of Revenues -- Budget and Actual  
 Year Ended June 30, 2009 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Component Unit -- School Board: (Continued)				
Special Revenue Funds: (Continued)				
School Operating Fund: (Continued)				
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 4,220,000	\$ 4,220,000	\$ 4,156,136	\$ (63,864)
Basic school aid	17,965,060	17,965,060	17,819,162	(145,898)
Special ed SOQ	1,965,334	1,965,334	1,930,119	(35,215)
Remedial education	386,290	386,290	379,368	(6,922)
Technology	310,000	376,326	66,326	(310,000)
Lottery	807,345	807,345	660,999	(146,346)
Primary class size	473,055	473,055	453,347	(19,708)
Fringe benefits	2,060,212	2,060,212	2,023,297	(36,915)
Textbooks	401,606	401,606	394,410	(7,196)
Construction	169,889	169,889	169,536	(353)
Preschool	198,666	338,666	397,332	58,666
Gifted and talented	152,483	152,483	149,751	(2,732)
At-risk	343,848	343,848	337,672	(6,176)
Regional program	570,903	570,903	542,244	(28,659)
Voc ed SOQ	362,570	362,570	275,338	(87,232)
Other state funds	677,562	760,710	1,018,299	257,589
Total categorical aid	\$ 31,064,823	\$ 31,354,297	\$ 30,773,336	\$ (580,961)
Total revenue from the Commonwealth	\$ 31,064,823	\$ 31,354,297	\$ 30,773,336	\$ (580,961)
Revenue from the federal government:				
Categorical aid:				
Preschool handicap	\$ -	\$ -	\$ 18,219	\$ 18,219
Adult basic aid	361,750	369,250	317,226	(52,024)
Title I	906,359	906,359	909,354	2,995
Title II	221,113	221,113	197,650	(23,463)
Federal land use	30,000	30,000	93,274	63,274
Title VI-B special education	1,104,932	1,104,932	908,076	(196,856)
Fast grant	-	190,000	213,489	23,489
Drug free schools	28,028	28,028	17,330	(10,698)
Vocational education	-	-	85,546	85,546
Reading first	-	305,288	273,677	(31,611)
Other education	-	111,339	7,494	(103,845)
Total categorical aid	\$ 2,652,182	\$ 3,266,309	\$ 3,041,335	\$ (224,974)
Total revenue from the federal government	\$ 2,652,182	\$ 3,266,309	\$ 3,041,335	\$ (224,974)
Total School Operating Fund	\$ 45,097,204	\$ 46,492,973	\$ 45,476,246	\$ (1,016,727)

## COUNTY OF AMHERST, VIRGINIA

Schedule 1  
Page 6 of 6Governmental Funds and Discretely Presented Component Units  
Schedule of Revenues -- Budget and Actual  
Year Ended June 30, 2009 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Component Unit -- School Board: (Continued)				
Special Revenue Funds: (Continued)				
School Cafeteria Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of money	\$ -	\$ -	\$ 1,727	\$ 1,727
Charges for services:				
Cafeteria sales	\$ 948,088	\$ 948,088	\$ 1,007,121	\$ 59,033
Revenue from the Commonwealth:				
Categorical aid:				
School food	\$ 25,016	\$ 25,016	\$ 37,698	\$ 12,682
Revenue from the federal government:				
Categorical aid:				
School food	\$ 793,203	\$ 1,093,203	\$ 1,001,203	\$ (92,000)
Total School Cafeteria Fund	\$ 1,766,307	\$ 2,066,307	\$ 2,047,749	\$ (18,558)
School Textbook Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of money	\$ -	\$ -	\$ 5,802	\$ 5,802
Charges for services:				
Textbooks	-	-	273,632	273,632
Total School Textbook Fund	\$ -	\$ -	\$ 279,434	\$ 279,434
School Construction Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of money	\$ -	\$ -	\$ 14,761	\$ 14,761
Revenue from use of property	-	-	18,941	18,941
Total revenue from use of money and property	\$ -	\$ -	\$ 33,702	\$ 33,702
Intergovernmental revenue:				
County contribution to School Board	\$ 2,000,000	\$ 2,000,000	\$ -	\$ (2,000,000)
Revenue from the Commonwealth:				
Categorical aid:				
VPSA subsidy	\$ -	\$ -	\$ 167,153	\$ 167,153
Total School Construction Fund	\$ 2,000,000	\$ 2,000,000	\$ 200,855	\$ (1,799,145)
Grand Total Revenues -- Component Unit -- School Board	\$ 48,863,511	\$ 50,559,280	\$ 48,004,284	\$ (2,554,996)
Grand Total Revenues -- Reporting Entity	\$ 85,648,320	\$ 88,050,761	\$ 87,972,668	\$ (78,093)

Governmental Funds and Discretely Presented Component Unit  
 Schedule of Expenditures - Budget and Actual  
 Year Ended June 30, 2009

Fund, Function, Activities and Elements	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government:				
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 196,570	\$ 202,282	\$ 179,326	\$ 22,956
General and financial administration:				
County administrator	\$ 228,150	\$ 245,173	\$ 237,286	\$ 7,887
Commissioner of the revenue	350,609	355,059	337,179	17,880
Board of Equalization	7,500	11,710	13,449	(1,739)
Treasurer	322,897	326,071	333,834	(7,763)
Central accounting	200,512	198,922	195,803	3,119
Purchasing	194,635	161,381	160,052	1,329
Information technology	327,077	338,571	280,894	57,677
Total general and financial administration	\$ 1,631,380	\$ 1,636,887	\$ 1,558,497	\$ 78,390
Board of Elections/Registrar:				
Electoral board and officials and registrar	\$ 158,612	\$ 179,544	\$ 173,892	\$ 5,652
Total general government administration	\$ 1,986,562	\$ 2,018,713	\$ 1,911,715	\$ 106,998
Judicial administration:				
Courts:				
Circuit court	\$ 71,098	\$ 74,217	\$ 72,740	\$ 1,477
General district court	4,652	4,652	4,277	375
Magistrate	1,467	1,467	817	650
Juvenile and domestic relations court	15,304	15,304	11,468	3,836
Clerk of the circuit court	389,223	398,174	389,521	8,653
VJCCCA	78,678	78,678	115,133	(36,455)
Total courts	\$ 560,422	\$ 572,492	\$ 593,956	\$ (21,464)
Commonwealth's attorney:				
Commonwealth's attorney	\$ 521,253	\$ 521,205	\$ 531,507	\$ (10,302)
County attorney	114,505	100,079	106,924	(6,845)
Victim advocate grant	53,643	57,180	54,975	2,205
Total commonwealth's attorney	\$ 689,401	\$ 678,464	\$ 693,406	\$ (14,942)
Total judicial administration	\$ 1,249,823	\$ 1,250,956	\$ 1,287,362	\$ (36,406)
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 2,944,545	\$ 3,456,454	\$ 3,438,271	\$ 18,183
Total law enforcement and traffic control	\$ 2,944,545	\$ 3,456,454	\$ 3,438,271	\$ 18,183

Governmental Funds and Discretely Presented Component Unit  
 Schedule of Expenditures - Budget and Actual  
 Year Ended June 30, 2009 (Continued)

Fund, Function, Activities and Elements	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government: (Continued)				
General Fund: (Continued)				
Public safety: (Continued)				
Fire and rescue services:				
Volunteer emergency services	\$ 265,600	\$ 277,342	\$ 261,612	\$ 15,730
Volunteer rescue services	181,546	175,729	141,036	34,693
Emergency medical services	817,540	891,567	900,641	(9,074)
Emergency service council	348,110	347,550	346,451	1,099
Total fire and rescue services	\$ 1,612,796	\$ 1,692,188	\$ 1,649,740	\$ 42,448
Correction and detention:				
Sheriff - jail	\$ 1,867,162	\$ 2,027,131	\$ 2,127,292	\$ (100,161)
Inspections:				
Building	\$ 174,336	\$ 216,543	\$ 238,064	\$ (21,521)
Other protection:				
Animal control	\$ 113,946	\$ 146,751	\$ 135,816	\$ 10,935
Animal Shelter	133,960	116,134	107,445	8,689
Emergency services	548,646	567,333	472,181	95,152
Communications dispatch	653,234	641,243	613,495	27,748
Other public safety	234,142	237,599	241,250	(3,651)
Miscellaneous public safety grants	-	257,003	464,068	(207,065)
DARE program	-	24,268	25,281	(1,013)
E-911 expenditures	-	-	5,346	(5,346)
Total other protection	\$ 1,683,928	\$ 1,990,331	\$ 2,064,882	\$ (74,551)
Total public safety	\$ 8,282,767	\$ 9,382,647	\$ 9,518,249	\$ (135,602)
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Street lights	\$ 28,000	\$ 32,241	\$ 34,224	\$ (1,983)
Sanitation and waste removal:				
Solid waste	1,898,259	2,023,800	1,470,784	553,016
Maintenance of general buildings and grounds:				
General properties	712,512	810,394	748,740	61,654
Total public works	\$ 2,638,771	\$ 2,866,435	\$ 2,253,748	\$ 612,687
Health and welfare:				
Health:				
Supplement of local health department	\$ 306,283	\$ 306,283	\$ 259,377	\$ 46,906
Mental health and mental retardation:				
Chapter X board	\$ 102,483	\$ 102,483	\$ 102,483	\$ -



Governmental Funds and Discretely Presented Component Unit  
 Schedule of Expenditures - Budget and Actual  
 Year Ended June 30, 2009 (Continued)

Fund, Function, Activities and Elements	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government: (Continued)				
General Fund: (Continued)				
Health and welfare: (Continued)				
Welfare:				
Welfare administration	\$ 1,709,980	\$ 1,701,775	\$ 1,720,075	\$ (18,300)
Public assistance	1,150,869	970,052	1,105,093	(135,041)
State and local hospitalization	8,675	8,672	7,599	1,073
County contributions	57,090	106,521	103,111	3,410
Comprehensive services	296,000	61,613	1,778,645	(1,717,032)
Total welfare	\$ 3,222,614	\$ 2,848,633	\$ 4,714,523	\$ (1,865,890)
Total health and welfare	\$ 3,631,380	\$ 3,257,399	\$ 5,076,383	\$ (1,818,984)
Education:				
Contributions to community colleges	\$ 854	\$ 854	\$ 854	\$ -
Contributions to school board operating	10,901,772	10,901,772	10,620,596	281,176
Contributions to school board capital	2,000,000	2,000,000	-	2,000,000
Total education	\$ 12,902,626	\$ 12,902,626	\$ 10,621,450	\$ 2,281,176
Parks, recreation and cultural:				
Parks and recreation				
Parks and recreation	\$ 383,195	\$ 382,849	\$ 431,976	\$ (49,127)
Library:				
Library	\$ 799,419	\$ 818,923	\$ 818,859	\$ 64
Museum	49,245	50,202	50,059	143
Total library	\$ 848,664	\$ 869,125	\$ 868,918	\$ 207
Total parks, recreation and cultural	\$ 1,231,859	\$ 1,251,974	\$ 1,300,894	\$ (48,920)
Community development:				
Planning and community development:				
Planning	\$ 291,756	\$ 299,581	\$ 292,589	\$ 6,992
Planning commission	24,939	24,149	23,422	727
Zoning board	3,940	1,710	1,130	580
Central virginia planning	20,735	20,735	20,735	-
EDA	17,112	12,322	5,429	6,893
Economic development	91,057	74,678	72,342	2,336
Tourism	84,200	87,205	81,428	5,777
Depot relocation / enhancement	-	-	962,653	(962,653)
Community development block grant	70,000	200,964	401,757	(200,793)
Total planning and community development	\$ 603,739	\$ 721,344	\$ 1,861,485	\$ (1,140,141)

Governmental Funds and Discretely Presented Component Unit  
 Schedule of Expenditures - Budget and Actual  
 Year Ended June 30, 2009 (Continued)

Fund, Function, Activities and Elements	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government: (Continued)				
General Fund: (Continued)				
Community Development: (Continued)				
Environmental management:				
Soil and water conservation district	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
Cooperative extension program:				
VPI extension	\$ 86,138	\$ 80,743	\$ 80,640	\$ 103
Total community development	\$ 699,877	\$ 812,087	\$ 1,952,125	\$ (1,140,038)
Nondepartmental:				
Miscellaneous	\$ 475,224	\$ 300,121	\$ 471,736	\$ (171,615)
Total nondepartmental	\$ 475,224	\$ 300,121	\$ 471,736	\$ (171,615)
Capital Projects:				
Public works:				
General construction projects	\$ 523,798	\$ 1,344,272	\$ 1,512,237	\$ (167,965)
Total capital projects	\$ 523,798	\$ 1,344,272	\$ 1,512,237	\$ (167,965)
Debt service:				
Principal retirement	\$ 3,598,110	\$ 3,598,110	\$ 3,256,399	\$ 341,711
Interest and fiscal charges	1,564,012	1,564,012	1,793,804	(229,792)
Total debt service	\$ 5,162,122	\$ 5,162,122	\$ 5,050,203	\$ 111,919
Total General Fund	\$ 38,784,809	\$ 40,549,352	\$ 40,956,102	\$ (406,750)
Grand Total Expenditures -- Primary Government	\$ 38,784,809	\$ 40,549,352	\$ 40,956,102	\$ (406,750)

Governmental Funds and Discretely Presented Component Unit  
 Schedule of Expenditures - Budget and Actual  
 Year Ended June 30, 2009 (Continued)

Fund, Function, Activities and Elements	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Component Unit -- School Board:				
Special Revenue Funds:				
School Operating Fund:				
Education:				
Instruction	\$ 35,394,642	\$ 36,127,473	35,153,971	\$ 973,502
Administration, attendance and health	2,245,007	2,424,315	2,036,550	387,765
Pupil transportation services	2,717,550	2,891,141	2,706,657	184,484
Operation and maintenance services	3,661,792	3,905,505	4,312,531	(407,026)
Technology	1,078,213	1,144,539	1,266,537	(121,998)
Total School Operating Fund	<u>\$ 45,097,204</u>	<u>\$ 46,492,973</u>	<u>\$ 45,476,246</u>	<u>\$ 1,016,727</u>
School Cafeteria Fund:				
Education:				
School food services	<u>\$ 1,766,307</u>	<u>\$ 2,066,307</u>	<u>\$ 2,023,521</u>	<u>\$ 42,786</u>
School Textbook Fund:				
Education:				
Instruction	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,307</u>	<u>\$ (21,307)</u>
School Construction Fund:				
Capital Projects:				
School construction	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 1,702,037</u>	<u>\$ 297,963</u>
Grand Total Expenditures--Component Unit--School Board	<u>\$ 47,097,204</u>	<u>\$ 48,492,973</u>	<u>\$ 47,178,283</u>	<u>\$ 1,314,690</u>
Grand Total Expenditures -- Reporting Entity	<u>\$ 85,882,013</u>	<u>\$ 89,042,325</u>	<u>\$ 88,134,385</u>	<u>\$ 907,940</u>

## **Other Statistical Information**

COUNTY OF AMHERST, VIRGINIA

Government-Wide Expenses by Function  
Last Six Fiscal Years

<b>Fiscal Year</b>		<b>General Government Admini- stration</b>		<b>Judicial Admini- stration</b>		<b>Public Safety</b>		<b>Public Works</b>		<b>Health and Welfare</b>
2003-04	\$	1,914,135	\$	1,135,335	\$	6,524,299	\$	1,753,977	\$	3,183,397
2004-05		1,759,482		1,188,600		6,814,096		2,015,019		3,485,737
2005-06		1,520,658		1,386,110		7,468,300		2,112,458		4,001,238
2006-07		1,753,718		1,444,904		8,081,177		2,145,719		4,191,694
2007-08		1,926,555		1,320,578		8,858,705		2,620,346		4,194,455
2008-09		1,845,246		1,382,588		9,754,820		1,992,168		5,107,006

Table 1

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Education		Recreation and Cultural		Community Develop- ment		Interest on Debt		Water Sewer		Total
\$	10,619,785	\$	1,015,333	\$	1,042,401	\$	1,039,583	\$	2,944,126	\$ 31,172,371
	11,816,875		1,059,533		1,744,841		866,678		2,662,155	33,413,016
	11,944,336		1,128,402		716,058		1,236,881		2,795,463	34,309,904
	11,591,180		1,206,591		1,683,352		1,348,301		2,874,288	36,320,924
	13,869,415		1,236,661		1,482,031		1,657,450		2,944,126	40,110,322
	10,643,924		1,273,589		1,957,203		1,677,976		3,189,616	38,824,136

COUNTY OF AMHERST, VIRGINIA

Government-Wide Revenues

Last Six Fiscal Years

Fiscal Year	Program Revenues		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
2003-04	\$ 3,772,018	\$ 5,711,180	\$ 353,125
2004-05	4,282,065	5,957,527	80,561
2005-06	4,024,517	6,450,831	599,042
2006-07	4,379,534	7,412,723	1,313,474
2007-08	4,627,769	7,117,806	2,416,352
2008-09	4,869,759	7,857,167	1,111,255

Table 2

General Revenues						
General Property Taxes	Other Local Taxes	Grants and Contributions Not Restricted to Specific Programs	Revenues from the Use of Money & Property	Miscellaneous	Total	
\$ 14,645,233	\$ 6,112,809	\$ 2,379,828	\$ 430,106	\$ 432,591	\$ 33,836,890	
14,776,240	6,542,619	2,261,781	631,728	472,449	35,004,970	
15,299,134	6,553,224	2,462,135	990,883	553,708	36,933,474	
15,763,407	6,777,047	2,454,744	1,324,987	281,114	39,707,030	
16,564,067	7,159,264	2,435,830	1,176,998	355,710	41,853,796	
19,187,260	7,151,819	2,424,258	899,854	352,807	43,854,179	



COUNTY OF AMHERST, VIRGINIA

General Government Revenues by Source (1)  
Last Ten Fiscal Years

Fiscal Year		General Property Taxes		Other Local Taxes		Permit Privilege Fees & Regulatory Licenses		Fines & Forfeitures		Revenues from the Use of Money & Property
1999-00	\$	10,399,024	\$	4,921,548	\$	189,324	\$	9,094	\$	1,185,025
2000-01		12,065,459		5,653,023		195,880		18,515		1,336,073
2001-02		11,806,660		5,581,177		181,100		84,421		877,554
2002-03		12,362,827		5,950,602		151,241		87,781		711,792
2003-04		14,299,617		6,112,809		195,222		172,057		509,526
2004-05		14,807,688		6,542,619		189,507		212,432		716,498
2005-06		15,268,278		6,837,977		209,145		211,112		1,009,035
2006-07		15,727,042		6,777,047		225,398		199,559		1,295,742
2007-08		16,521,907		7,159,264		256,913		167,703		1,138,403
2008-09		18,974,212		7,151,819		200,835		274,117		803,309

(1) Includes General, Special Revenue Funds and Capital Project Funds of the Primary Government and its discretely presented component unit.

Table 3

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Charges for Services		Miscellaneous	Recovered Costs	Inter- govern- mental	Total
\$	1,536,243	\$ 318,707	\$ 139,316	\$ 26,235,096	\$ 44,933,377
	1,615,437	1,379,413	137,408	27,354,296	49,755,504
	1,729,692	433,213	166,465	29,993,645	50,853,927
	1,640,765	365,113	106,643	30,359,405	51,736,169
	2,186,742	692,647	81,487	31,598,560	55,848,667
	2,213,505	812,329	155,483	34,512,034	60,162,095
	2,307,544	814,690	170,777	36,399,431	63,227,989
	2,634,567	832,479	235,057	41,730,769	69,657,660
	3,055,314	787,039	249,789	42,140,542	71,476,874
	3,209,688	943,554	257,907	45,536,631	77,352,072

COUNTY OF AMHERST, VIRGINIA

General Government Expenditures by Function (1)  
Last Ten Fiscal Years

Fiscal Year	General Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education
1999-00	\$ 1,699,816	\$ 805,808	\$ 4,975,340	\$ 1,792,841	\$ 2,792,787	\$ 27,900,731
2000-01	2,588,682	828,973	5,650,488	2,065,223	3,249,820	29,422,198
2001-02	1,788,967	863,627	5,387,231	1,849,389	3,152,823	30,709,849
2002-03	1,407,015	894,141	5,890,626	1,897,835	2,916,544	31,883,674
2003-04	1,584,752	1,043,146	6,644,597	1,656,032	3,091,062	34,014,792
2004-05	1,453,612	1,116,229	6,777,563	1,714,980	3,356,906	37,406,549
2005-06	1,462,240	1,298,435	7,548,775	2,081,886	3,925,798	38,835,717
2006-07	1,923,699	1,366,085	8,082,003	2,162,008	4,274,917	43,185,401
2007-08	2,004,482	1,231,603	9,411,657	4,957,059	4,205,499	55,720,686
2008-09	1,911,715	1,287,362	9,518,249	4,237,721	5,076,383	58,142,524

(1) Includes General, Special Revenue, and Capital Project funds of the Primary Government and its discretely presented component units.

Table 4

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<u>Parks Recreation &amp; Cultural</u>	<u>Community Develop- ment</u>	<u>Non- Departmental</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
\$ 773,575	\$ 358,412	\$ -	\$ 1,855,114	\$ 3,690,121	\$ 46,644,545
981,460	397,806	27,764	3,917,449	3,363,805	52,493,668
1,006,229	527,610	36,793	2,030,856	3,743,200	51,096,574
919,618	1,254,698	46,655	2,611,435	3,826,327	53,548,568
1,008,157	1,041,033	286,544	4,033,744	3,256,399	57,660,258
1,058,658	734,565	421,510	2,151,390	3,998,767	60,190,729
1,085,477	716,058	-	1,795,875	4,594,995	63,345,256
1,197,634	2,277,781	80,688	1,242,417	4,422,481	70,215,114
1,202,770	919,370	-	2,554,468	4,624,010	86,831,604
1,300,894	1,952,125	-	1,702,037	5,050,203	90,179,213

Assessed Value of Taxable Property  
Last Ten Fiscal Years

Fiscal Year	Real Estate	Personal Property	Mobile Homes	Machinery & Tools	Merchants' Capital	Public Service	Total
1999-00	\$ 1,007,516,600	\$ 148,246,580	\$ 16,648,047	\$ 65,551,783	\$ 6,638,779	\$ 73,401,547	\$ 1,318,003,336
2000-01	1,034,455,900	161,567,812	17,650,105	65,262,162	7,084,293	66,051,396	1,352,071,668
2001-02	1,052,344,600	165,980,276	18,936,370	73,439,302	7,027,898	73,188,303	1,390,916,749
2002-03	1,404,647,092	163,211,121	17,495,500	72,902,036	7,112,192	90,086,929	1,755,454,870
2003-04	1,424,616,200	166,244,174	16,893,180	77,148,356	7,203,643	89,109,940	1,781,215,493
2004-05	1,442,657,700	172,176,094	16,656,870	75,291,845	6,416,549	85,213,679	1,798,412,737
2005-06	1,470,914,700	189,511,733	16,285,360	77,511,019	6,859,554	77,632,298	1,838,714,664
2006-07	1,495,139,400	194,356,760	16,177,490	78,979,755	7,131,623	73,348,270	1,865,133,298
2007-08	1,531,146,400	195,089,255	15,776,190	81,796,911	8,025,820	65,492,935	1,897,327,511
2008-09	2,324,219,300	206,267,750	12,346,600	82,343,504	7,598,061	95,323,143	2,728,098,358

Property Tax Rates  
Last Ten Fiscal Years

Fiscal Year	Real Estate	Personal Property	Mobile Homes	Machinery & Tools	Merchants' Capital
1999-00	\$ 0.55	\$ 2.50	\$ 0.55	\$ 2.00	\$ 3.95
2000-01	0.70	2.50	0.70	2.00	3.95
2001-02	0.70	2.50	0.70	2.00	3.95
2002-03	0.56	2.50	0.56	2.00	3.95
2003-04	0.59	3.25	0.59	2.00	3.95
2004-05	0.61	3.25	0.61	2.00	3.95
2005-06	0.61	3.25	0.61	2.00	3.95
2006-07	0.61	3.25	0.61	2.00	3.95
2007-08	0.65	3.25	0.65	2.00	3.95
2008-09	0.52	3.25	0.52	2.00	3.95

Property Tax Levies and Collections  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Total (1) Tax Levy</u>	<u>Current Tax (1) Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Tax Levy</u>	<u>Outstanding (1,2) Delinquent Taxes</u>	<u>Percent of Delinquent Taxes to Tax Levy</u>
1999-00	\$ 11,318,319	\$ 10,884,196	96.16%	\$ 114,080	\$ 10,998,276	97.17%	\$ 353,494	3.12%
2000-01	13,453,346	13,057,119	97.05%	399,667	13,456,786	100.03%	469,671	3.49%
2001-02	13,909,248	13,379,691	96.19%	284,442	13,664,133	98.24%	434,191	3.12%
2002-03	14,289,602	13,859,015	96.99%	308,381	14,167,396	99.14%	452,819	3.17%
2003-04	16,265,554	15,786,115	97.05%	348,488	16,134,603	99.19%	493,572	3.03%
2004-05	16,779,997	16,205,458	96.58%	323,893	16,529,351	98.51%	468,284	2.79%
2005-06	17,528,774	16,929,060	96.58%	308,701	17,237,761	98.34%	462,675	2.64%
2006-07	17,898,255	17,334,380	96.85%	311,403	17,645,783	98.59%	577,542	3.23%
2007-08	18,630,497	18,146,159	97.40%	318,236	18,464,395	99.11%	636,107	3.41%
2008-09	21,130,560	20,430,145	96.69%	388,499	20,818,644	98.52%	829,090	3.92%

(1) Exclusive of penalties and interest.

(2) Includes three years taxes

Ratio of General Net Bonded Debt to Assessed Value and Net General Bonded Debt Per Capita (1,2,3)  
Last Ten Fiscal Years

Fiscal Year	Population (1)	Assessed Value (2)	Gross Bonded Debt (3)	Less: Debt Payable from Enterprise Revenue	Net General Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
1999-00	28,518	\$ 1,318,003,336	\$ 29,335,350	\$ 1,345,000	\$ 27,990,350	2.23%	\$ 981
2000-01	28,518	1,352,071,668	30,751,162	5,405,000	25,346,162	2.27%	889
2001-02	31,894	1,390,916,749	32,726,782	4,895,000	27,831,782	2.35%	873
2002-03	31,894	1,755,454,870	31,537,451	4,815,000	26,722,451	1.80%	838
2003-04	31,894	1,781,215,493	30,429,216	4,470,000	25,959,216	1.71%	814
2004-05	31,894	1,798,412,737	28,581,094	4,100,000	24,481,094	1.59%	768
2005-06	31,894	1,838,714,664	27,463,415	4,025,000	23,438,415	1.49%	735
2006-07	31,894	1,865,133,298	25,974,366	3,950,000	22,024,366	1.39%	691
2007-08	31,894	1,897,327,511	34,384,357	3,870,000	30,514,357	1.81%	957
2008-09	31,894	2,728,098,358	31,407,157	3,785,000	27,622,157	1.15%	866

(1) Bureau of the Census.

(2) From Table 5

(3) Includes all long-term general obligation debt

## **Compliance**



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# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

## **Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

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**To The Honorable Board of Supervisors  
County of Amherst  
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 the County of Amherst, Virginia, as of and for the year ended June 30, 2009, which collectively comprise the County of Amherst, Virginia's basic financial statements and have issued our report thereon dated October 12, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the County of Amherst, Virginia's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Amherst, Virginia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of the County of Amherst, Virginia in a separate letter dated October 12, 2009.

This report is intended solely for the information and use of the Board of Supervisors, management, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Robinson, Farmer, Cox Associates*

Charlottesville, Virginia

October 12, 2009

# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

## Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

To The Honorable Board of Supervisors  
County of Amherst  
Amherst, Virginia

### Compliance

We have audited the compliance of the County of Amherst, Virginia with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The County of Amherst, Virginia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County of Amherst, Virginia's management. Our responsibility is to express an opinion on the County of Amherst, Virginia's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County of Amherst, Virginia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of County of Amherst, Virginia's compliance with those requirements.

In our opinion, the County of Amherst, Virginia complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

### Internal Control Over Compliance

The management of the County of Amherst, Virginia is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County of Amherst, Virginia's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

**Internal Control Over Compliance: (Continued)**

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Supervisors, management, others within the entity and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Robinson, Farmer, Cox Associates*

Charlottesville, Virginia

October 12, 2009

COUNTY OF AMHERST, VIRGINIA

Schedule of Expenditures of Federal Awards - Primary Government and  
Discretely Presented Component Unit  
Year Ended June 30, 2009

Federal Granting Agency / Recipient State Agency/ Grant Program / Grant Number	Federal Catalog Number	Expenditures
<b>Primary Government:</b>		
<u>DEPARTMENT OF INTERIOR:</u>		
<u>Direct payments:</u>		
Bureau of land management - national forest		
Payments in lieu of taxes - public law #97-258 - (National forest acreage in the localities)	15.226	\$ 105,753
Outdoor Recreation Acquisition, Development and Planning	15.916	24,000
Total Department of Interior		\$ 129,753
<u>DEPARTMENT OF AGRICULTURE:</u>		
<u>Pass through payments:</u>		
Department of Social Services:		
State Admin Matching Grants for the Supplemental Nutrition Assistance Program	10.561	\$ 267,955
Total Department of Agriculture		\$ 267,955
<u>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</u>		
<u>Pass through payments:</u>		
Department of Housing and Urban Community Development		
Community DevelopmentBlock Grants/Entitlement Grants	14.228	\$ 188,957
<u>DEPARTMENT OF TRANSPORTATION:</u>		
<u>Pass through payments (Agency):</u>		
<u>Department of Motor Vehicles:</u>		
State and Community Highway Safety	20.600	\$ 16,666
Highway Planning and Construction	20.205	21,524
Total Department of Transportation		\$ 38,190
<u>DEPARTMENT OF HOMELAND SECURITY:</u>		
<u>Pass through payments:</u>		
Department of Emergency Management:		
Emergency Management Performance Grants	97.042	\$ 14,911
Total Department of Homeland Security		\$ 14,911

COUNTY OF AMHERST, VIRGINIA

Schedule of Expenditures of Federal Awards - Primary Government and  
Discretely Presented Component Unit  
Year Ended June 30, 2009 (Continued)

Federal Granting Agency / Recipient State Agency/ Grant Program / Grant Number	Federal Catalog Number	Expenditures
<b>Primary Government: (Continued)</b>		
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u>		
<u>Pass through payments:</u>		
Virginia Department of Social Services:		
Promoting Safe and Stable Families	93.556	\$ 18,777
Temporary Assistance for Needy Families	93.558	221,684
Refugee and Entrant Assistance - State Administered Programs	93.566	451
Low-Income Home Energy Assistance	93.568	9,396
Child Care and Development Block Grant	93.575	166,279
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	103,421
ARRA - Child Care and Development Block Grant	93.713	1,223
Chafee Education and Training Vouchers Program (ETV)	93.599	1,178
Child Welfare Services - State Grants	93.645	1,339
Foster Care - Title IV - E	93.658	274,769
ARRA - Foster Care - Title IV - E	93.658	18,344
Adoption Assistance	93.659	37,008
ARRA - Adoption Assistance	93.659	2,779
Social Services Block Grant	93.667	129,869
Chafee Foster Care Independence Program	93.674	6,515
Children's Health Insurance Program	93.767	19,486
Medical Assistance Program	93.778	178,084
Total Department of Health and Human Services		\$ 1,190,602
<u>DEPARTMENT OF JUSTICE:</u>		
<u>Pass through payments:</u>		
Department of Criminal Justice Services:		
Edward Byrne Memorial Formula Grant Program	16.579	\$ 5,000
Local Law Enforcement Block Grant	16.592	166,332
Total Department of Justice		\$ 171,332
<u>DEPARTMENT OF EDUCATION:</u>		
<u>Pass through payments:</u>		
ARRA - State Fiscal Stabilization Funds - Government Services	84.397	\$ 715,698
Total Department of Education		\$ 715,698
Total Primary Government		\$ 2,717,398
<b>Component Unit - School Board:</b>		
<u>DEPARTMENT OF AGRICULTURE:</u>		
<u>Pass through payments:</u>		
Department of Agriculture and Consumer Services:		
Schools and Roads - Grants to States	10.665	\$ 93,274
Surplus commodities	10.555	116,503
Department of Education:		
School Breakfast Program	10.553	234,306
National School Lunch Program	10.555	743,966
Fresh Fruit and Vegetable Program	10.582	22,931
Total Department of Agriculture		\$ 1,210,980

COUNTY OF AMHERST, VIRGINIA

Schedule of Expenditures of Federal Awards - Primary Government and  
Discretely Presented Component Unit  
Year Ended June 30, 2009 (Continued)

Federal Granting Agency / Recipient State Agency/ Grant Program / Grant Number	Federal Catalog Number	Expenditures
<b>Component Unit - School Board: (Continued)</b>		
<u>DEPARTMENT OF EDUCATION:</u>		
<u>Pass through payments (agency):</u>		
Education Consolidation and Improvement Act of 1981:		
Chapter 1:		
Title I Grants to Local Educational Agencies	84.010	\$ 909,354
Title VI-B:		
Special Education - Grants to States	84.027	908,076
Vocational Education:		
Career and Technical Education - Basic Grants to States	84.048	85,546
Special Projects:		
Safe and Drug-Free Schools and Communities - State Grants	84.186	17,330
Special Education - Preschool Grants	84.173	18,219
Twenty-First Century Community Learning Centers	84.287	213,489
Improving Teacher Quality State Grants	84.367	197,650
Reading First State Grants	84.357	273,677
Education Technology State Grants	84.318	7,494
Adult Education - Basic Brants to States	84.002	317,226
Total Department of Education		\$ 2,948,061
Total Component Unit School Board		\$ 4,159,041
Total Federal Assistance		\$ 6,876,439



## COUNTY OF AMHERST, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2009

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### Note 1 - General

The accompanying schedule of expenditures of federal awards presents the activity of all federally assisted programs of the County of Amherst, Virginia. The County's reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

### Note 2 - Basis of Accounting

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the County's basic financial statements.

### Note 3 - Relationship to Financial Statements

Federal expenditures, revenues and capital contributions are reported in the County's basic financial statements as follows:

Intergovernmental federal revenues per the basic financial statements:

Primary government:

General Fund	\$ 2,717,398
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Total primary government	\$ 2,717,398
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Component Unit Public Schools:

School Operating Fund	\$ 4,042,538
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Total component unit public schools	\$ 4,042,538
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Total federal expenditures per basic financial statements	\$ 6,759,936
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Non-cash expenditures - value of donated commodities	\$ 116,503
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Total federal expenditures per the Schedule of Expenditures of Federal Awards	\$ 6,876,439
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COUNTY OF AMHERST, VIRGINIA

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2009

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**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiencies identified not considered to be material weaknesses? None reported

Noncompliance material to financial statements noted? No

**Federal Awards**

Internal control over major programs:

Material weaknesses identified? No

Significant deficiencies identified not considered to be material weaknesses? None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510 (a)? No

Identification of major programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I Grants to Local Educational Agencies
84.027 / 84.173	Special Education Cluster (IDEA)
84.397	State fiscal stabilization fund
93.658	Foster Care Title IV-E

Dollar threshold used to distinguish between Type A and Type B programs \$300,000

Auditee qualified as low-risk auditee? Yes

**Section II - Financial Statement Findings**

There are no financial statement findings to report.

**Section III - Federal Award Findings and Questioned Costs**

There are no federal award findings and questioned costs to report.

**Section IV - Prior Year Findings and Questioned Costs**

There are no prior year findings and questioned costs to report.

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