

# COUNTY OF BUCKINGHAM, VIRGINIA



FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2013



**County of Buckingham, Virginia**

**Financial Report**

**Year Ended June 30, 2013**

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COUNTY OF BUCKINGHAM, VIRGINIA

Financial Report  
Year Ended June 30, 2013

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**BOARD OF SUPERVISORS**

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Joe N. Chambers, Jr.,	I. Monroe Snoddy, Chairman Danny R. Allen, Vice-Chairman	John N. Staton
E.A. "Bill" Talbert	Cassandra L. Stish	Donald E. Bryan

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**BOARD OF SOCIAL SERVICES**

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Betty Toney, Chairman  
Ophelia Washington  
I. Monroe Snoddy

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**COUNTY SCHOOL BOARD**

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David W. Christian	H. Ed Wise, Jr., Chairman Sherry S. Ragland, Vice-Chairman	Thomas W. Hutcherson, Jr.
Frank M. Knott, Jr.	Theresa D. Bryant	Kathy F. Midkiff

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**OTHER OFFICIALS**

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Presiding Judge of the Circuit Court  
Clerk of the Circuit Court  
Presiding Judge of the General District Court  
Commonwealth's Attorney  
Commissioner of the Revenue  
Treasurer  
Sheriff  
Superintendent of Schools  
Director of Social Services  
County Administrator  
Finance Director

Kimberly S. White  
Malcolm A. Booker, Jr.  
Robert G. Woodson, Jr.  
E.M. Wright, Jr.  
Stephanie L. Allen  
Christy L. Christian  
William G. Kidd, Jr.  
Dr. Cecil C. Snead, II  
Braxton L. Apperson  
Rebecca S. Carter  
Karl Carter



# ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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## Independent Auditors' Report

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To the Honorable Members of  
The Board of Supervisors  
County of Buckingham, Virginia

### Report on the Financial Statements

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 County of Buckingham, Virginia, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise County of Buckingham, Virginia's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

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 standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***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 County of Buckingham, Virginia, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

As described in Note 1 to the financial statements, in 2013, County of Buckingham, Virginia adopted new accounting guidance, GASB Statement Nos. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-9, budgetary comparison information, and schedule of pension funding progress be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise County of Buckingham, Virginia's basic financial statements. The combining and individual fund financial statements and schedules, supporting schedules, and statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by 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. The combining and individual fund financial statements and schedules, supporting schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, supporting schedules, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

*Other Information (Continued)*

The statistical information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2014, on our consideration of County of Buckingham, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Buckingham, Virginia's internal control over financial reporting and compliance.

*Robinson, Turner, Co. Associates*

Charlottesville, Virginia

January 28, 2014

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**COUNTY OF BUCKINGHAM, VIRGINIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**To the Citizens of County of Buckingham, Virginia**

As management of the County of Buckingham, 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, 2013.

**Financial Highlights**

**Government-wide Financial Statements**

- On a government-wide basis for governmental activities, the assets of the County exceeded its liabilities and deferred outflows of resources at the close of the most recent fiscal year by \$13,681,125 (net position). For business-type activities, assets exceeded liabilities by \$15,129,977.

**Fund Financial Statements**

In the Governmental Funds, on a current financial resource basis, expenditures exceeded revenues and other financing sources by \$3,895,124 (Exhibit 5) after making contributions totaling \$5,184,173 to the School Board.

- As of the close of the current fiscal year, the County's governmental funds reported ending fund balances of \$8,949,484, a decrease of \$3,895,124 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,506,623 or 41% of total general fund expenditures.
- Combined long-term obligations for the governmental funds decreased \$1,925,467 during the current fiscal year.

The Proprietary Funds, on an accrual basis, reported revenues and other financing sources in excess of expenses by \$5,503,245.

- As of the close of the current fiscal year, the County's proprietary funds reported ending net position of \$15,129,977, an increase of \$5,503,245.
- Combined long-term obligations in the proprietary funds increased \$618,054 during the current fiscal year.

**Overview of the Financial Statements**

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

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

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

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

**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.

The statement of net position presents information on all of the County's a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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 but 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 administration, courts, police protection, sanitation, social services, education, cultural events, and recreation.

The Government-wide financial statements include not only the County of Buckingham, Virginia itself (known as the primary government), but also a legally separate school district for which the County of Buckingham, Virginia is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

**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 Buckingham, 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, proprietary, 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 following the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The County's major funds are the General Fund, the Virginia Public Assistance Fund, the Debt Service Fund, the County Capital Improvements Fund, and the Debt Financed School Capital Projects Fund.

**Proprietary Funds** - Proprietary Funds account for operations that are financed in a manner similar to private business enterprises. The Proprietary Funds utilize the accrual basis of accounting where the measurement focus is upon determination of net income, financial position, and changes in financial position. Proprietary funds consist of Enterprise Funds.

**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 position. 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 statements and accompanying notes, this report also presents certain required supplementary information for budgetary comparison schedules and the schedule of pension funding progress for the Virginia Retirement System. Other supplementary information presented includes various combining financial statements for the County's non-major funds, budgetary comparison schedules, and the discretely presented component unit - School Board as well as statistical tables. The School Board does not issue separate financial statements.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a County's financial position. In the case of the County's governmental activities, assets exceeded liabilities and deferred inflows of resources by \$13,681,125 at the close of the most recent fiscal year.

#### **Summary Statement of Net Position**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Totals</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>Assets:</b>						
Current and other assets	\$ 15,766,424	\$ 19,953,133	\$ 3,190,013	\$ 4,217,650	\$ 18,956,437	\$ 24,170,783
Capital assets	<u>43,852,103</u>	<u>42,266,438</u>	<u>21,072,037</u>	<u>14,742,302</u>	<u>64,924,140</u>	<u>57,008,740</u>
Total assets	<u>\$ 59,618,527</u>	<u>\$ 62,219,571</u>	<u>\$ 24,262,050</u>	<u>\$ 18,959,952</u>	<u>\$ 83,880,577</u>	<u>\$ 81,179,523</u>
<b>Liabilities:</b>						
Long-term liabilities	\$ 40,518,209	\$ 42,443,676	\$ 8,308,912	\$ 7,690,858	\$ 48,827,121	\$ 50,134,534
Current liabilities	<u>2,187,752</u>	<u>6,169,243</u>	<u>823,161</u>	<u>1,642,362</u>	<u>3,010,913</u>	<u>7,811,605</u>
Total liabilities	<u>\$ 42,705,961</u>	<u>\$ 48,612,919</u>	<u>\$ 9,132,073</u>	<u>\$ 9,333,220</u>	<u>\$ 51,838,034</u>	<u>\$ 57,946,139</u>
<b>Deferred inflows of resources:</b>						
Unavailable revenue	<u>\$ 3,231,441</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,231,441</u>	<u>\$ -</u>
<b>Net position:</b>						
Net investment in capital assets	\$ 5,347,717	\$ 5,379,305	\$ 12,826,350	\$ 7,104,260	\$ 18,174,067	\$ 12,483,565
Restricted	55,471	51,955	1,063,751	1,041,080	1,119,222	1,093,035
Unrestricted	<u>8,277,937</u>	<u>8,175,392</u>	<u>1,239,876</u>	<u>1,481,392</u>	<u>9,517,813</u>	<u>9,656,784</u>
Total net position	<u>\$ 13,681,125</u>	<u>\$ 13,606,652</u>	<u>\$ 15,129,977</u>	<u>\$ 9,626,732</u>	<u>\$ 28,811,102</u>	<u>\$ 23,233,384</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 was \$18,174,067. 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.

The County's net capital assets increased by \$7,915,400 during the current fiscal year, which was somewhat offset by depreciation. The increase is attributable to the new County administration building, renovations to the old County administration building, the school renovation project, which must be reported on the County's books because it is being funded by debt, and water and sewer projects.

## Government-wide Financial Analysis: (Continued)

Governmental Activities - Governmental activities increased the County's net position by \$74,473 during the fiscal year, while business-type activities increased the County's net position by \$5,503,245. This resulted in a total increase of \$5,577,718. Key elements of this increase are as follows:

### Summary Statement of Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 270,133	\$ 192,856	\$ 1,492,843	\$ 1,630,279	\$ 1,762,976	\$ 1,823,135
Operating grants and contributions	3,900,775	3,680,538	-	-	3,900,775	3,680,538
Capital grants and contributions	633,525	416,250	5,277,797	47,423	5,911,322	463,673
General revenues:						
General property taxes	12,678,306	11,745,730	-	-	12,678,306	11,745,730
Other local taxes	1,440,590	1,405,633	-	-	1,440,590	1,405,633
Grants and other contributions not restricted	1,652,039	1,617,869	-	-	1,652,039	1,617,869
Use of money and property	75,460	94,894	106	185	75,566	95,079
Miscellaneous	56,263	56,144	-	-	56,263	56,144
Total revenues	\$ 20,707,091	\$ 19,209,914	\$ 6,770,746	\$ 1,677,887	\$ 27,477,837	\$ 20,887,801
Expenses:						
General government administration	\$ 2,595,482	\$ 1,257,550	-	-	\$ 2,595,482	\$ 1,257,550
Judicial administration	1,035,208	985,318	-	-	1,035,208	985,318
Public safety	3,363,851	2,690,813	-	-	3,363,851	2,690,813
Public works	1,498,252	1,451,262	-	-	1,498,252	1,451,262
Health and welfare	2,239,623	2,939,399	-	-	2,239,623	2,939,399
Education	7,749,790	6,306,702	-	-	7,749,790	6,306,702
Parks, recreation, and cultural	387,451	348,226	-	-	387,451	348,226
Community development	193,740	188,906	-	-	193,740	188,906
Interest on long-term debt	1,569,221	1,569,248	-	-	1,569,221	1,569,248
Water and Sewer	-	-	1,267,501	1,234,746	1,267,501	1,234,746
Total expenses	\$ 20,632,618	\$ 17,737,424	\$ 1,267,501	\$ 1,234,746	\$ 21,900,119	\$ 18,972,170
Increase (decrease) in net position before transfers	\$ 74,473	\$ 1,472,490	\$ 5,503,245	\$ 443,141	\$ 5,577,718	\$ 1,915,631
Transfers	-	250,000	-	(250,000)	-	-
Increase (decrease) in net position	\$ 74,473	\$ 1,722,490	\$ 5,503,245	\$ 193,141	\$ 5,577,718	\$ 1,915,631
Net position, July 1-as restated	13,606,652	11,884,162	9,626,732	9,433,591	23,233,384	21,317,753
Net position, June 30	\$ 13,681,125	\$ 13,606,652	\$ 15,129,977	\$ 9,626,732	\$ 28,811,102	\$ 23,233,384

## **Government-wide Financial Analysis: (Continued)**

Revenues increased by \$6,590,036 in fiscal year 2013 due to two main factors. The increase in property taxes is attributable to increased assessments. Business-type activities showed an increase in capital grants, due to the water project that was funded by a Rural Development grant after loan proceeds were completely drawn. General government administration included increased personnel costs, tax reassessment services, Education expenses increased due to several capital items paid by the County including the purchase of four school buses, project commencement of a school security system, and the school renovation project.

## **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 available resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned 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 \$8,949,484, a decrease of \$3,895,124 in comparison with the prior year. Approximately 62% of this total amount constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is reflected as nonspendable, restricted, or committed as appropriate to indicate that it is not available for new spending.

## **General Fund Budgetary Highlights**

The difference between the original budget and the final amended budget was an increase of \$1,774,433 in expenditures and can be briefly summarized as follows:

- \$160,125 in increases for general government administration
- \$483,081 in increases for public safety
- \$820,158 in increases for education
- \$220,864 in increases for capital projects
- \$90,205 in other net increases

A portion of this increase (\$185,142) was due to a change in anticipated funding from intergovernmental state revenues, but this was offset by a \$207,150 decrease in anticipated federal revenues. The remainder was to be budgeted from available fund balance. During the year, expenditures exceeded budgetary estimates by \$104,281, which led to the use of existing fund balance. In addition, commitments of \$890,322 were unspent resulting in unspent items totaling \$786,041.

## **Capital Asset and Debt Administration**

Capital assets - The County's investment in capital assets for its governmental operations as of June 30, 2013 amounts to \$43,852,103 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, and construction in progress. The County's net capital assets increased by \$1,585,665 during the current fiscal year, which includes an increase of \$1,023,121 in accumulated depreciation. The county government complex (including the new administration building and renovations to the old administration building to house the departments of health and social services), Gene Dixon Park expansion, the Streetscape project, an E911 system upgrade, and school renovation projects are reflected as construction in progress as the projects were not complete at year end.

## **Capital Asset and Debt Administration: (Continued)**

The County's investment in capital assets for its proprietary funds amounts to \$21,072,037 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, water and sewer systems, and machinery and equipment. The proprietary net capital assets increased by \$6,363,942 during the current fiscal year, including an increase of \$312,512 in accumulated depreciation. Additions during fiscal year 2013 were limited to construction in progress, including design costs for the new sewer plant and construction and related costs for the water plant. The design phase of the new sewer plant is still underway at year end.

Additional information on the County's capital assets can be found in note 8 of this report.

Long-term debt - At the end of the current fiscal year, the County had total long-term debt outstanding of \$40,518,209 for its governmental operations. Of this amount \$31,508,360 comprises debt backed by the full faith and credit of the County, including compensated absences of \$716,063. The remainder of the County's debt for governmental operations (\$8,250,000) represents bonds secured solely by specified revenue sources (i.e., lease revenue bonds). Business-type debt of \$8,308,912 is comprised of \$1,397,139 bonds secured solely by water and sewer revenues, loans totaling \$6,848,548 from the Virginia Resources Authority, and compensated absences of \$63,225.

Additional information on the County of Buckingham, Virginia's long-term debt can be found in Note 10 of this report.

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

- The unemployment rate for the County is currently 7.2 percent, which is a slight decrease from a rate of 7.6 percent a year ago. This is higher than the state's average unemployment rate of 5.6 percent and almost identical to the national average rate of 7.3 percent.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the County's budget for the 2014 fiscal year.

The fiscal year 2014 budget amounted to \$20,359,595 (does not include School Fund). The budget includes capital improvements.

## **Requests for Information**

This financial report is designed to provide a general overview of the County of Buckingham, 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 County Administrator, P.O. Box 252, Buckingham, VA 23921.

## **BASIC FINANCIAL STATEMENTS**

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## **Government-wide Financial Statements**

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Statement of Net Position  
June 30, 2013

	Primary Government			Component
	Governmental	Business-type		Unit
	Activities	Activities	Total	School Board
<b>ASSETS</b>				
Cash and cash equivalents	\$ 8,418,299	\$ 2,470,971	\$ 10,889,270	\$ 273,688
Cash in custody of others	-	-	-	49,956
Investments in custody of others	1,297,760	-	1,297,760	-
Receivables (net of allowance for uncollectibles):				
Taxes receivable	4,967,067	-	4,967,067	-
Accounts receivable	57,424	235,078	292,502	111,415
Due from primary government	-	-	-	739,357
Due from other governmental units	915,151	132,417	1,047,568	752,574
Prepaid items	77,391	-	77,391	-
Restricted assets:				
Temporarily restricted:				
Cash and cash equivalents	33,332	351,547	384,879	-
Capital assets (net of accumulated depreciation):				
Land	571,884	170,974	742,858	277,809
Intangibles	-	712,100	712,100	-
Buildings, improvements, and systems	12,885,973	7,409,528	20,295,501	11,397,793
Improvements other than buildings	-	-	-	626,380
Machinery, equipment, and vehicles	1,028,601	279,507	1,308,108	1,332,701
Construction in progress	29,365,645	12,499,928	41,865,573	1,797,376
Total assets	<u>\$ 59,618,527</u>	<u>\$ 24,262,050</u>	<u>\$ 83,880,577</u>	<u>\$ 17,359,049</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 323,082	\$ 4,971	\$ 328,053	\$ 139,419
Accrued liabilities	-	-	-	1,538,091
Contracts payable	239,384	160,878	400,262	-
Retainage payable	323,306	532,181	855,487	-
Customers' deposits payable from restricted assets	-	3,796	3,796	-
Accrued interest payable	562,623	121,335	683,958	34,755
Due to component unit	739,357	-	739,357	-
Long-term liabilities:				
Due within one year	2,647,560	521,773	3,169,333	110,024
Due in more than one year	37,870,649	7,787,139	45,657,788	2,000,751
Total liabilities	<u>\$ 42,705,961</u>	<u>\$ 9,132,073</u>	<u>\$ 51,838,034</u>	<u>\$ 3,823,040</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	<u>\$ 3,231,441</u>	<u>\$ -</u>	<u>\$ 3,231,441</u>	<u>\$ -</u>
<b>NET POSITION</b>				
Net investment in capital assets	\$ 5,347,717	\$ 12,826,350	\$ 18,174,067	\$ 13,835,638
Restricted:				
Sheriff's fund - DCJS	18,537	-	18,537	-
Courthouse security	36,934	-	36,934	-
Debt service and bond covenants	-	347,751	347,751	-
Water plant capital improvements	-	716,000	716,000	-
Unrestricted (deficit)	8,277,937	1,239,876	9,517,813	(299,629)
Total net position	<u>\$ 13,681,125</u>	<u>\$ 15,129,977</u>	<u>\$ 28,811,102</u>	<u>\$ 13,536,009</u>

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

COUNTY OF BUCKINGHAM, VIRGINIA

Statement of Activities

For the Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental activities:				
General government administration	\$ 2,595,482	\$ 81,258	\$ 221,120	\$ 203,100
Judicial administration	1,035,208	95,441	372,263	-
Public safety	3,363,851	38,050	1,090,590	-
Public works	1,498,252	19,988	8,121	-
Health and welfare	2,239,623	-	2,181,778	-
Education	7,749,790	-	-	430,425
Parks, recreation, and cultural	387,451	35,396	26,903	-
Community development	193,740	-	-	-
Interest on long-term debt	1,569,221	-	-	-
Total governmental activities	\$ 20,632,618	\$ 270,133	\$ 3,900,775	\$ 633,525
Business-type activities:				
Water and Sewer Funds	\$ 1,267,501	\$ 1,492,843	\$ -	\$ 5,277,797
Total business-type activities	\$ 1,267,501	\$ 1,492,843	\$ -	\$ 5,277,797
Total primary government	\$ 21,900,119	\$ 1,762,976	\$ 3,900,775	\$ 5,911,322
COMPONENT UNIT:				
School Board	\$ 21,963,461	\$ 230,232	\$ 15,108,609	\$ -
Total component unit	\$ 21,963,461	\$ 230,232	\$ 15,108,609	\$ -

General revenues:

General property taxes

Local sales and use taxes

Consumers' utility taxes

Motor vehicle licenses

Other local taxes

Payment from County of Buckingham - Education

Unrestricted revenues from use of money and property

Miscellaneous

Grants and contributions not restricted to specific programs

Gain on disposal of capital assets

Total general revenues

Change in net position

Net position - beginning, as restated

Net position - ending

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

Exhibit 2

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	School Board
\$ (2,090,004)	\$ -	\$ (2,090,004)	
(567,504)	-	(567,504)	
(2,235,211)	-	(2,235,211)	
(1,470,143)	-	(1,470,143)	
(57,845)	-	(57,845)	
(7,319,365)	-	(7,319,365)	
(325,152)	-	(325,152)	
(193,740)	-	(193,740)	
(1,569,221)	-	(1,569,221)	
<u>\$ (15,828,185)</u>	<u>\$ -</u>	<u>\$ (15,828,185)</u>	
\$ -	\$ 5,503,139	\$ 5,503,139	
\$ -	\$ 5,503,139	\$ 5,503,139	
<u>\$ (15,828,185)</u>	<u>\$ 5,503,139</u>	<u>\$ (10,325,046)</u>	
			\$ (6,624,620)
			<u>\$ (6,624,620)</u>
\$ 12,678,306	\$ -	\$ 12,678,306	\$ -
603,781	-	603,781	-
328,409	-	328,409	-
327,050	-	327,050	-
181,350	-	181,350	-
-	-	-	7,381,979
75,460	106	75,566	350
56,263	-	56,263	860,579
1,652,039	-	1,652,039	-
-	-	-	5,068
<u>\$ 15,902,658</u>	<u>\$ 106</u>	<u>\$ 15,902,764</u>	<u>\$ 8,247,976</u>
\$ 74,473	\$ 5,503,245	\$ 5,577,718	\$ 1,623,356
13,606,652	9,626,732	23,233,384	11,912,653
<u>\$ 13,681,125</u>	<u>\$ 15,129,977</u>	<u>\$ 28,811,102</u>	<u>\$ 13,536,009</u>

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## **Fund Financial Statements**

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Balance Sheet  
Governmental Funds  
June 30, 2013

	General	Virginia Public Assistance	Debt Service	County Capital Improvements	Debt Financed School Capital Projects	Total
<b>ASSETS</b>						
Cash and cash equivalents	\$ 8,370,559	\$ -	\$ -	\$ 47,740	\$ -	\$ 8,418,299
Investments in custody of others	-	-	-	-	1,297,760	1,297,760
Receivables (net of allowance for uncollectibles):						
Taxes receivable	4,967,067	-	-	-	-	4,967,067
Accounts receivable	55,988	1,436	-	-	-	57,424
Due from other funds	291,369	-	-	-	-	291,369
Due from other governmental units	675,861	239,290	-	-	-	915,151
Prepaid items	77,391	-	-	-	-	77,391
Restricted assets:						
Temporarily restricted:						
Cash and cash equivalents	-	-	-	33,332	-	33,332
Total assets	\$ 14,438,235	\$ 240,726	\$ -	\$ 81,072	\$ 1,297,760	\$ 16,057,793
<b>LIABILITIES</b>						
Accounts payable	\$ 307,311	\$ 10,800	\$ -	\$ 4,429	\$ 542	\$ 323,082
Accrued liabilities	105,803	-	-	-	-	105,803
Contracts payable	10,180	-	-	-	229,204	239,384
Retainage payable	4,115	-	-	15,200	303,991	323,306
Due to other funds	-	229,926	-	61,443	-	291,369
Due to component unit	739,357	-	-	-	-	739,357
Total liabilities	\$ 1,166,766	\$ 240,726	\$ -	\$ 81,072	\$ 533,737	\$ 2,022,301
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	\$ 5,086,008	\$ -	\$ -	\$ -	\$ -	\$ 5,086,008
<b>FUND BALANCES</b>						
Nonspendable:						
Prepays	\$ 77,391	\$ -	\$ -	\$ -	\$ -	\$ 77,391
Restricted:						
Sheriff's fund - DCJS	18,537	-	-	-	-	18,537
Courthouse security	36,934	-	-	-	-	36,934
Committed:						
Upper and Lower Elementary renovation	-	-	-	-	764,023	764,023
School security system upgrade	159,276	-	-	-	-	159,276
New Admin building	15,200	-	-	-	-	15,200
Existing Admin Building Renovation	67,037	-	-	-	-	67,037
Economic Development	681,385	-	-	-	-	681,385
Emergency communication system	589,293	-	-	-	-	589,293
Gene Dixon park expansion	845,329	-	-	42,028	-	887,357
Solid waste vehicle	50,000	-	-	-	-	50,000
Fire/rescue training	38,881	-	-	-	-	38,881
Personnel costs	93,503	-	-	-	-	93,503
Sidewalk improvements	6,072	-	-	-	-	6,072
Unassigned:						
General fund	5,506,623	-	-	-	-	5,506,623
Capital projects funds	-	-	-	(42,028)	-	(42,028)
Total fund balances	\$ 8,185,461	\$ -	\$ -	\$ -	\$ 764,023	\$ 8,949,484
Total liabilities, deferred inflows of resources, and fund balances	\$ 14,438,235	\$ 240,726	\$ -	\$ 81,072	\$ 1,297,760	\$ 16,057,793

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

Reconciliation of the Balance Sheet of Governmental Funds  
 To the Statement of Net Position  
 June 30, 2013

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds	\$ 8,949,484
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Jointly owned assets are included in the total for buildings and improvements.

Land	\$ 571,884	
Buildings and improvements	12,885,973	
Machinery, equipment and vehicles	1,028,601	
Construction in progress	<u>29,365,645</u>	43,852,103

Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds.	1,854,567
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Lease revenue bonds	\$ (8,250,000)	
Plus: Issuance premium (to be amortized against interest expense)	(759,849)	
General obligation bonds	(29,434,292)	
Plus: Issuance premium (to be amortized against interest expense)	(1,358,005)	
Compensated absences (net of current portion in accrued wages on Exh 3)	(610,260)	
Accrued interest payable	<u>(562,623)</u>	<u>(40,975,029)</u>

Net position of governmental activities	<u>\$ 13,681,125</u>
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The notes to the financial statements are an integral part of this statement.



Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2013

	General	Virginia Public Assistance	Debt Service	County Capital Improvements	Debt Financed School Capital Projects	Total
<b>REVENUES</b>						
General property taxes	\$ 12,443,638	\$ -	\$ -	\$ -	\$ -	\$ 12,443,638
Other local taxes	1,440,590	-	-	-	-	1,440,590
Permits, privilege fees, and regulatory licenses	85,392	-	-	-	-	85,392
Fines and forfeitures	78,760	-	-	-	-	78,760
Revenue from the use of money and property	66,735	-	-	-	8,725	75,460
Charges for services	105,981	-	-	-	-	105,981
Miscellaneous	30,973	25,290	-	-	-	56,263
Intergovernmental revenues:						
Commonwealth	3,276,517	1,398,129	-	-	-	4,674,646
Federal	297,619	783,649	430,425	-	-	1,511,693
Total revenues	\$ 17,826,205	\$ 2,207,068	\$ 430,425	\$ -	\$ 8,725	\$ 20,472,423
<b>EXPENDITURES</b>						
Current:						
General government administration	\$ 1,429,691	\$ -	\$ -	\$ -	\$ -	\$ 1,429,691
Judicial administration	737,529	-	-	-	-	737,529
Public safety	3,316,080	-	-	-	-	3,316,080
Public works	1,385,267	-	-	-	-	1,385,267
Health and welfare	196,625	2,942,828	-	-	-	3,139,453
Education	5,203,272	-	-	-	-	5,203,272
Parks, recreation, and cultural	373,627	-	-	-	-	373,627
Community development	183,482	-	-	-	-	183,482
Nondepartmental	159,694	-	-	-	-	159,694
Capital projects	559,396	-	-	1,032,176	2,903,515	4,495,087
Debt service:						
Principal retirement	-	-	2,029,962	-	-	2,029,962
Interest and other fiscal charges	-	-	1,914,403	-	-	1,914,403
Total expenditures	\$ 13,544,663	\$ 2,942,828	\$ 3,944,365	\$ 1,032,176	\$ 2,903,515	\$ 24,367,547
Excess (deficiency) of revenues over (under) expenditures	\$ 4,281,542	\$ (735,760)	\$ (3,513,940)	\$ (1,032,176)	\$ (2,894,790)	\$ (3,895,124)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	\$ -	\$ 735,760	\$ 3,513,940	\$ 1,261,737	\$ -	\$ 5,511,437
Transfers out	(5,511,437)	-	-	-	-	(5,511,437)
Total other financing sources (uses)	\$ (5,511,437)	\$ 735,760	\$ 3,513,940	\$ 1,261,737	\$ -	\$ -
Net change in fund balances	\$ (1,229,895)	\$ -	\$ -	\$ 229,561	\$ (2,894,790)	\$ (3,895,124)
Fund balances - beginning	9,415,356	-	-	(229,561)	3,658,813	12,844,608
Fund balances - ending	\$ 8,185,461	\$ -	\$ -	\$ -	\$ 764,023	\$ 8,949,484

The notes to the 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  
For the Year Ended June 30, 2013

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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 \$ (3,895,124)

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.

Capital asset additions	\$	1,406,560		
Depreciation expense		(1,296,114)		
Adjustment for jointly owned assets		1,475,219		1,585,665

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The change in unavailable property taxes is reported as revenues in the governmental funds.

234,668

The issuance of long-term obligations (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of 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 obligations and related items.

Payment of principal	\$	2,029,962		
Amortization of premium		227,187		2,257,149

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.

Compensated absences	\$	(225,880)		
Accrued interest payable		117,995		(107,885)

Change in net position of governmental activities	\$	74,473
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The notes to the financial statements are an integral part of this statement.

Statement of Net Position  
 Proprietary Funds  
 June 30, 2013

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 2,699,728	\$ -	\$ 2,699,728
Accounts receivable	202,404	32,674	235,078
Due from other governmental units	132,417	-	132,417
Total current assets	<u>\$ 3,034,549</u>	<u>\$ 32,674</u>	<u>\$ 3,067,223</u>
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	\$ 315,017	\$ 36,530	\$ 351,547
Capital assets:			
Land	\$ 135,757	\$ 35,217	\$ 170,974
Intangibles	712,100	-	712,100
Construction in progress	12,060,944	438,984	12,499,928
Utility plant in service	6,848,312	4,262,485	11,110,797
Machinery, equipment, and vehicles	536,318	181,509	717,827
Less accumulated depreciation	(3,033,458)	(1,106,131)	(4,139,589)
Total capital assets	<u>\$ 17,259,973</u>	<u>\$ 3,812,064</u>	<u>\$ 21,072,037</u>
Total noncurrent assets	<u>\$ 17,574,990</u>	<u>\$ 3,848,594</u>	<u>\$ 21,423,584</u>
Total assets	<u>\$ 20,609,539</u>	<u>\$ 3,881,268</u>	<u>\$ 24,490,807</u>
<b>LIABILITIES</b>			
Current liabilities:			
Reconciled overdraft	\$ -	\$ 228,757	\$ 228,757
Accounts payable	1,542	3,429	4,971
Contracts payable	160,878	-	160,878
Retainage payable	532,181	-	532,181
Customers' deposits payable from restricted assets	2,527	1,269	3,796
Accrued interest payable	117,648	3,687	121,335
Compensated absences - current portion	4,721	1,601	6,322
Bonds payable - current portion	383,866	-	383,866
Loans payable - current portion	99,701	31,884	131,585
Total current liabilities	<u>\$ 1,303,064</u>	<u>\$ 270,627</u>	<u>\$ 1,573,691</u>
Noncurrent liabilities:			
Bonds payable - net of current portion	\$ 1,013,273	\$ -	\$ 1,013,273
Loans payable - net of current portion	5,675,972	1,040,991	6,716,963
Compensated absences - net of current portion	42,490	14,413	56,903
Total noncurrent liabilities	<u>\$ 6,731,735</u>	<u>\$ 1,055,404</u>	<u>\$ 7,787,139</u>
Total liabilities	<u>\$ 8,034,799</u>	<u>\$ 1,326,031</u>	<u>\$ 9,360,830</u>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 10,087,161	\$ 2,739,189	\$ 12,826,350
Restricted:			
Debt service and bond covenants	312,490	35,261	347,751
Water plant capital improvements	716,000	-	716,000
Unrestricted (deficit)	1,459,089	(219,213)	1,239,876
Total net position	<u>\$ 12,574,740</u>	<u>\$ 2,555,237</u>	<u>\$ 15,129,977</u>

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

Statement of Revenues, Expenses, and Changes in Net Position  
 Proprietary Funds  
 For the Year Ended June 30, 2013

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
<b>OPERATING REVENUES</b>			
Charges for services:			
Water revenues	\$ 1,276,596	\$ -	\$ 1,276,596
Sewer revenues	-	200,414	200,414
Tap fees	975	74	1,049
Other revenues	14,784	-	14,784
Total operating revenues	<u>\$ 1,292,355</u>	<u>\$ 200,488</u>	<u>\$ 1,492,843</u>
<b>OPERATING EXPENSES</b>			
Water	\$ 621,240	\$ -	\$ 621,240
Sewer	-	205,554	205,554
Depreciation	194,576	126,936	321,512
Total operating expenses	<u>\$ 815,816</u>	<u>\$ 332,490</u>	<u>\$ 1,148,306</u>
Operating income (loss)	<u>\$ 476,539</u>	<u>\$ (132,002)</u>	<u>\$ 344,537</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment earnings	\$ 84	\$ 22	\$ 106
Interest expense	(74,026)	(45,169)	(119,195)
Total nonoperating revenues (expenses)	<u>\$ (73,942)</u>	<u>\$ (45,147)</u>	<u>\$ (119,089)</u>
Income (loss) before contributions	<u>\$ 402,597</u>	<u>\$ (177,149)</u>	<u>\$ 225,448</u>
<b>CAPITAL CONTRIBUTIONS</b>			
Capital contributions and construction grants	<u>\$ 5,277,797</u>	<u>\$ -</u>	<u>\$ 5,277,797</u>
Change in net position	<u>\$ 5,680,394</u>	<u>\$ (177,149)</u>	<u>\$ 5,503,245</u>
Total net position - beginning, as restated	6,894,346	2,732,386	9,626,732
Total net position - ending	<u>\$ 12,574,740</u>	<u>\$ 2,555,237</u>	<u>\$ 15,129,977</u>

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

Statement of Cash Flows  
 Proprietary Funds  
 For the Year Ended June 30, 2013

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 1,280,454	\$ 189,776	\$ 1,470,230
Payments to suppliers	(136,393)	65,533	(70,860)
Payments to and for employees	(476,608)	(122,206)	(598,814)
Net cash provided by (used for) operating activities	\$ 667,453	\$ 133,103	\$ 800,556
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Additions to utility plant	\$ (7,286,030)	\$ (42,211)	\$ (7,328,241)
Principal payments on bonds	(54,327)	-	(54,327)
Principal payments on loans	(41,230)	(44,461)	(85,691)
Contributions in aid of construction	5,145,380	-	5,145,380
Proceeds from indebtedness	1,383,380	-	1,383,380
Interest payments	(215,236)	(46,453)	(261,689)
Net cash provided by (used for) capital and related financing activities	\$ (1,068,063)	\$ (133,125)	\$ (1,201,188)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and dividends received	\$ 84	\$ 22	\$ 106
Net increase (decrease) in cash and cash equivalents	\$ (400,526)	\$ -	\$ (400,526)
Cash and cash equivalents - beginning - including restricted	3,415,271	-	3,415,271
Cash and cash equivalents - ending - including restricted	\$ 3,014,745	\$ -	\$ 3,014,745
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	\$ 476,539	\$ (132,002)	\$ 344,537
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation expense	\$ 194,576	\$ 126,936	\$ 321,512
(Increase) decrease in accounts receivable	(12,398)	(10,712)	(23,110)
Increase (decrease) in overdraft	-	146,921	146,921
Increase (decrease) in compensated absences	9,531	878	10,409
Increase (decrease) in accounts payable	(1,292)	1,082	(210)
Increase (decrease) in customer deposits	497	-	497
Total adjustments	\$ 190,914	\$ 265,105	\$ 456,019
Net cash provided by (used for) operating activities	\$ 667,453	\$ 133,103	\$ 800,556

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

Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2013

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	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ <u>31,393</u>
<b>LIABILITIES</b>	
Amounts held for social services clients	\$ <u>31,393</u>

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

## COUNTY OF BUCKINGHAM, VIRGINIA

### Notes to Financial Statements As of June 30, 2013

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

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The County of Buckingham, Virginia was formed in 1761, and it is governed by an elected seven 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 and social services.

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

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

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).

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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

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The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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 GASB 34 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 organization's 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 Buckingham, 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.

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

*Blended Component Unit.* The County has no blended component units to be included for the fiscal year ended June 30, 2013.

##### *Discretely Presented Component Unit*

Buckingham County School Board - The School Board members are elected by the citizens of Buckingham County and are responsible for the operations of the County's School System. The School Board is fiscally dependent on the County. The County has the ability to approve its 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.



## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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

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#### **C. Other Related Organizations**

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

None

##### Excluded from the County's Financial Report

##### Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointment. The Board of Supervisors appoints the board members of the Buckingham County Industrial Development Authority.

##### Jointly Governed Organizations

The County, in conjunction with other localities, has created the Central Virginia Regional Library, the Piedmont Regional Jail, the Piedmont Juvenile Detention Center, and the Crossroads Community Services Board. The governing bodies of these organizations are appointed by the respective governing bodies of the participating jurisdictions. During the year, the County contributed \$148,436 to the regional library, \$182,924 to Piedmont Regional Jail, \$48,734 to the Piedmont Juvenile Detention Center and \$32,960 to the Crossroads Community Services Board.

Complete financial statements of the jointly governed organizations may be obtained by contacting the County of Buckingham, Virginia, County Administrator, P.O. Box 252, Buckingham, VA 23921.

#### **D. 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 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.

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

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**D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

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.

Proprietary 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 consist of charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses include the costs 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.

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 financial 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 governmental funds.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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

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#### D. 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 and report all financial resources except those required to be accounted for and reported in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for services, and interest income. A significant part of the General Fund's revenues are used principally to finance the operations of the Component Unit School Board. The General Fund is considered a major fund for reporting purposes.

###### b. Special Revenue Funds

Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The only special revenue fund is the Virginia Public Assistance Fund, which is considered a major fund.

###### c. Debt Service Fund

The Debt Service Fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should also be used to report financial resources being accumulated for future debt service. The Debt Service Fund is considered a major fund.

###### d. Capital Projects Funds

Capital Projects Funds account for and report all financial resources that are restricted, committed, or assigned to expenditure for capital outlays, except those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments. The County Capital Improvements Fund and Debt Financed School Capital Projects Fund are considered major funds for reporting purposes.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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

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

##### 2. Proprietary Funds

Proprietary Funds account for operations that are financed in a manner similar to those found in private business enterprises. The measurement focus is upon determination of net income, financial position, and changes in financial position. Proprietary Funds consist of Enterprise Funds.

##### Enterprise Funds

Enterprise Funds account for the financing of services to the general public where all or most of the operating expenses involved are recorded in the form of charges to users of such services. Enterprise Funds consist of the Water Fund and the Sewer Fund.

##### 3. Fiduciary Funds (Trust and Agency Funds)

Fiduciary Funds (Trust and Agency Funds) account for assets held by the County 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, which consist of the Special Welfare Fund. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. These funds utilize the accrual basis of accounting.

##### 4. Component Unit

The Buckingham County School Board has the following funds:

##### Governmental Funds:

School Operating Fund - This fund is the primary operating fund of the School Board and accounts for and reports all revenues and expenditures applicable to the general operations of the public school system. Revenues are derived primarily from charges for services, appropriations from the County of Buckingham and state and federal grants. The School Operating Fund is considered a major fund of the School Board for financial reporting purposes.

Special Revenue Funds: Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

School Cafeteria Fund - This fund accounts for the operations of the School Board's food service program. Financing is provided primarily by food and beverage sales and state and federal grants. This fund is considered a major fund.

Capital Projects Fund: Capital projects funds account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, except for those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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

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#### **D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

##### **4. Component Unit: (Continued)**

Governmental Funds: (Continued)

Capital Projects Fund: (Continued)

School Capital Projects Fund - This fund accounts for all financial resources used for the acquisition or construction of major capital facilities. This fund is considered a major fund.

#### **E. 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 department level or category level. The appropriation for each department or category can be revised only by the Board of Supervisors. The County Administrator is authorized to transfer budgeted amounts within general government departments; 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 and budgets are legally adopted for the General Fund, VPA Fund, and the County Capital Improvements Funds of the primary government and the School Operating Fund, School Cafeteria Fund, and School Capital Projects Fund of the School Board.
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 budget at June 30. Several supplemental appropriations were necessary during the year and at year end because they were not included in the original budget.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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

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#### **F. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government.

Restricted cash consists of reserve accounts established as required by Rural Development bond covenants.

Investments in custody of others include unspent bond proceeds and accumulated interest that the County intends to use for elementary school renovations.

#### **G. Investments**

Investments are stated at fair value.

#### **H. 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 “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” (i.e. the noncurrent portion of interfund loans).

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 \$385,773 at June 30, 2013 and is comprised solely of property taxes.

#### **I. Capital Assets**

Capital assets, which include property, plant and equipment, and intangibles are reported in the applicable columns in the government-wide financial statements. Capital assets are defined by the County and Component Unit School Board as land, buildings, utility plant, 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 the asset’s life 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. Interest in the amount of \$336,550 was incurred during fiscal year 2013, of which \$217,253 was capitalized.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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

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#### I. Capital Assets: (Continued)

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

<u>Assets</u>	<u>Years</u>
Structures, lines and accessories	40-50
Buildings	40
Building improvements	20-40
Vehicles	5
Office and computer equipment	5
Buses	8
Police vehicles	3

#### 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 position. In accordance with the provisions of Governmental 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 obligations are reported as liabilities in the applicable governmental activities. 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, during the current period. The face amount of debt issued and premiums on issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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

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#### L. Fund Equity

The reports fund balance in accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - amounts that are not in spendable form (such as inventory and prepaids) or are required to be maintained intact (corpus of a permanent fund);
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance - amounts that are available for any purpose; positive amounts are only reported in the general fund.

When fund balance resources are available for a specific purpose in more than one classification, it is generally the County's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

The Board of Supervisors establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance/resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board of Supervisors through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes) or other official to which the Board has delegated the authority to assign amounts including but limited to the County Administrator and the Director of Finance.

A fund balance policy has not been formally adopted by the Board of Supervisors as of June 30, 2013.

#### M. Prepaid Items

Certain payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.



## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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

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#### **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. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County does not have any deferred outflows of resources as of June 30, 2013.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one type of item that qualifies for reporting in this category. Under a modified accrual basis of accounting, unavailable revenue representing property taxes receivable is reported in the governmental funds balance sheet. This amount is comprised of uncollected property taxes due prior to June 30, 2<sup>nd</sup> half installments levied during the fiscal year but due after June 30<sup>th</sup>, and amounts prepaid on the 2<sup>nd</sup> half installments and is deferred and recognized as an inflow of resources in the period that the amount becomes available. Under the accrual basis, 2<sup>nd</sup> half installments levied during the fiscal year but due after June 30<sup>th</sup> and amounts prepaid on the 2<sup>nd</sup> half installments are reported as deferred inflows of resources.

#### **P. Net Position**

Net position is the difference between a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

#### **Q. Net Position Flow Assumption**

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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

#### R. Adoption of Accounting Principles

Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, Statement No. 63 of the Governmental Accounting Standards Board:

The County implemented the financial reporting provisions of the above Statement for the fiscal year ended June 30, 2013. This Statement provides guidance for reporting deferred inflows and deferred outflows of resources. The requirements of this Statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on an entity's net position. With the implementation of this Statement, certain terminology has changed and financial statement descriptions have changed from "net assets" to "net position." The net equity reported in the financial statements was not changed as a result of implementing this Statement and no restatement of prior balances is required.

Items Previously Reported as Assets and Liabilities, Statement No. 65 of the Governmental Accounting Standards Board:

The County implemented the financial reporting provisions of the above Statement for the fiscal year ended June 30, 2013. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The net position reported in the financial statements was restated as a result of implementing this Statement. The restatement is as follows:

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Beginning balance, as originally reported	\$ 13,912,765	\$ 9,489,969	\$ 23,402,734
Implementation of GASB 65 - write off of issuance costs	(306,113)	-	(306,113)
Capitalization of interest expense (water fund)	-	34,207	34,207
Unbilled revenue (water fund)	-	96,497	96,497
Unbilled revenue (sewer fund)	-	6,059	6,059
Beginning balance, as restated	<u>\$ 13,606,652</u>	<u>\$ 9,626,732</u>	<u>\$ 23,233,384</u>

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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

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#### S. Upcoming Pronouncements

The Governmental Accounting Standards Board has issued Statement No. 68, *Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27*. This Statement replaces the requirements of Statements No. 27 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not administered as trusts or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2014. The County has not determined the impact of this pronouncement on its financial statements.

### Note 2—Deposits and Investments:

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#### Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the “Act”), Section 2.2-4400 et. seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

#### 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, 2013 were held in the County’s name by the County’s custodial banks, except for \$8,630,715 of investments in repurchase agreements, where the underlying securities were uninsured and held by the investment’s counterparty’s trust department or agent but not in the name of the County.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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

#### Credit Risk of Debt Securities

The County's rated debt investments as of June 30, 2013 were rated by *Standard & Poor's* and/or an equivalent national rating organization and the ratings are presented below using the *Standard & Poor's* rating scale.

Rated Debt Investments' Values	
Rated Debt Investments	Fair Quality Ratings
	AAA/AAAm
Local Government Investment Pool	\$ 3,971,667
Virginia State Non-Arbitrage Pool	1,301,174
Repurchase Agreements - Underlying: U.S. Agency Securities	8,630,715
Total	\$ 13,903,556

#### Interest Rate Risk

The County invests funds in low risk investments backed by U.S. government agencies.

Investment Maturities (in years)		
Investment Type	Fair Value	Less Than 1 Year
Repurchase Agreements	\$ 8,630,715	\$ 8,630,715
Total	\$ 8,630,715	\$ 8,630,715

#### External Investment Pools

The State Non-Arbitrage Pool (SNAP) is an open-end management investment company registered with the Securities and Exchange Commission.

The fair value of the positions in the external investment pools (Local Government Investment Pool and State Non-Arbitrage Pool) is the same as the value of the pool shares. As LGIP is not SEC registered, regulatory oversight of the pool rests with the Virginia State Treasury. LGIP maintains a policy to operate in a manner consistent with SEC Rule 2a-7.

# COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

## Note 3—Property Taxes:

Real property taxes are assessed on property values as of January 1, and attach as an enforceable lien on property as of the date levied by the Board of Supervisors. Personal property taxes are assessed on a prorated basis for the period the property is located in the County and also attach as an enforceable lien on the property.

Real estate taxes are due on June 5<sup>th</sup> and December 5<sup>th</sup> and personal property taxes are due on December 5<sup>th</sup>.

A ten percent penalty is levied on all taxes not collected on or before their due date. An interest charge of ten percent per annum is also levied on such taxes beginning on their due date.

Property taxes for calendar year 2012 were levied by the County Board of Supervisors on April 23, 2012, on the assessed values listed as of January 1, 2012. The second half of 2012 real estate taxes was due on December 5, 2012. The first half of 2013 real estate taxes was due on June 5, 2013. The 2013 taxes were levied by the County Board of Supervisors on April 22, 2013 on the assessed value listed as of January 1, 2013.

Property taxes levied in the prior year have been recorded as receivables as of the date the County has the legal right to receive payments thereon. The receivables collected during the fiscal year and during the first 60 days of the succeeding fiscal year are recognized as revenues in the current fiscal year. Taxes receivable as of the end of the year (June 30) and not collected until the succeeding year are reported as deferred inflows.

## Note 4—Receivables:

The following is a summary of accounts receivable at June 30, 2013:

	Primary Government				Component Unit
	General	Special Revenue	Governmental Activities	Business-Type Activities	School Board
Property taxes	\$ 5,352,840	\$ -	\$ 5,352,840	\$ -	\$ -
Allowance for uncollectibles	(385,773)	-	(385,773)	-	-
Net taxes receivable	<u>\$ 4,967,067</u>	<u>\$ -</u>	<u>\$ 4,967,067</u>	<u>\$ -</u>	<u>\$ -</u>
Accounts Receivable:					
Utility taxes	\$ 28,001	\$ -	\$ 28,001	\$ -	\$ -
Grantee tax	5,302	-	5,302	-	-
Solid waste	9,439	-	9,439	-	-
Other	13,246	-	13,246	-	10,721
Water and Sewer	-	-	-	235,078	-
Rebates and Refunds	-	1,436	1,436	-	100,694
Total accounts receivable	<u>\$ 55,988</u>	<u>\$ 1,436</u>	<u>\$ 57,424</u>	<u>\$ 235,078</u>	<u>\$ 111,415</u>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 5—Due From Other Governmental Units:**

Amounts due from other governments are detailed as follows:

	Governmental Activities			Business- Type Activities	Component Unit School Board
	General	Special Revenue	Total		
<b>Commonwealth of Virginia:</b>					
Local sales taxes	\$ 101,913	\$ -	\$ 101,913	\$ -	\$ -
State sales taxes	-	-	-	-	368,378
Communication taxes	68,512	-	68,512	-	-
Public assistance	-	38,160	38,160	-	-
Comprehensive services	-	140,033	140,033	-	-
Shared expenses and grants	100,970	-	100,970	-	-
Forest product sales	22,354	-	22,354	-	-
Fire programs	7,451	-	7,451	-	-
Wireless grant	149,083	-	149,083	-	-
Other	32,997	-	32,997	-	-
<b>Federal government:</b>					
VDOT grant	185,606	-	185,606	-	-
Sheriff's grants	6,975	-	6,975	-	-
Public assistance	-	61,097	61,097	-	-
Rural Development	-	-	-	132,417	-
Title I	-	-	-	-	155,895
Title VI-B	-	-	-	-	133,622
Title IV Part B -21st Century	-	-	-	-	40,324
Title II Part A	-	-	-	-	29,164
Other school funds	-	-	-	-	25,191
<b>Total</b>	<b>\$ 675,861</b>	<b>\$ 239,290</b>	<b>\$ 915,151</b>	<b>\$ 132,417</b>	<b>\$ 752,574</b>

**Note 6—Interfund Obligations:**

Details of interfund receivables and payables as of June 30, 2013 are as follows:

Fund	Interfund Receivable	Interfund Payable
General	\$ 291,369	\$ -
Virginia Public Assistance	-	229,926
County Capital Improvements	-	61,443
<b>Total</b>	<b>\$ 291,369</b>	<b>\$ 291,369</b>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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**Note 6—Interfund Obligations: (Continued)**

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Details of obligations between the primary government and its component unit as of June 30, 2013 are as follows:

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
Component Unit - School Board	Primary government general fund	\$ <u>739,357</u>

**Note 7—Unavailable Revenue:**

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Unavailable 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. Under the accrual basis, assessments for future periods are not available.

	<u>Government-wide Statements Governmental Activities</u>	<u>Balance Sheet Governmental Funds</u>
<b>Primary Government:</b>		
Unavailable property tax revenue representing uncollected property tax billings that are not available for the funding of current expenditures	\$ -	\$ 1,854,567
2nd half assessments due in December 2013	2,926,843	2,926,843
Prepaid property taxes due in December 2013, but paid in advance by the taxpayers	<u>304,598</u>	<u>304,598</u>
Total unavailable revenue	\$ <u>3,231,441</u>	\$ <u>5,086,008</u>

# COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

## Note 8—Capital Assets:

The following is a summary of changes in capital assets during the year:

### Primary Government:

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
Capital assets not being depreciated:				
Land	\$ 571,884	\$ -	\$ -	\$ 571,884
Construction in progress	4,488,570	1,154,458	-	5,643,028
Construction in progress-jointly owned assets	20,819,103	2,903,514	-	23,722,617
Total capital assets not being depreciated	\$ 25,879,557	\$ 4,057,972	\$ -	\$ 29,937,529
Other capital assets:				
Buildings and improvements	\$ 11,858,619	\$ -	\$ -	\$ 11,858,619
Machinery, equipment and vehicles	3,178,849	252,102	25,502	3,405,449
Jointly owned assets	7,921,087	-	1,675,786	6,245,301
Total other capital assets	\$ 22,958,555	\$ 252,102	\$ 1,701,288	\$ 21,509,369
Accumulated depreciation:				
Buildings and improvements	\$ 3,309,181	\$ 303,969	\$ -	\$ 3,613,150
Machinery, equipment and vehicles	2,179,716	222,634	25,502	2,376,848
Jointly owned assets	1,082,777	769,511	247,491	1,604,797
Total accumulated depreciation	\$ 6,571,674	\$ 1,296,114	\$ 272,993	\$ 7,594,795
Other capital assets, net	\$ 16,386,881	\$ (1,044,012)	\$ 1,428,295	\$ 13,914,574
Net capital assets	\$ 42,266,438	\$ 3,013,960	\$ 1,428,295	\$ 43,852,103
Depreciation is allocated to:				
General government administration		\$ 69,569		
Judicial administration		264,168		
Public safety		138,808		
Public works		31,497		
Health and welfare		3,163		
Education		769,511		
Parks and recreation		9,140		
Community Development		10,258		
Total		\$ 1,296,114		



COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 8—Capital Assets: (Continued)**

**Business-Type Activities:**

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
Capital assets not being depreciated:				
Land	\$ 170,974	\$ -	\$ -	\$ 170,974
Intangibles	712,100	-	-	712,100
Construction in progress	<u>5,814,474</u>	<u>6,685,454</u>	<u>-</u>	<u>12,499,928</u>
Total capital assets not being depreciated	<u>\$ 6,697,548</u>	<u>\$ 6,685,454</u>	<u>\$ -</u>	<u>\$ 13,383,002</u>
Other capital assets:				
Buildings and systems	\$ 11,110,797	\$ -	\$ -	\$ 11,110,797
Machinery, equipment and vehicles	<u>717,827</u>	<u>-</u>	<u>-</u>	<u>717,827</u>
Total other capital assets	<u>\$ 11,828,624</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,828,624</u>
Accumulated depreciation:				
Buildings and systems	\$ 3,422,156	\$ 279,113	\$ -	\$ 3,701,269
Machinery, equipment and vehicles	<u>395,921</u>	<u>42,399</u>	<u>-</u>	<u>438,320</u>
Total accumulated depreciation	<u>\$ 3,818,077</u>	<u>\$ 321,512</u>	<u>\$ -</u>	<u>\$ 4,139,589</u>
Other capital assets, net	<u>\$ 8,010,547</u>	<u>\$ (321,512)</u>	<u>\$ -</u>	<u>\$ 7,689,035</u>
Net capital assets	<u>\$ 14,708,095</u>	<u>\$ 6,363,942</u>	<u>\$ -</u>	<u>\$ 21,072,037</u>
Depreciation is allocated to:				
Water and sewer operations		<u>\$ 321,512</u>		

# COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

## Note 8—Capital Assets: (Continued)

### Component Unit-School Board:

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
Capital assets not being depreciated:				
Land	\$ 277,809	\$ -	\$ -	\$ 277,809
Construction in progress	-	1,797,376	-	1,797,376
Total capital assets not being depreciated	\$ 277,809	\$ 1,797,376	\$ -	\$ 2,075,185
Other capital assets:				
Buildings and improvements	\$ 12,694,513	\$ 4,134,195	\$ -	\$ 16,828,708
Improvements other than buildings	1,610,422	-	-	1,610,422
Machinery, equipment and vehicles	4,587,652	452,241	479,220	4,560,673
Jointly owned assets	8,551,027	1,675,786	4,127,773	6,099,040
Total other capital assets	\$ 27,443,614	\$ 6,262,222	\$ 4,606,993	\$ 29,098,843
Accumulated depreciation:				
Buildings and improvements	\$ 7,569,079	\$ 2,020,870	\$ -	\$ 9,589,949
Improvements other than buildings	856,293	127,749	-	984,042
Machinery, equipment and vehicles	3,403,443	299,481	474,952	3,227,972
Jointly owned assets	3,810,307	399,967	2,270,268	1,940,006
Total accumulated depreciation	\$ 15,639,122	\$ 2,848,067	\$ 2,745,220	\$ 15,741,969
Other capital assets, net	\$ 11,804,492	\$ 3,414,155	\$ 1,861,773	\$ 13,356,874
Net capital assets	\$ 12,082,301	\$ 5,211,531	\$ 1,861,773	\$ 15,432,059
Depreciation is allocated to education		\$ 2,848,067		

Legislation enacted during the year ended June 30, 2002, Section 15.2-1800.1 of the Code of Virginia (1950), as amended, has changed the reporting of local capital assets and related debt for financial statement purposes. Historically, debt incurred by local governments “on-behalf” of school boards was reported in the school board’s discrete column along with the related capital assets. Under the law, local governments have a “tenancy in common” with the school board whenever the locality incurs any financial obligation for any school property which is payable over more than one year. For financial reporting purposes, the legislation permits the locality to report the portion of school property related to any outstanding financial obligation eliminating any potential deficit from capitalizing assets financed with debt. The effect on the County of Buckingham, Virginia for the year ended June 30, 2013, is that school financed assets in the amount of \$28,363,121 net are reported in the Primary Government for financial reporting purposes.

# COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

## Note 9—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.

County employees earn vacation and sick leave at various rates.

## Note 10—Long-Term Obligations:

The following is a summary of long-term obligation transactions for the County for the year ended June 30, 2013:

	Balance July 1, 2012	Issuances/ Increases	Retirements/ Decreases	Balance June 30, 2013
Primary Government:				
Governmental activities:				
Lease revenue bonds	\$ 8,760,000	\$ -	\$ 510,000	\$ 8,250,000
Premium on issuance	831,212	-	71,363	759,849
General obligation school bonds	30,954,254	-	1,519,962	29,434,292
Premium on issuance	1,513,829	-	155,824	1,358,005
Compensated absences	384,381	331,682	-	716,063
Total obligations from governmental activities	\$ 42,443,676	\$ 331,682	\$ 2,257,149	\$ 40,518,209
Business-type activities:				
Revenue bonds	\$ 1,451,466	\$ -	\$ 54,327	\$ 1,397,139
Revolving loans	6,186,576	747,663	85,691	6,848,548
Compensated absences	52,816	10,409	-	63,225
Total obligations from business-type activities	\$ 7,690,858	\$ 758,072	\$ 140,018	\$ 8,308,912
Long-term obligations from component unit activities:				
School Board:				
Compensated absences	\$ 516,351	\$ -	\$ 1,997	\$ 514,354
Energy improvement lease	-	1,596,421	-	1,596,421
Total obligations from component unit activities	\$ 516,351	\$ 1,596,421	\$ 1,997	\$ 2,110,775
Total long-term obligations	\$ 50,650,885	\$ 2,686,175	\$ 2,399,164	\$ 50,937,896
Reconciliation to Exhibit 1:				
	Governmental Activities	Business- Type Activities	Component Unit	Total
Long-term liabilities:				
Due within one year	\$ 2,647,560	\$ 521,773	\$ 110,024	\$ 3,279,357
Due in more than one year	37,870,649	7,787,139	2,000,751	47,658,539
Total long-term obligations	\$ 40,518,209	\$ 8,308,912	\$ 2,110,775	\$ 50,937,896

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 10—Long-Term Obligations: (Continued)**

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

Year Ending June 30,	Primary Government		Component Unit	
	Principal	Interest	Principal	Interest
2014	\$ 2,912,030	\$ 1,972,354	\$ 58,589	\$ 43,902
2015	2,126,429	1,887,649	63,992	42,290
2016	2,210,331	1,807,186	69,683	40,531
2017	2,293,077	1,728,684	75,674	38,614
2018	2,370,069	1,657,022	81,979	36,533
2019-2023	13,044,141	7,107,321	516,480	145,058
2024-2028	11,380,556	4,728,600	730,024	62,871
2029-2033	7,397,514	1,348,059	-	-
2034-2038	1,778,457	438,495	-	-
2039-2043	1,051,407	256,413	-	-
2044-2048	906,966	123,172	-	-
2049-2051	576,856	21,293	-	-
Total	\$ 48,047,833	\$ 23,076,248	\$ 1,596,421	\$ 409,799

Note: The above includes long-term obligations and premiums.  
Compensated absences are not included.

**Details of Long-term Obligations:**

Amount Outstanding	Due within One year
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**Governmental Activities:**

**Lease Revenue Bonds:**

\$9,255,000 lease revenue bonds, issued November 23, 2010 payable in various annual installments ranging from \$230,000 to \$590,000, due on October 1, 2011 through 2033, interest payable semi-annually at 2.357%-5.200%

\$ 8,250,000	\$ 535,000
759,849	67,082
\$ 9,009,849	\$ 602,082

Plus: Premium on issuance

Total Lease Revenue Bonds

**COUNTY OF BUCKINGHAM, VIRGINIA**

Notes to Financial Statements  
As of June 30, 2013 (Continued)

**Note 10—Long-Term Obligations: (Continued)****Details of Long-term Obligations: (Continued)**

	<u>Amount Outstanding</u>	<u>Due within One year</u>
<b><u>Governmental Activities: (Continued)</u></b>		
<b><u>General Obligation School Bonds:</u></b>		
\$5,930,000 School Bonds, 2002, issued November 7, 2002, maturing in various annual installments of \$295,000 to \$300,000 through July 15, 2022, interest payable semi-annually at 2.35%-5.10%	\$ 2,950,000	\$ 295,000
Plus: Premium on issuance	130,581	11,871
\$5,856,256 School Bonds, 2005, issued November 10, 2005, maturing in various annual installments of \$222,289 to \$370,235 through July 15, 2025, interest payable semi-annually at 4.60%-5.10%	4,118,292	270,808
Plus: Premium on issuance	140,070	19,940
\$10,000,000 School Bonds, 2011, issued June 28, 2011, maturing in various annual installments of \$186,000 to \$784,600, due on June 1, 2013 through June 1, 2027, interest payable semi-annually at 4.50%. However, the bonds were issued as qualified tax credit bonds allowing a direct payment of a refundable credit to the issuer, which will completely offset interest payments.	9,361,000	660,000
\$13,325,000 School Bonds, 2011B, issued November 9, 2011, maturing in various annual installments of \$320,000 to \$985,000, due on July 15, 2012 through July 15, 2031, interest payable semi-annually at 2.05%-5.05%	13,005,000	435,000
Plus: Premium on issuance	1,087,354	101,878
Total General Obligation School Bonds	\$ 30,792,297	\$ 1,794,497
<b><u>Compensated absences (payable from general fund)</u></b>	\$ 716,063	\$ 250,981
Total long-term obligations from governmental activities	\$ 40,518,209	\$ 2,647,560

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

### Note 10—Long-Term Obligations: (Continued)

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

##### Business-Type Activities:

###### Revenue bonds:

\$861,000 Water System Revenue Bonds issued August 20, 1982, due in monthly installments of \$4,228 including interest, through 2022, interest at 5%	\$	360,180	\$	360,180
\$1,268,000 Water System Revenue Bonds authorized April 16, 1998, due in monthly installments of \$5,822 including interest at 4.5%, beginning March 31, 2000 through 2038		1,036,959		23,686
Total Revenue Bonds	\$	1,397,139	\$	383,866

###### Revolving loans:

\$571,435 VRA revolving fund loan originated January 1, 2002. The loan has a 0% interest rate, but an imputed interest of 4% was considered reasonable. After imputation of interest the net proceeds of the loan amounted to \$396,161. The County assumed this indebtedness as a part of its acquisition of the Town of Dillwyn's sewer system. The loan is due in semi-annual installments of \$14,403 including interest through October 1, 2013	\$	14,121	\$	14,121
\$1,056,863 VRA revolving fund loan originated October 30, 2004. The loan is due in semi-annual installments of \$20,729 including interest at 1%, beginning March 1, 2005 through 2034		783,529		33,707
\$1,170,700 Rural Development loan due in monthly installments of \$5,097 including interest at 4.125%, beginning October 13, 2007		1,058,754		17,763
\$5,000,000 Rural Development loan due in monthly installments of \$16,700 including interest at 2.375%, beginning August 25, 2012. Interest only payments are due July 25, 2012 and July 25, 2013. The interest only payments included principal components.		4,992,144		65,994
Total Revolving Loans	\$	6,848,548	\$	131,585
<u>Compensated absences</u>	\$	63,225	\$	6,322
Total long-term obligations from business-type activities	\$	8,308,912	\$	521,773

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 10—Long-Term Obligations: (Continued)

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

##### Component Unit Activities:

###### Energy improvement lease:

\$1,596,421 equipment lease/purchase agreement for energy improvements dated September 5, 2012. The lease is to be repaid in annual installments ranging from \$102,491 on September 5, 2013 to \$170,261 on September 5, 2027. Interest is charged at a rate of 2.75% Energy improvements of \$1,546,465 are reflected in CIP at year-end.

\$	1,596,421	\$	58,589
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###### Compensated absences (payable from school operating fund)

\$	514,354	\$	51,435
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Total long-term obligations from component unit activities

\$	2,110,775	\$	110,024
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Total long-term obligations

\$	50,937,896	\$	3,279,357
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### Note 11—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)

All full-time, salaried permanent (professional) employees of public school divisions and employees of participating employers are automatically covered by VRS upon employment. Benefits vest after five years of service credit. Members earn one month of service credit for each month they are employed and their employer is paying into the VRS. Members are eligible to purchase prior public service, active duty military service, certain periods of leave and previously refunded VRS service as service credit in their plan.

VRS administers two defined benefit plans for local government employees - Plan 1 and Plan 2:

- Members hired before July 1, 2010 and who were vested as of January 1, 2013 are covered under Plan 1. Non-hazardous duty members are eligible for an unreduced retirement benefit beginning at age 65 with at least five years of service credit or age 50 with at least 30 years of service credit. They may retire with a reduced benefit early at age 55 with at least five years of service credit or age 50 with at least 10 years of service credit.
- Members hired or rehired on or after July 1, 2010 and Plan 1 members who were not vested on January 1, 2013 are covered under Plan 2. Non-hazardous duty members are eligible for an unreduced benefit beginning at their normal Social Security retirement age with at least five years of service credit or when the sum of their age and service equals 90. They may retire with a reduced benefit as early as age 60 with at least five years of service credit.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 11—Defined Benefit Pension Plan: (Continued)

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#### A. Plan Description: (Continued)

- Eligible hazardous duty members in Plan 1 and Plan 2 are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. These members include sheriffs, deputy sheriffs and hazardous duty employees of political subdivisions that have elected to provide enhanced coverage for hazardous duty service. They may retire with a reduced benefit as early as age 50 with at least five years of service credit. All other provisions of the member's.

The VRS Basic Benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the member's average final compensation multiplied by the member's total service credit. Under Plan 1, average final compensation is the average of the member's 36 consecutive months of highest compensation. Under Plan 2, average final compensation is the average of the member's 60 consecutive months of highest compensation. The retirement multiplier for non-hazardous duty members is 1.70 %. The retirement multiplier for sheriffs and regional jail superintendents is 1.85%. The retirement multiplier for eligible political subdivision hazardous duty employees other than sheriffs and jail superintendents is 1.70% or 1.85% as elected by the employer. The multiplier for Plan 2 members was reduced to 1.65% effective January 1, 2013 unless they are hazardous duty employees and their employer has elected the enhanced retirement multiplier. At retirement, members can elect the Basic Benefit, the Survivor Option, a Partial Lump-Sum Option Payment (PLOP) or the Advance Pension Option. A retirement reduction factor is applied to the Basic Benefit amount for members electing the Survivor Option, PLOP or Advance Pension Option or those retiring with a reduced benefit.

Retirees are eligible for an annual cost-of-living adjustment (COLA) effective July 1 of the second calendar year of retirement. Under Plan 1, the COLA cannot exceed 5.00%; under Plan 2, the COLA cannot exceed 6.00%. During years of no inflation or deflation, the COLA is 0.00%. 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 the report may be obtained from the VRS website at <http://www.varetire.org/Pdf/publications/2012-annual-report.pdf> or 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% of their compensation toward their retirement. All or part of the 5% member contribution may be assumed by the employer. Beginning July 1, 2012 new employees were required to pay the 5% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5% member contribution. This could be phased in over a period up to 5 years and the employer is required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution. In addition, the County and its component units are required to contribute the remaining amounts necessary to fund their participation in the VRS using the actuarial basis specified by the Code of Virginia and approved by the VRS Board of Trustees. The County and School Board non-professional employee contribution rates for the fiscal year ended 2013 were 12.97% and 8.55%, respectively, of annual covered payroll.



## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

### Note 11—Defined Benefit Pension Plan: (Continued)

#### C. Annual Pension Cost

For fiscal year 2013, the County's annual pension cost of \$486,908 was equal to the County's required and actual contributions.

For fiscal year 2013, the School Board's annual pension cost for the Board's non-professional employees was \$60,587 which was equal to the Board's required and actual contributions.

Three-Year Trend Information			
Fiscal Year Ending	Annual Pension Cost (APC) <sup>1</sup>	Percentage of APC Contributed	Net Pension Obligation
County:			
June 30, 2013	\$ 486,908	100%	\$ -
June 30, 2012	361,872	100%	-
June 30, 2011	349,819	100%	-
School Board Non-Professional:			
June 30, 2013	\$ 60,587	100%	\$ -
June 30, 2012	51,382	100%	-
June 30, 2011	53,330	100%	-

<sup>1</sup> Employer Portion Only

The FY 2013 required contribution was determined as part of the June 30, 2011 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at June 30, 2011 included (a) an investment rate of return (net of administrative expenses) of 7.00%, (b) projected salary increases ranging from 3.75% to 5.60% per year for general government employees, 3.75% to 6.20% per year for teachers, 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 for Plan 1 employees and 2.25% for Plan 2 employees. Both the investment rate of return and the projected salary increases include an inflation component of 2.50%. The actuarial value of the County and 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 and School Board's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period at June 30, 2011 for the Unfunded Actuarial Accrued Liability (UAAL) was 30 years.

#### D. Funded Status and Funding Progress

As of June 30, 2012, the most recent actuarial valuation date, the County's plan was 74.82% funded. The actuarial accrued liability for benefits was \$14,462,964, and the actuarial value of assets was \$10,821,683, resulting in an unfunded actuarial accrued liability (UAAL) of \$3,641,281. The covered payroll (annual payroll of active employees covered by the plan) was \$3,450,459, and ratio of the UAAL to the covered payroll was 105.53%.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 11—Defined Benefit Pension Plan: (Continued)

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#### D. Funded Status and Funding Progress: (Continued)

As of June 30, 2012, the most recent actuarial valuation date, the School Board's plan was 82.13% funded. The actuarial accrued liability for benefits was \$3,030,518, and the actuarial value of assets was \$2,489,115, resulting in an unfunded actuarial accrued liability (UAAL) of \$541,403. The covered payroll (annual payroll of active employees covered by the plan) was \$831,022, and ratio of the UAAL to the covered payroll was 65.15%.

The schedule of funding progress, presented as required supplementary information (RSI) 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 (AAL) for benefits.

#### E. Discretely Presented Component Unit School Board

##### PROFESSIONAL EMPLOYEES:

##### Plan Description

The Buckingham County School Board contributes to the Virginia Retirement System (VRS), a cost-sharing multiple-employer defined benefit pension plan administered by the Virginia Retirement System. VRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. 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/2012-annual-report.pdf> or obtained by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

##### Funding Policy

Plan members are required to contribute 5.00% of their compensation toward the retirement and Buckingham County School Board is required to contribute at an actuarially determined rate. The rates for fiscal years 2013, 2012, and 2011 were 11.66%, 6.33%, and 3.93%, respectively, of annual covered payroll. The contribution requirements of plan members and Buckingham County School Board are established and may be amended by the VRS Board of Trustees. The School Board's contributions to VRS for the years ending June 30, 2013, 2012, and 2011 were \$1,101,172, \$645,888, and \$413,912, respectively, and equaled the required contributions for each year.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

### Note 12—Commitments and Contingencies:

Federal programs in which the County and its component unit participate were audited in accordance with the provisions of U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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, future disallowances of current grant program expenditures, if any, would be immaterial.

The Board of Supervisors has authorized wastewater upgrades for Buckingham County. The estimated cost of this project is \$9,052,000. The project will be funded primarily with loans and grants through the Rural Development division of the U.S. Department of Agriculture. A grant of \$4,334,000 and loan of \$4,718,000 have been awarded to the County for this project. Engineering work on the new sewer plant began in fiscal year 2011.

At June 30, 2013, the County had several major projects underway, which are presented in the financial statements as construction in progress. Presented is a list of major projects, contract amounts, expenditures to date, and balances of contracts remaining:

Project	Contract Amount	Expenditures to Date	Balance of Contract
Various water and sewer engineering and design work	\$ 2,076,171	\$ 1,533,589	\$ 542,582
Water treatment plant construction	10,643,629	10,111,448	532,181
County government complex	4,444,966	4,362,729	82,237
Fire-Rescue Radio System	589,293	-	589,293
Sidewalk Improvements	166,556	160,484	6,072
School Security System (High School and Preschool)	169,456	10,180	159,276

In addition the School Board has the following projects in process:

Upper and Lower Elementary School renovation	\$ 20,474,781	\$ 20,099,764	\$ 375,017
Energy improvements	1,596,421	1,546,465	49,956

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### Note 13—Surety Bonds:

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	<u>Amount</u>
Fidelity and Deposit Company of Maryland - Surety Management - Faithful Performance of Duty Bond:	
Malcolm A. Booker, Jr., Clerk of the Circuit Court	\$ 330,000
Christy L. Christian, Treasurer	400,000
Stephanie L. Allen, Commissioner of the Revenue	3,000
William G. Kidd, Jr., Sheriff	30,000
The above constitutional officers' employees-blanket bond	50,000
Virginia Association of Counties Group Self-Insurance Risk Pool:	
County Employees - blanket bond	250,000
United States Fidelity and Guaranty Company - Surety (2012-2013 Policy Term)	
Dr. Cecil Snead, II, Superintendent	10,000
Sandy Wier, Clerk of the School Board	10,000
Charlotte Patterson, Deputy Clerk of the School Board	10,000
Wendy Oliver, Accounts Payable	10,000
Western Surety Company - Surety:	
Social Services Employees - blanket bond	100,000
Western Surety Company - Surety:	
Christy L. Christian, Treasurer	20,000

### Note 14—Landfill Closure and Postclosure Care Cost:

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The County of Buckingham, Virginia owns a landfill in which contaminated material was found. The Environmental Protection Agency (EPA) classified the site as hazardous and negotiated the remedial action required for the closure of the site. The County and private parties, who contributed to the waste at the site were involved in the closure. The closure of the landfill has now been completed with oversight of the EPA. Under the closure plan, continuing monitoring and evaluation of the site is required. The County's responsibility under the monitoring and evaluation is met by performing in-kind services. The County's financial obligation for the landfill as a hazardous waste site has been met. The County at this time does not have an operating landfill. The County hauls waste to other surrounding localities.

### Note 15—Risk Management:

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The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries insurance.

The County is a member of the Virginia Municipal Group Self Insurance Association for workers' compensation. This program is administered by a servicing contractor, which furnishes claims review and processing.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### **Note 15—Risk Management: (Continued)**

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Each Association member jointly and severally agrees to assume, pay and discharge any liability. The County pays Virginia Municipal Group contributions and assessments based upon classifications and rates into a designated cash reserve fund out of which expenses of the Association and claims and awards are to be paid. In the event of a loss deficit and depletion of all available excess insurance, the Association may assess all members in the proportion which the premium of each bears to the total premiums of all members in the year in which such deficit occurs.

The County continues to carry commercial insurance for all other risks of losses. For the previous three fiscal years, settled claims from these risks have not exceeded commercial coverage.

### **Note 16—Litigation:**

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At June 30, 2013, there were no matters of litigation involving the County which would materially affect the County's financial position should any court decisions on pending matters not be favorable. Although litigation has been threatened against the County related to the County Administration building projects, a formal suit has not yet been filed.

### **Note 17—Expenditures and Appropriations:**

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Expenditures exceeded appropriations in all functions except for education in the General Fund and in the Virginia Public Assistance, County Capital Improvements Fund, and Debt Financed School Capital Projects Funds at June 30, 2013; however, all disbursements were approved in accordance with operating policies.

### **Note 18—Interfund Transfers:**

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Interfund transfers for the year ended June 30, 2013 consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net</u>
Primary Government:			
Governmental Activities:			
General Fund	\$ -	\$ 5,511,437	\$ (5,511,437)
VPA Fund	735,760	-	735,760
Debt Service Fund	3,513,940	-	3,513,940
County Capital Improvements Fund	<u>1,261,737</u>	<u>-</u>	<u>1,261,737</u>
Total interfund transfers	\$ <u>5,511,437</u>	\$ <u>5,511,437</u>	\$ <u>-</u>

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgeting authorization.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2013 (Continued)

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### **Note 19—Other Postemployment Benefits-Health Insurance:**

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The County offers postemployment medical coverage to their retired employees. Retirees and their spouses are permitted to remain on the respective County plan until they are eligible for Medicare benefits. Premiums are paid by the retirees. At June 30, 2013, the County has elected not to obtain an actuarial valuation to determine liability for this benefit in accordance with the financial reporting requirements of GASB 45. Any liability at June 30, 2013 is not believed to be material to the financial statements. The School Board has two participants on its plan and the benefit is no longer offered so there is minimal impact to the financial statements.

### **Note 20—Other Postemployment Benefits—VRS Health Insurance Credit:**

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#### **A. Plan Description**

The School Board participates in the Health Insurance Credit Program, a plan designed to assist retirees with the cost of health insurance coverage. This program is a cost sharing, multiple-employer defined benefit plan administered by the Virginia Retirement System (VRS). The Virginia General Assembly establishes the dollar amount of the health insurance credit for each year of creditable service. The credit amount and eligibility differs for state, school division, political subdivision, local officer, local social services department and general registrar retirees.

A teacher, who retires under VRS with at least 15 years of total creditable service under the System and is enrolled in a health insurance plan, is eligible to receive a monthly health insurance credit of \$4 per year of creditable service. However, such credit shall not exceed the health insurance premium for the retiree. Disabled retirees automatically receive a monthly health insurance credit of \$4 multiplied by the smaller of (i) twice the amount of their creditable service or (ii) the amount of creditable service they would have completed at age 60 if they had remained in service to that age.

Benefit provisions and eligibility requirements are established by Title 51.1, Chapter 14 of the Code of Virginia. The VRS actuarially determines the amount necessary to fund all credits provided, reflects the cost of such credits in the applicable employer contribution rate pursuant to §51.1-145, and prescribes such terms and conditions as are necessary to carry out the provisions of the health insurance credit program. VRS issues separate financial statements as previously discussed in Note 11.

#### **B. Funding Policy**

The School Board is required to contribute, at an actuarially determined rate, the entire amount necessary to fund participation in the program. The current rate is 1.11% of annual covered payroll. The School Board's contributions to VRS for the years ended June 30, 2013, 2012, and 2011 were \$104,922, \$61,222, and \$63,193, respectively and equaled the required contributions for each year.

## COUNTY OF BUCKINGHAM, VIRGINIA

### Notes to Financial Statements As of June 30, 2013 (Continued)

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#### Note 21—Operating Lease:

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The County leases the newly renovated County Administration building to the Departments of Health and Social Services. In fiscal year 2013, the Health Department entered into a 15 year lease with the County and future payments are as follows:

<u>Year Ending June 30,</u>	<u>Health Dept</u>	<u>DSS</u>
2014	\$ 50,000	\$ 29,052
2015	50,000	29,052
2016	50,000	29,052
2017	50,000	29,052
2018	50,000	29,052
2019-2023	250,000	29,052
2024-2028	241,666	24,210
Total	<u>\$ 741,666</u>	<u>\$ 198,522</u>

#### Note 22—Subsequent Events:

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On August 12, 2013, the Board of Supervisors accepted a \$139,950 bid from W.A. Stratton for construction of a utilities building to house water and sewer equipment. In addition, a resolution was presented conveying title of Gold Hill Elementary from the School Board to the County.

On October 15, 2013, the Board of Supervisors approved a contract with Pearson Construction at a price of \$324,545 for Phase II of the Gene Dixon Memorial Park expansion.

On November 12, 2013, the Board of Supervisors authorized issuance of sewer revenue bonds in an amount not to exceed \$4,718,000 for improvements and expansion of the sewer system. The bonds carry an interest rate of 2.125% and will be issued through Rural Development. The County has also entered into an agreement with Buckingham Industrial Development Authority (IDA) to fund debt service through the collection of an availability fee from the IDA.

Also on November 12, 2013, the Board of Supervisors approved payoff of the existing loan for the first water system in the amount of \$345,707 from the Water Enterprise fund. The full amount due has been recorded as a current liability in the government-wide statements as noted in Note 10.

On December 9, 2013, the Board of Supervisors approved the purchase of a 2014 Ford F150 Crew Cab Truck to be financed through a USDA - Community Development loan at a price of \$27,000 for a five year period at a rate of 3.5%.

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### **REQUIRED SUPPLEMENTARY INFORMATION**

Note to Required Supplementary Information:

Presented budgets were prepared in accordance with accounting principles generally accepted in the United States of America.

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## General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
General property taxes	\$ 11,511,800	\$ 11,511,800	\$ 12,443,638	\$ 931,838
Other local taxes	1,410,000	1,410,000	1,440,590	30,590
Permits, privilege fees, and regulatory licenses	71,200	71,200	85,392	14,192
Fines and forfeitures	52,400	52,400	78,760	26,360
Revenue from the use of money and property	61,128	61,128	66,735	5,607
Charges for services	65,516	65,516	105,981	40,465
Miscellaneous	13,200	13,200	30,973	17,773
Intergovernmental revenues:				
Commonwealth	3,122,354	3,297,496	3,276,517	(20,979)
Federal	225,000	17,850	297,619	279,769
Total revenues	<u>\$ 16,532,598</u>	<u>\$ 16,500,590</u>	<u>\$ 17,826,205</u>	<u>\$ 1,325,615</u>
EXPENDITURES				
Current:				
General government administration	\$ 1,267,011	\$ 1,427,136	\$ 1,429,691	\$ (2,555)
Judicial administration	694,758	734,500	737,529	(3,029)
Public safety	2,629,376	3,112,457	3,316,080	(203,623)
Public works	1,262,446	1,292,691	1,385,267	(92,576)
Health and welfare	185,780	187,780	196,625	(8,845)
Education	4,975,714	5,795,872	5,203,272	592,600
Parks, recreation, and cultural	315,992	331,362	373,627	(42,265)
Community development	184,872	187,720	183,482	4,238
Nondepartmental	150,000	150,000	159,694	(9,694)
Capital projects	-	220,864	559,396	(338,532)
Total expenditures	<u>\$ 11,665,949</u>	<u>\$ 13,440,382</u>	<u>\$ 13,544,663</u>	<u>\$ (104,281)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 4,866,649</u>	<u>\$ 3,060,208</u>	<u>\$ 4,281,542</u>	<u>\$ 1,221,334</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>\$ (3,828,537)</u>	<u>\$ (3,727,006)</u>	<u>\$ (5,511,437)</u>	<u>\$ (1,784,431)</u>
Total other financing sources (uses)	<u>\$ (3,828,537)</u>	<u>\$ (3,727,006)</u>	<u>\$ (5,511,437)</u>	<u>\$ (1,784,431)</u>
Net change in fund balance	\$ 1,038,112	\$ (666,798)	\$ (1,229,895)	\$ (563,097)
Fund balance - beginning	(2,090,053)	(305,706)	9,415,356	9,721,062
Fund balance - ending	<u>\$ (1,051,941)</u>	<u>\$ (972,504)</u>	<u>\$ 8,185,461</u>	<u>\$ 9,157,965</u>

## Virginia Public Assistance Fund

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ 23,000	\$ 23,000	\$ 25,290	\$ 2,290
Intergovernmental revenues:				
Commonwealth	1,343,961	1,343,961	1,398,129	54,168
Federal	944,144	944,144	783,649	(160,495)
Total revenues	<u>\$ 2,311,105</u>	<u>\$ 2,311,105</u>	<u>\$ 2,207,068</u>	<u>\$ (104,037)</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	\$ 2,816,708	\$ 2,887,108	\$ 2,942,828	\$ (55,720)
Total expenditures	<u>\$ 2,816,708</u>	<u>\$ 2,887,108</u>	<u>\$ 2,942,828</u>	<u>\$ (55,720)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (505,603)</u>	<u>\$ (576,003)</u>	<u>\$ (735,760)</u>	<u>\$ (159,757)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 505,603	\$ 576,003	\$ 735,760	\$ 159,757
Total other financing sources (uses)	<u>\$ 505,603</u>	<u>\$ 576,003</u>	<u>\$ 735,760</u>	<u>\$ 159,757</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Virginia Retirement System  
Schedule of Pension Funding Progress

## County:

Actuarial Valuation Date	Actuarial Value of Assets (AVA) (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a) (c)	Funded Ratio (a/b) (d)	Annual Covered Payroll (e)	UAAL as % of Covered Payroll (c/e) (f)
June 30, 2008	\$ 10,166,194	\$ 11,216,590	\$ 1,050,396	90.64%	\$ 3,257,041	32.25%
June 30, 2009	10,201,639	11,844,058	1,642,419	86.13%	3,259,520	50.39%
June 30, 2010	10,307,316	12,914,504	2,607,188	79.81%	3,203,481	81.39%
June 30, 2011	10,612,123	13,795,446	3,183,323	76.92%	3,407,805	93.41%
June 30, 2012	10,821,683	14,462,964	3,641,281	74.82%	3,450,459	105.53%

## School Board Non-Professional:

Actuarial Valuation Date	Actuarial Value of Assets (AVA) (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a) (c)	Funded Ratio (a/b) (d)	Annual Covered Payroll (e)	UAAL as % of Covered Payroll (c/e) (f)
June 30, 2008	\$ 2,355,877	\$ 2,586,401	\$ 230,524	91.09%	\$ 927,205	24.86%
June 30, 2009	2,424,856	2,691,998	267,142	90.08%	945,058	28.27%
June 30, 2010	2,449,614	2,986,997	537,383	82.01%	903,040	59.51%
June 30, 2011	2,500,275	3,083,569	583,294	81.08%	831,998	70.11%
June 30, 2012	2,489,115	3,030,518	541,403	82.13%	831,022	65.15%

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**OTHER SUPPLEMENTARY INFORMATION**

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## **Combining and Individual Fund Statements and Schedules**

## Debt Service Fund

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Intergovernmental revenues:				
Federal	\$ -	\$ 450,000	\$ 430,425	\$ (19,575)
Total revenues	\$ -	\$ 450,000	\$ 430,425	\$ (19,575)
EXPENDITURES				
Debt service:				
Principal retirement	\$ 2,029,962	\$ 2,029,962	\$ 2,029,962	\$ -
Interest and other fiscal charges	1,292,972	1,914,903	1,914,403	500
Total expenditures	\$ 3,322,934	\$ 3,944,865	\$ 3,944,365	\$ 500
Excess (deficiency) of revenues over (under) expenditures	\$ (3,322,934)	\$ (3,494,865)	\$ (3,513,940)	\$ (19,075)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 3,322,934	\$ 3,494,865	\$ 3,513,940	\$ 19,075
Total other financing sources (uses)	\$ 3,322,934	\$ 3,494,865	\$ 3,513,940	\$ 19,075
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ -	\$ -	\$ -

## County Capital Improvements Fund

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Revenue from the use of money and property	\$ -	\$ -	\$ -	\$ -
Total revenues	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Capital projects	\$ -	\$ -	\$ 1,032,176	\$ (1,032,176)
Total expenditures	\$ -	\$ -	\$ 1,032,176	\$ (1,032,176)
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ (1,032,176)	\$ (1,032,176)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ -	\$ -	\$ 1,261,737	\$ 1,261,737
Total other financing sources (uses)	\$ -	\$ -	\$ 1,261,737	\$ 1,261,737
Net change in fund balance	\$ -	\$ -	\$ 229,561	\$ 229,561
Fund balance - beginning	-	-	(229,561)	(229,561)
Fund balance - ending	\$ -	\$ -	\$ -	\$ -

## Debt Financed School Capital Projects Fund

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Revenue from the use of money and property	\$ -	\$ -	\$ 8,725	\$ 8,725
Total revenues	\$ -	\$ -	\$ 8,725	\$ 8,725
<b>EXPENDITURES</b>				
Capital projects	\$ -	\$ -	\$ 2,903,515	\$ (2,903,515)
Total expenditures	\$ -	\$ -	\$ 2,903,515	\$ (2,903,515)
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ (2,894,790)	\$ (2,894,790)
Net change in fund balance	\$ -	\$ -	\$ (2,894,790)	\$ (2,894,790)
Fund balance - beginning	-	-	3,658,813	3,658,813
Fund balance - ending	\$ -	\$ -	\$ 764,023	\$ 764,023

Statement of Changes in Assets and Liabilities  
 Agency Funds  
 For the Year Ended June 30, 2013

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
<b>Special Welfare Fund:</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 31,393	\$ 2,517	\$ 2,517	\$ 31,393
Total assets	<u>\$ 31,393</u>	<u>\$ 2,517</u>	<u>\$ 2,517</u>	<u>\$ 31,393</u>
<b>LIABILITIES</b>				
Amounts held for social services clients	\$ 31,393	\$ 2,517	\$ 2,517	\$ 31,393
Total liabilities	<u>\$ 31,393</u>	<u>\$ 2,517</u>	<u>\$ 2,517</u>	<u>\$ 31,393</u>
<b>Totals - All Agency Funds:</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 31,393	\$ 2,517	\$ 2,517	\$ 31,393
Total assets	<u>\$ 31,393</u>	<u>\$ 2,517</u>	<u>\$ 2,517</u>	<u>\$ 31,393</u>
<b>LIABILITIES</b>				
Amounts held for social services clients	\$ 31,393	\$ 2,517	\$ 2,517	\$ 31,393
Total liabilities	<u>\$ 31,393</u>	<u>\$ 2,517</u>	<u>\$ 2,517</u>	<u>\$ 31,393</u>

Combining Balance Sheet  
Discretely Presented Component Unit - School Board  
June 30, 2013

	School Operating Fund	School Cafeteria Fund	School Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 266,298	\$ 7,390	\$ 273,688
Cash in custody of others	-	-	49,956	49,956
Receivables (net of allowance for uncollectibles):				
Accounts receivable	111,415	-	-	111,415
Due from primary government	739,357			739,357
Due from other governmental units	752,574	-	-	752,574
Total assets	<u>\$ 1,603,346</u>	<u>\$ 266,298</u>	<u>\$ 57,346</u>	<u>\$ 1,926,990</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 139,419	\$ -	\$ -	\$ 139,419
Accrued liabilities	1,463,927	74,164	-	1,538,091
Total liabilities	<u>\$ 1,603,346</u>	<u>\$ 74,164</u>	<u>\$ -</u>	<u>\$ 1,677,510</u>
Fund balances:				
Committed:				
Cafeteria operations	\$ -	\$ 192,134	\$ -	\$ 192,134
Energy improvements	-	-	49,956	49,956
Assigned:				
Capital projects	-	-	7,390	7,390
Total fund balances	<u>\$ -</u>	<u>\$ 192,134</u>	<u>\$ 57,346</u>	<u>\$ 249,480</u>
Total liabilities and fund balances	<u>\$ 1,603,346</u>	<u>\$ 266,298</u>	<u>\$ 57,346</u>	<u>\$ 1,926,990</u>

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Total fund balances per above \$ 249,480

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

Land	\$ 277,809	
Construction in progress	1,797,376	
Buildings and improvements	7,238,759	
Improvements other than buildings	626,380	
Machinery, equipment, and vehicles	1,332,701	
Jointly owned assets	<u>4,159,034</u>	15,432,059

Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.

Energy improvement lease	\$ (1,596,421)	
Compensated absences	(514,354)	
Accrued interest payable	<u>(34,755)</u>	<u>(2,145,530)</u>

Net position of governmental activities \$ 13,536,009

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Governmental Funds - Discretely Presented Component Unit - School Board  
 For the Year Ended June 30, 2013

	School Operating Fund	School Cafeteria Fund	School Capital Projects Fund	Total Governmental Funds
<b>REVENUES</b>				
Revenue from the use of money and property	\$ 350	\$ -	\$ -	\$ 350
Charges for services	7,395	222,837	-	230,232
Miscellaneous	869,915	-	-	869,915
Intergovernmental revenues:				
Local government	5,184,173	-	-	5,184,173
Commonwealth	12,630,459	21,928	-	12,652,387
Federal	1,672,115	784,107	-	2,456,222
Total revenues	<u>\$ 20,364,407</u>	<u>\$ 1,028,872</u>	<u>\$ -</u>	<u>\$ 21,393,279</u>
<b>EXPENDITURES</b>				
Current:				
Education	\$ 20,364,407	\$ 1,181,873	\$ -	\$ 21,546,280
Capital projects	-	-	1,540,643	1,540,643
Total expenditures	<u>\$ 20,364,407</u>	<u>\$ 1,181,873</u>	<u>\$ 1,540,643</u>	<u>\$ 23,086,923</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (153,001)</u>	<u>\$ (1,540,643)</u>	<u>\$ (1,693,644)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of capital lease	\$ -	\$ -	\$ 1,596,421	\$ 1,596,421
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,596,421</u>	<u>\$ 1,596,421</u>
Net change in fund balances	\$ -	\$ (153,001)	\$ 55,778	\$ (97,223)
Fund balances - beginning	-	345,135	1,568	346,703
Fund balances - ending	<u>\$ -</u>	<u>\$ 192,134</u>	<u>\$ 57,346</u>	<u>\$ 249,480</u>

Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:

Net change in fund balances - total governmental funds - per above \$ (97,223)

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 (did not exceed) depreciation in the current period.

Capital asset additions	\$ 2,256,039	
Depreciation in current year	(2,448,100)	
Adjustment for jointly owned assets	3,546,087	3,354,026

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position. 5,068

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 position. Also, governmental funds report the effect of 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. (1,596,421)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. The details of this change are below.

Compensated absences	\$ 1,997	
Accrued interest payable	(34,755)	(32,758)

Change in net position of governmental activities \$ 1,623,356

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
Discretely Presented Component Unit - School Board  
For the Year Ended June 30, 2013

	School Operating Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 500	\$ 500	\$ 350	\$ (150)
Charges for services	7,500	10,000	7,395	(2,605)
Miscellaneous	395,500	692,933	869,915	176,982
Intergovernmental revenues:				
Local government	4,956,561	5,776,719	5,184,173	(592,546)
Commonwealth	12,314,231	12,686,460	12,630,459	(56,001)
Federal	1,848,397	1,779,912	1,672,115	(107,797)
Total revenues	\$ 19,522,689	\$ 20,946,524	\$ 20,364,407	\$ (582,117)
EXPENDITURES				
Current:				
Education	\$ 19,522,689	\$ 20,946,524	\$ 20,364,407	\$ 582,117
Capital projects	-	-	-	-
Total expenditures	\$ 19,522,689	\$ 20,946,524	\$ 20,364,407	\$ 582,117
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES (USES)				
Issuance of capital lease	\$ -	\$ -	\$ -	\$ -
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -



School Cafeteria Fund				School Capital Projects Fund			
Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
Original	Final	Actual		Original	Final	Actual	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
358,659	358,659	222,837	(135,822)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
18,216	18,121	21,928	3,807	-	-	-	-
653,587	688,587	784,107	95,520	-	-	-	-
\$ 1,030,462	\$ 1,065,367	\$ 1,028,872	\$ (36,495)	\$ -	\$ -	\$ -	\$ -
\$ 1,030,462	\$ 1,065,367	\$ 1,181,873	\$ (116,506)	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	33,331	1,540,643	(1,507,312)
\$ 1,030,462	\$ 1,065,367	\$ 1,181,873	\$ (116,506)	\$ -	\$ 33,331	\$ 1,540,643	\$ (1,507,312)
\$ -	\$ -	\$ (153,001)	\$ (153,001)	\$ -	\$ (33,331)	\$ (1,540,643)	\$ (1,507,312)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,596,421	\$ 1,596,421
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,596,421	\$ 1,596,421
\$ -	\$ -	\$ (153,001)	\$ (153,001)	\$ -	\$ (33,331)	\$ 55,778	\$ 89,109
-	-	345,135	345,135	-	33,331	1,568	(31,763)
\$ -	\$ -	\$ 192,134	\$ 192,134	\$ -	\$ -	\$ 57,346	\$ 57,346

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## **Supporting Schedules**

Schedule of Revenues - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2013

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund:</b>				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 6,461,000	\$ 6,461,000	\$ 6,314,103	\$ (146,897)
Real and personal public service corporation taxes	2,020,000	2,020,000	2,850,657	830,657
Personal property taxes	2,310,000	2,310,000	2,496,392	186,392
Mobile home taxes	65,000	65,000	70,755	5,755
Machinery and tools taxes	250,000	250,000	228,592	(21,408)
Merchants' capital taxes	105,000	105,000	164,038	59,038
Aircraft taxes	800	800	767	(33)
Penalties	150,000	150,000	164,479	14,479
Interest	150,000	150,000	153,855	3,855
Total general property taxes	<u>\$ 11,511,800</u>	<u>\$ 11,511,800</u>	<u>\$ 12,443,638</u>	<u>\$ 931,838</u>
Other local taxes:				
Local sales and use taxes	\$ 600,000	\$ 600,000	\$ 603,781	\$ 3,781
Consumers' utility taxes	335,000	335,000	328,409	(6,591)
Franchise license taxes	60,000	60,000	77,982	17,982
Transient occupancy taxes	5,000	5,000	3,580	(1,420)
Motor vehicle licenses	330,000	330,000	327,050	(2,950)
Bank stock taxes	22,000	22,000	31,385	9,385
Taxes on recordation and wills	58,000	58,000	68,403	10,403
Total other local taxes	<u>\$ 1,410,000</u>	<u>\$ 1,410,000</u>	<u>\$ 1,440,590</u>	<u>\$ 30,590</u>
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 5,000	\$ 5,000	\$ 4,134	\$ (866)
Permits and other licenses	66,200	66,200	81,258	15,058
Total permits, privilege fees, and regulatory licenses	<u>\$ 71,200</u>	<u>\$ 71,200</u>	<u>\$ 85,392</u>	<u>\$ 14,192</u>
Fines and forfeitures:				
Court fines and forfeitures	\$ 50,000	\$ 50,000	\$ 64,872	\$ 14,872
Other fines and forfeitures	2,400	2,400	13,888	11,488
Total fines and forfeitures	<u>\$ 52,400</u>	<u>\$ 52,400</u>	<u>\$ 78,760</u>	<u>\$ 26,360</u>
Revenue from use of money and property:				
Revenue from use of money	\$ 5,800	\$ 5,800	\$ 7,278	\$ 1,478
Revenue from use of property	55,328	55,328	59,457	4,129
Total revenue from use of money and property	<u>\$ 61,128</u>	<u>\$ 61,128</u>	<u>\$ 66,735</u>	<u>\$ 5,607</u>
Charges for services:				
Sheriff's fees	\$ 2,116	\$ 2,116	\$ 1,251	\$ (865)
Charges for law library	2,000	2,000	2,465	465
Excess fees of clerk	5,000	5,000	3,713	(1,287)
Charges for courthouse maintenance	6,500	6,500	7,167	667
Charges for parks and recreation	-	-	35,396	35,396
Miscellaneous jail and inmate fees	1,700	1,700	1,036	(664)
Courthouse security fees	27,000	27,000	31,629	4,629
Charges for Commonwealth's Attorney	400	400	1,155	755
Charges for local court appointed attorney	800	800	2,181	1,381
Charges for sanitation and waste removal	20,000	20,000	19,988	(12)
Total charges for services	<u>\$ 65,516</u>	<u>\$ 65,516</u>	<u>\$ 105,981</u>	<u>\$ 40,465</u>

## Schedule of Revenues - Budget and Actual

## Governmental Funds

For the Year Ended June 30, 2013 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Revenue from local sources: (Continued)				
Miscellaneous revenue:				
Miscellaneous	\$ 5,200	\$ 5,200	\$ 4,451	\$ (749)
Service charge on tax exempt properties	8,000	8,000	10,802	2,802
Sale of salvage and surplus	-	-	5,347	5,347
Donations, etc (Sheriff)	-	-	10,373	10,373
Total miscellaneous revenue	<u>\$ 13,200</u>	<u>\$ 13,200</u>	<u>\$ 30,973</u>	<u>\$ 17,773</u>
Total revenue from local sources	<u>\$ 13,185,244</u>	<u>\$ 13,185,244</u>	<u>\$ 14,252,069</u>	<u>\$ 1,066,825</u>
Intergovernmental revenues:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Communications taxes	\$ 440,000	\$ 440,000	\$ 433,331	\$ (6,669)
Motor vehicle carriers' tax	10,000	10,000	22,897	12,897
Animal friendly plates - DMV	110	110	139	29
Mobile home titling tax	40,000	40,000	34,938	(5,062)
Grantor's tax on deeds	20,000	20,000	20,799	799
Auto rental tax	500	500	3,021	2,521
Personal property tax relief funds	1,136,914	1,136,914	1,136,914	-
Total noncategorical aid	<u>\$ 1,647,524</u>	<u>\$ 1,647,524</u>	<u>\$ 1,652,039</u>	<u>\$ 4,515</u>
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 190,000	\$ 190,000	\$ 187,504	\$ (2,496)
Sheriff	767,928	767,928	748,651	(19,277)
Commissioner of revenue	74,123	74,123	72,314	(1,809)
Treasurer	79,741	79,741	75,672	(4,069)
Registrar/electoral board	38,242	48,242	33,566	(14,676)
Clerk of the Circuit Court	179,296	179,296	184,759	5,463
Total shared expenses	<u>\$ 1,329,330</u>	<u>\$ 1,339,330</u>	<u>\$ 1,302,466</u>	<u>\$ (36,864)</u>
Other categorical aid:				
Recordation tax	\$ 20,000	\$ 20,000	\$ 17,214	\$ (2,786)
Fire program funds	40,000	40,000	47,627	7,627
Forest products sales	20,000	20,000	22,354	2,354
Arts grant	5,000	5,000	5,000	-

## Schedule of Revenues - Budget and Actual

## Governmental Funds

For the Year Ended June 30, 2013 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Intergovernmental revenues: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid: (Continued)				
Other categorical aid: (Continued)				
E-911 grants	\$ 49,883	\$ 49,883	\$ 35,662	\$ (14,221)
Litter control grant	5,617	8,121	8,121	-
Wireless E-911 PSAP grant	-	150,000	149,083	(917)
Miscellaneous grants	5,000	5,000	15,048	10,048
Item conservation grant	-	12,638	21,903	9,265
Total other categorical aid	<u>\$ 145,500</u>	<u>\$ 310,642</u>	<u>\$ 322,012</u>	<u>\$ 11,370</u>
Total categorical aid	<u>\$ 1,474,830</u>	<u>\$ 1,649,972</u>	<u>\$ 1,624,478</u>	<u>\$ (25,494)</u>
Total revenue from the Commonwealth	<u>\$ 3,122,354</u>	<u>\$ 3,297,496</u>	<u>\$ 3,276,517</u>	<u>\$ (20,979)</u>
Revenue from the federal government:				
Categorical aid:				
State and community highway safety	\$ -	\$ -	\$ 46,800	\$ 46,800
VDOT transportation enhancement	-	-	203,100	203,100
Local law enforcement block grant	-	17,850	2,655	(15,195)
Emergency management grants	-	-	32,599	32,599
Other grants	225,000	-	12,465	12,465
Total categorical aid	<u>\$ 225,000</u>	<u>\$ 17,850</u>	<u>\$ 297,619</u>	<u>\$ 279,769</u>
Total revenue from the federal government	<u>\$ 225,000</u>	<u>\$ 17,850</u>	<u>\$ 297,619</u>	<u>\$ 279,769</u>
Total General Fund	<u><u>\$ 16,532,598</u></u>	<u><u>\$ 16,500,590</u></u>	<u><u>\$ 17,826,205</u></u>	<u><u>\$ 1,325,615</u></u>
<b>Special Revenue Fund:</b>				
<b>Virginia Public Assistance Fund:</b>				
Revenue from local sources:				
Miscellaneous revenue:				
Other miscellaneous	\$ 23,000	\$ 23,000	\$ 25,290	\$ 2,290
Total revenue from local sources	<u>\$ 23,000</u>	<u>\$ 23,000</u>	<u>\$ 25,290</u>	<u>\$ 2,290</u>
Intergovernmental revenues:				
Revenue from the Commonwealth:				
Categorical aid:				
Public assistance and welfare administration	\$ 395,000	\$ 395,000	\$ 438,515	\$ 43,515
Comprehensive Services Act program	948,961	948,961	959,614	10,653
Total categorical aid	<u>\$ 1,343,961</u>	<u>\$ 1,343,961</u>	<u>\$ 1,398,129</u>	<u>\$ 54,168</u>
Revenue from the federal government:				
Categorical aid:				
Public assistance and welfare administration	\$ 944,144	\$ 944,144	\$ 783,649	\$ (160,495)
Total categorical aid	<u>\$ 944,144</u>	<u>\$ 944,144</u>	<u>\$ 783,649</u>	<u>\$ (160,495)</u>
Total Virginia Public Assistance Fund	<u><u>\$ 2,311,105</u></u>	<u><u>\$ 2,311,105</u></u>	<u><u>\$ 2,207,068</u></u>	<u><u>\$ (104,037)</u></u>

Schedule of Revenues - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2013 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Debt Service Fund:</b>				
Intergovernmental revenues:				
Revenue from the federal government:				
Categorical aid:				
Federal tax credit	\$ -	\$ 450,000	\$ 430,425	\$ (19,575)
Total revenue from the federal government	\$ -	\$ 450,000	\$ 430,425	\$ (19,575)
Total Debt Service Fund	\$ -	\$ 450,000	\$ 430,425	\$ (19,575)
<b>Capital Projects Funds:</b>				
<b>County Capital Improvements Fund:</b>				
Total County Capital Improvements Fund	\$ -	\$ -	\$ -	\$ -
<b>Debt Financed School Capital Projects Fund:</b>				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 8,725	\$ 8,725
Total revenue from local sources	\$ -	\$ -	\$ 8,725	\$ 8,725
Total Debt Financed School Capital Projects Fund	\$ -	\$ -	\$ 8,725	\$ 8,725
Total Primary Government	\$ 18,843,703	\$ 19,261,695	\$ 20,472,423	\$ 1,210,728
<b>Discretely Presented Component Unit - School Board:</b>				
<b>School Operating Fund:</b>				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of property	\$ 500	\$ 500	\$ 350	\$ (150)
Charges for services:				
Tuition and other payments	\$ 7,500	\$ 10,000	\$ 7,395	\$ (2,605)
Miscellaneous revenue:				
Other miscellaneous	\$ 395,500	\$ 692,933	\$ 869,915	\$ 176,982
Total revenue from local sources	\$ 403,500	\$ 703,433	\$ 877,660	\$ 174,227

Schedule of Revenues - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2013 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Discretely Presented Component Unit - School Board: (Continued)</b>				
<b>School Operating Fund: (Continued)</b>				
Intergovernmental revenues:				
Revenues from local governments:				
Contribution from County of Buckingham, Virginia	\$ 4,956,561	\$ 5,776,719	\$ 5,184,173	\$ (592,546)
Total revenues from local governments	\$ 4,956,561	\$ 5,776,719	\$ 5,184,173	\$ (592,546)
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 2,171,799	\$ 2,188,234	\$ 2,169,292	\$ (18,942)
Basic school aid	6,014,277	6,251,442	6,266,716	15,274
Remedial summer education	88,069	75,674	75,674	-
Regular foster care	11,822	15,342	6,379	(8,963)
Adult secondary education	2,754	2,754	-	(2,754)
Gifted and talented	60,963	62,650	62,775	125
Remedial education	254,455	261,496	262,017	521
Special education- SOQ	883,966	908,427	910,235	1,808
Vocational standards of quality payments	247,829	254,687	255,193	506
Social security fringe benefits	390,960	401,778	402,578	800
Retirement fringe benefits	653,367	671,446	672,782	1,336
Group life fringe benefits	25,180	25,877	25,929	52
Early reading intervention	32,295	40,907	40,907	-
ISAEF	7,859	7,859	7,859	-
Homebound education	14,072	12,921	12,921	-
Mentor teaching	2,424	390	981	591
Vocational education - equipment	-	556	6,121	5,565
Vocational occupational preparedness	24,214	26,286	23,359	(2,927)
At risk payments	347,971	357,516	358,211	695
Textbooks	118,918	122,209	122,452	243
Primary class size/K-3 initiative	387,416	289,118	289,118	-
Virginia Preschool Initiative	289,632	289,632	289,632	-
Standards of Learning algebra readiness	35,268	30,962	30,962	-
Additional assist ret inflation preschool	-	116,568	116,568	-
VPSA technology funds	206,000	206,000	206,000	-
Other state funds	42,721	65,729	15,798	(49,931)
Total categorical aid	\$ 12,314,231	\$ 12,686,460	\$ 12,630,459	\$ (56,001)
Revenue from the federal government:				
Categorical aid:				
Title I	\$ 760,000	\$ 660,110	\$ 649,320	\$ (10,790)
Title VI-B, special education flow-through	550,000	534,577	534,577	-
Vocational education	46,485	46,485	47,275	790
Title VI-B, special education pre-school	10,381	20,744	10,381	(10,363)
Title II, Part A	149,368	159,633	105,097	(54,536)



Schedule of Revenues - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2013 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Discretely Presented Component Unit - School Board: (Continued)</b>				
<b>School Operating Fund: (Continued)</b>				
Intergovernmental revenues: (Continued)				
Revenue from the federal government: (Continued)				
Categorical aid: (Continued)				
Education technology	\$ -	\$ 1,045	\$ 1,045	\$ -
ROTC	58,902	58,902	58,024	(878)
Childcare food program	-	620	-	(620)
Rural and low-income schools	76,261	56,842	23,116	(33,726)
Twenty-first century community learning centers	197,000	240,954	243,280	2,326
Total categorical aid	<u>\$ 1,848,397</u>	<u>\$ 1,779,912</u>	<u>\$ 1,672,115</u>	<u>\$ (107,797)</u>
Total School Operating Fund	<u>\$ 19,522,689</u>	<u>\$ 20,946,524</u>	<u>\$ 20,364,407</u>	<u>\$ (582,117)</u>
<b>Special Revenue Fund:</b>				
<b>School Cafeteria Fund:</b>				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	\$ 358,659	\$ 358,659	\$ 222,837	\$ (135,822)
Total revenue from local sources	<u>\$ 358,659</u>	<u>\$ 358,659</u>	<u>\$ 222,837</u>	<u>\$ (135,822)</u>
Intergovernmental revenues:				
Revenue from the Commonwealth:				
Categorical aid:				
School food program grant	\$ 11,279	\$ 11,184	\$ 11,544	\$ 360
School breakfast program	6,937	6,937	10,384	3,447
Total revenue from the Commonwealth	<u>\$ 18,216</u>	<u>\$ 18,121</u>	<u>\$ 21,928</u>	<u>\$ 3,807</u>
Revenue from the federal government:				
Categorical aid:				
School food program grant	\$ 628,587	\$ 628,587	\$ 707,494	\$ 78,907
Fresh fruit and vegetables - FFV	25,000	25,000	-	(25,000)
USDA	-	35,000	14,405	(20,595)
Commodities	-	-	62,208	62,208
Total revenue from the federal government	<u>\$ 653,587</u>	<u>\$ 688,587</u>	<u>\$ 784,107</u>	<u>\$ 95,520</u>
Total School Cafeteria Fund	<u>\$ 1,030,462</u>	<u>\$ 1,065,367</u>	<u>\$ 1,028,872</u>	<u>\$ (36,495)</u>
<b>Capital Projects Fund:</b>				
<b>School Capital Projects Fund:</b>				
Intergovernmental revenues:				
Revenues from local governments:				
Contribution from County of Buckingham, Virginia	\$ -	\$ -	\$ -	\$ -
Total revenues from local governments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total School Capital Projects Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Discretely Presented Component Unit - School Board	<u>\$ 20,553,151</u>	<u>\$ 22,011,891</u>	<u>\$ 21,393,279</u>	<u>\$ (618,612)</u>

Schedule of Expenditures - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2013

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund:</b>				
General government administration:				
Legislative:				
Board of supervisors	\$ 71,260	\$ 73,850	\$ 74,150	\$ (300)
General and financial administration:				
County administrator	\$ 184,412	\$ 301,130	\$ 298,355	\$ 2,775
Accounting and Auditing Services	35,000	35,000	35,000	-
Cost allocation plan	3,500	3,500	3,500	-
Commissioner of revenue	212,304	220,840	222,670	(1,830)
Assessor	100,000	100,000	122,911	(22,911)
Treasurer	246,729	255,883	248,257	7,626
Finance/Human Resource	185,260	192,271	184,667	7,604
Information Technology	93,576	96,754	104,144	(7,390)
Total general and financial administration	\$ 1,060,781	\$ 1,205,378	\$ 1,219,504	\$ (14,126)
Board of elections:				
Electoral board and officials	\$ 50,068	\$ 60,068	\$ 50,962	\$ 9,106
Registrar	84,902	87,840	85,075	2,765
Total board of elections	\$ 134,970	\$ 147,908	\$ 136,037	\$ 11,871
Total general government administration	\$ 1,267,011	\$ 1,427,136	\$ 1,429,691	\$ (2,555)
Judicial administration:				
Courts:				
Circuit court	\$ 13,280	\$ 13,280	\$ 15,165	\$ (1,885)
General district court	7,370	7,370	10,779	(3,409)
Court appointed attorney	-	-	3,845	(3,845)
Special magistrates	3,000	3,000	645	2,355
Clerk of the circuit court	310,008	336,864	344,174	(7,310)
Total courts	\$ 333,658	\$ 360,514	\$ 374,608	\$ (14,094)
Commonwealth's attorney:				
Commonwealth's attorney	\$ 361,100	\$ 373,986	\$ 362,921	\$ 11,065
Total commonwealth's attorney	\$ 361,100	\$ 373,986	\$ 362,921	\$ 11,065
Total judicial administration	\$ 694,758	\$ 734,500	\$ 737,529	\$ (3,029)
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 1,666,286	\$ 1,857,445	\$ 1,898,816	\$ (41,371)
Selective enforcement	-	-	59,504	(59,504)
Cadre	2,500	2,500	-	2,500
Triad	2,500	2,500	2,500	-
Total law enforcement and traffic control	\$ 1,671,286	\$ 1,862,445	\$ 1,960,820	\$ (98,375)

## Schedule of Expenditures - Budget and Actual

## Governmental Funds

For the Year Ended June 30, 2013 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Public safety: (Continued)				
Fire and rescue services:				
Volunteer fire department	\$ 254,067	\$ 255,186	\$ 258,124	\$ (2,938)
Ambulance and rescue services	196,250	196,250	195,000	1,250
Forest fire prevention	26,859	26,859	26,859	-
Emergency services	224,198	383,825	349,896	33,929
Total fire and rescue services	<u>\$ 701,374</u>	<u>\$ 862,120</u>	<u>\$ 829,879</u>	<u>\$ 32,241</u>
Correction and detention:				
Piedmont Regional Jail	\$ -	\$ 100,000	\$ 182,924	\$ (82,924)
Regional Juvenile Detention	25,000	25,000	48,734	(23,734)
Total correction and detention	<u>\$ 25,000</u>	<u>\$ 125,000</u>	<u>\$ 231,658</u>	<u>\$ (106,658)</u>
Inspections:				
Building	\$ 106,337	\$ 110,941	\$ 118,523	\$ (7,582)
Total inspections	<u>\$ 106,337</u>	<u>\$ 110,941</u>	<u>\$ 118,523</u>	<u>\$ (7,582)</u>
Other protection:				
Animal control	\$ 120,179	\$ 146,751	\$ 167,120	\$ (20,369)
Medical Examiner	200	200	80	120
Southside Center for Violence Prevention	5,000	5,000	8,000	(3,000)
Total other protection	<u>\$ 125,379</u>	<u>\$ 151,951</u>	<u>\$ 175,200</u>	<u>\$ (23,249)</u>
Total public safety	<u>\$ 2,629,376</u>	<u>\$ 3,112,457</u>	<u>\$ 3,316,080</u>	<u>\$ (203,623)</u>
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Streetlights	\$ 4,100	\$ 4,100	\$ 5,005	\$ (905)
Total maintenance of highways, streets, bridges and sidewalks	<u>\$ 4,100</u>	<u>\$ 4,100</u>	<u>\$ 5,005</u>	<u>\$ (905)</u>
Sanitation and waste removal:				
Refuse collection and disposal	\$ 774,263	\$ 796,894	\$ 801,029	\$ (4,135)
Anti-Litter	5,617	8,121	9,827	(1,706)
Total sanitation and waste removal	<u>\$ 779,880</u>	<u>\$ 805,015</u>	<u>\$ 810,856</u>	<u>\$ (5,841)</u>
Maintenance of general buildings and grounds:				
General properties	\$ 478,466	\$ 483,576	\$ 569,406	\$ (85,830)
Total maintenance of general buildings and grounds	<u>\$ 478,466</u>	<u>\$ 483,576</u>	<u>\$ 569,406</u>	<u>\$ (85,830)</u>
Total public works	<u>\$ 1,262,446</u>	<u>\$ 1,292,691</u>	<u>\$ 1,385,267</u>	<u>\$ (92,576)</u>
Health and welfare:				
Health:				
Health Department	\$ 104,298	\$ 104,298	\$ 102,877	\$ 1,421
Total health	<u>\$ 104,298</u>	<u>\$ 104,298</u>	<u>\$ 102,877</u>	<u>\$ 1,421</u>
Mental health and mental retardation:				
Crossroads Board	\$ 32,960	\$ 32,960	\$ 32,960	\$ -
Special Olympics	250	250	-	250
Total mental health and mental retardation	<u>\$ 33,210</u>	<u>\$ 33,210</u>	<u>\$ 32,960</u>	<u>\$ 250</u>

Schedule of Expenditures - Budget and Actual  
Governmental Funds

For the Year Ended June 30, 2013 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Health and welfare: (Continued)				
Welfare:				
Area Agency on Aging	\$ 1,249	\$ 1,249	\$ -	\$ 1,249
Tax Relief for the Elderly	-	-	11,265	(11,265)
Jaunt Inc transportation service	24,396	24,396	24,396	-
Piedmont area transit	10,000	12,000	12,500	(500)
VA legal aid	4,627	4,627	4,627	-
Meals on Wheels of Buckingham	8,000	8,000	8,000	-
Total welfare	<u>\$ 48,272</u>	<u>\$ 50,272</u>	<u>\$ 60,788</u>	<u>\$ (10,516)</u>
Total health and welfare	<u>\$ 185,780</u>	<u>\$ 187,780</u>	<u>\$ 196,625</u>	<u>\$ (8,845)</u>
Education:				
Other instructional costs:				
Contributions to colleges and agencies	\$ 19,153	\$ 19,153	\$ 19,099	\$ 54
Contribution to Buckingham County School Board	4,956,561	5,776,719	5,184,173	592,546
Total education	<u>\$ 4,975,714</u>	<u>\$ 5,795,872</u>	<u>\$ 5,203,272</u>	<u>\$ 592,600</u>
Parks, recreation, and cultural:				
Parks and recreation:				
Supervision of parks and recreation	\$ 149,489	\$ 164,859	\$ 173,032	\$ (8,173)
Programs	-	-	35,659	(35,659)
Total parks and recreation	<u>\$ 149,489</u>	<u>\$ 164,859</u>	<u>\$ 208,691</u>	<u>\$ (43,832)</u>
Cultural enrichment:				
Arts Council	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
Longwood Center For the Visual Arts	1,063	1,063	-	1,063
Hatton ferry fund	2,000	2,000	2,000	-
VA Retreat	4,500	4,500	4,500	-
Total cultural enrichment	<u>\$ 17,563</u>	<u>\$ 17,563</u>	<u>\$ 16,500</u>	<u>\$ 1,063</u>
Library:				
Reading is Fundamental	\$ 500	\$ 500	\$ -	\$ 500
Regional library	148,440	148,440	148,436	4
Total library	<u>\$ 148,940</u>	<u>\$ 148,940</u>	<u>\$ 148,436</u>	<u>\$ 504</u>
Total parks, recreation, and cultural	<u>\$ 315,992</u>	<u>\$ 331,362</u>	<u>\$ 373,627</u>	<u>\$ (42,265)</u>
Community development:				
Planning and community development:				
Planning	\$ 85,777	\$ 88,625	\$ 87,039	\$ 1,586
Planning District Commission	15,700	15,700	15,700	-
Economic Development	-	-	500	(500)
Longwood Small Business Development Center	5,849	5,849	5,849	-
Southeast RCAP	1,000	1,000	-	1,000
Total planning and community development	<u>\$ 108,326</u>	<u>\$ 111,174</u>	<u>\$ 109,088</u>	<u>\$ 2,086</u>
Environmental management:				
Peter Francisco Soil and Water Conservation	\$ 9,500	\$ 9,500	\$ 9,500	\$ -
RC&D	1,543	1,543	1,543	-
Total environmental management	<u>\$ 11,043</u>	<u>\$ 11,043</u>	<u>\$ 11,043</u>	<u>\$ -</u>

## Schedule of Expenditures - Budget and Actual

## Governmental Funds

For the Year Ended June 30, 2013 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Community development: (Continued)				
Cooperative extension program:				
Cooperative extension office	\$ 65,503	\$ 65,503	\$ 63,351	\$ 2,152
Total cooperative extension program	\$ 65,503	\$ 65,503	\$ 63,351	\$ 2,152
Total community development	\$ 184,872	\$ 187,720	\$ 183,482	\$ 4,238
Nondepartmental:				
Bank Charges - Bank of America	\$ 30,000	\$ 30,000	\$ 34,365	\$ (4,365)
Unemployment insurance	5,000	5,000	7,827	(2,827)
Worker's compensation	50,000	50,000	39,234	10,766
School sewer contract	65,000	65,000	78,268	(13,268)
Total nondepartmental	\$ 150,000	\$ 150,000	\$ 159,694	\$ (9,694)
Capital projects:				
Sidewalk	\$ -	\$ 210,684	\$ 210,684	\$ -
Security system	-	10,180	10,180	-
Buses	-	-	338,532	(338,532)
Total capital projects	\$ -	\$ 220,864	\$ 559,396	\$ (338,532)
Total General Fund	\$ 11,665,949	\$ 13,440,382	\$ 13,544,663	\$ (104,281)
<b>Special Revenue Fund:</b>				
<b>Virginia Public Assistance Fund:</b>				
Health and welfare:				
Welfare and social services:				
Welfare administration	\$ 1,180,634	\$ 1,213,034	\$ 1,260,057	\$ (47,023)
Public assistance	443,613	443,613	328,696	114,917
Comprehensive services	1,192,461	1,230,461	1,354,075	(123,614)
Total welfare and social services	\$ 2,816,708	\$ 2,887,108	\$ 2,942,828	\$ (55,720)
Total Virginia Public Assistance Fund	\$ 2,816,708	\$ 2,887,108	\$ 2,942,828	\$ (55,720)
<b>Debt Service Fund:</b>				
Debt service:				
Principal retirement	\$ 2,029,962	\$ 2,029,962	\$ 2,029,962	\$ -
Interest and other fiscal charges	1,292,972	1,914,903	1,914,403	500
Total Debt Service Fund	\$ 3,322,934	\$ 3,944,865	\$ 3,944,365	\$ 500
<b>Capital Projects Funds:</b>				
<b>County Capital Improvements Fund:</b>				
Capital projects expenditures:				
County admin project	\$ -	\$ -	\$ 222,359	\$ (222,359)
County ss/health dept renovation project	-	-	809,817	(809,817)
Total capital projects	\$ -	\$ -	\$ 1,032,176	\$ (1,032,176)
Total County Capital Improvements Fund	\$ -	\$ -	\$ 1,032,176	\$ (1,032,176)

Schedule of Expenditures - Budget and Actual  
Governmental Funds

For the Year Ended June 30, 2013 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Capital Projects Funds: (Continued)</b>				
<b>Debt Financed School Capital Projects Fund:</b>				
Capital projects expenditures:				
Elementary school renovation	\$ -	\$ -	\$ 2,903,515	\$ (2,903,515)
Total Debt Financed School Capital Projects Fund	\$ -	\$ -	\$ 2,903,515	\$ (2,903,515)
Total Primary Government	\$ 17,805,591	\$ 20,272,355	\$ 24,367,547	\$ (4,095,192)
<b>Discretely Presented Component Unit - School Board:</b>				
<b>School Operating Fund:</b>				
Education:				
Administration, attendance and health	\$ 987,150	\$ 1,164,211	\$ 1,064,137	\$ 100,074
Instruction	13,884,478	14,531,471	14,257,995	273,476
Operation and maintenance services	1,899,847	2,223,471	1,992,795	230,676
Pupil transportation	1,798,381	1,947,055	2,022,160	(75,105)
Total administration of schools	\$ 18,569,856	\$ 19,866,208	\$ 19,337,087	\$ 529,121
Capital Projects:				
Technology	\$ 952,833	\$ 1,080,316	\$ 1,027,320	\$ 52,996
Total Capital Projects	\$ 952,833	\$ 1,080,316	\$ 1,027,320	\$ 52,996
Total education	\$ 19,522,689	\$ 20,946,524	\$ 20,364,407	\$ 582,117
Total School Operating Fund	\$ 19,522,689	\$ 20,946,524	\$ 20,364,407	\$ 582,117
<b>Special Revenue Fund:</b>				
<b>School Cafeteria Fund:</b>				
Education:				
School food services:				
Administration of school food program	\$ 1,030,462	\$ 1,065,367	\$ 1,119,666	\$ (54,299)
Commodities	-	-	62,207	(62,207)
Total school food services	\$ 1,030,462	\$ 1,065,367	\$ 1,181,873	\$ (116,506)
Total education	\$ 1,030,462	\$ 1,065,367	\$ 1,181,873	\$ (116,506)
Total School Cafeteria Fund	\$ 1,030,462	\$ 1,065,367	\$ 1,181,873	\$ (116,506)
<b>School Capital Projects Fund:</b>				
Capital projects expenditures:				
School repairs	\$ -	\$ 33,331	\$ -	\$ 33,331
Energy improvements	-	-	1,546,465	(1,546,465)
School bus garage	-	-	(5,822)	5,822
Total capital projects	\$ -	\$ 33,331	\$ 1,540,643	\$ (1,507,312)
Total School Capital Projects Fund	\$ -	\$ 33,331	\$ 1,540,643	\$ (1,507,312)
Total Discretely Presented Component Unit - School Board	\$ 20,553,151	\$ 22,045,222	\$ 23,086,923	\$ (1,041,701)

## Statistical Information

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COUNTY OF BUCKINGHAM, VIRGINIA

Table 1

Government-Wide Expenses by Function  
Last Ten Fiscal Years

Fiscal Year	General Government		Judicial Administration	Health and Welfare		Parks, Recreation, and Cultural	Community Development	Interest on Long-Term Debt	Water and Sewer	
	Administration			Public Safety	Public Works				Education	Fund
2003-04	\$ 1,028,128	\$ 416,838	\$ 1,987,827	\$ 1,154,115	\$ 1,911,182	\$ 4,773,768	\$ 157,595	\$ 725,898	\$ 912,624	\$ 13,262,751
2004-05	1,192,976	1,150,436	1,936,376	900,361	2,302,910	5,079,625	130,155	470,130	998,706	14,363,328
2005-06	1,201,386	824,131	2,713,172	1,214,832	2,444,849	5,451,424	156,233	971,104	1,136,364	16,334,213
2006-07	1,264,777	743,234	2,414,710	1,415,181	2,443,364	4,538,970	170,984	917,298	1,072,142	15,237,780
2007-08	1,235,723	805,582	2,789,740	1,471,478	2,317,682	6,117,949	174,795	879,572	1,058,409	17,144,150
2008-09	1,321,992	865,246	2,688,440	1,437,105	2,859,230	5,855,367	191,422	829,980	1,074,621	17,429,528
2009-10	1,559,861	896,908	2,670,689	1,422,145	2,612,133	4,994,689	189,236	780,565	1,203,612	16,621,111
2010-11	1,384,736	917,801	2,762,662	1,408,760	2,737,450	6,040,884	201,937	1,165,465	1,207,953	18,152,819
2011-12	1,257,550	985,318	2,690,813	1,451,262	2,939,399	6,306,702	188,906	1,569,248	1,268,953	19,006,377
2012-13	2,595,482	1,035,208	3,363,851	1,498,252	2,239,623	7,749,790	193,740	1,569,221	1,267,501	21,900,119

COUNTY OF BUCKINGHAM, VIRGINIA

Table 2

Government-Wide Revenues  
Last Ten Fiscal Years

PROGRAM REVENUES				GENERAL REVENUES						
Fiscal Year	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	General Property Taxes (1)	Other Local Taxes (2)(3)	Unrestricted Investment Earnings	Miscellaneous	Grants and Contributions Not Restricted to Specific Programs (2)	Gain on Disposal of Assets	Total
2003-04	\$ 901,843	\$ 3,019,523	\$ 1,051,579	\$ 6,749,926	\$ 1,704,896	\$ 117,682	\$ 7,117	\$ 1,285,260	\$ -	\$ 14,837,826
2004-05	1,283,376	3,036,434	179,315	6,483,767	1,842,990	259,600	74,058	1,213,031	-	14,372,571
2005-06	1,329,047	4,838,410	58,060	6,604,700	1,870,553	366,690	64,055	1,270,508	-	16,402,023
2006-07	1,450,044	3,505,405	1,266	6,679,291	1,869,757	431,411	177,598	1,300,462	-	15,415,234
2007-08	1,561,548	3,438,106	80,000	8,263,540	1,944,916	366,768	214,461	1,228,275	96,844	17,194,458
2008-09	1,698,605	3,847,111	1,835,364	9,894,353	1,865,115	178,571	104,985	1,206,892	-	20,630,996
2009-10	1,831,477	3,452,561	860,616	12,489,199	3,129,756	114,255	110,822	1,650,350	-	23,639,036
2010-11	1,802,334	3,593,877	313,505	10,616,164	1,558,471	114,818	105,766	1,643,192	-	19,748,127
2011-12	1,720,579	3,680,538	463,673	11,745,730	1,405,633	94,894	56,144	1,617,869	-	20,785,060
2012-13	1,762,976	3,900,775	5,911,322	12,678,306	1,440,590	75,566	56,263	1,652,039	-	27,477,837

- (1) General property taxes increased in fiscal year 2010 due to a change in presentation in accordance with GASB 33.
- (2) In fiscal year 2010, communication taxes were reclassified from local taxes to noncategorical state aid in accordance with APA guidelines.
- (3) Increase in local taxes is related to new power plant locating in the County in fiscal year 2010, which impacted sales and other taxes.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 3

General Governmental Expenditures by Function (1)

Last Ten Fiscal Years

Fiscal Year	General Government Administration	Judicial Administration	Parks, Recreation, and Cultural				Non-departmental	Total		
			Public Safety	Public Works	Health and Welfare	Education (2)			Community Development	Debt Service (3)
2003-04	\$ 719,335	\$ 339,804	\$ 1,944,028	\$ 960,951	\$ 1,923,270	\$ 18,412,766	\$ 190,125	\$ 437,159	\$ 1,135,817	\$ 26,207,644
2004-05	792,339	344,726	1,962,848	991,456	2,262,954	19,576,309	195,647	312,203	1,051,617	27,610,015
2005-06	1,012,110	481,403	2,637,375	1,092,758	2,434,159	19,210,783	208,743	145,759	1,374,382	28,729,738
2006-07	1,134,174	478,940	2,446,075	1,297,576	2,440,479	21,053,222	250,021	168,603	1,980,474	31,367,012
2007-08	1,082,319	541,288	2,734,527	1,327,749	2,318,517	22,069,288	288,233	164,538	2,051,733	32,731,967
2008-09	1,205,801	600,952	3,281,609	1,290,292	2,844,876	22,981,348	320,903	181,164	1,896,398	34,751,658
2009-10	1,456,324	632,614	2,616,176	1,277,735	2,619,740	22,756,388	474,857	178,977	1,866,657	34,054,051
2010-11	1,153,471	654,802	2,587,032	1,268,721	2,745,685	21,371,496	337,377	191,679	1,812,632	32,299,153
2011-12	1,228,193	726,999	2,519,559	1,541,936	2,933,693	21,963,359	337,794	178,648	2,593,520	34,198,378
2012-13	1,429,691	737,529	3,316,080	1,385,267	3,139,453	21,565,379	373,627	183,482	3,944,365	36,234,567

(1) Includes General, Special Revenue, and Debt Service funds of the Primary Government and its Discretely Presented Component Unit excluding capital projects.

(2) Excludes contribution from Primary Government to Discretely Presented Component Unit.

(3) 2011-12 excludes payoff of interim financing funded with issuance of new debt.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 4

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

Fiscal Year	General Property Taxes	Other Local Taxes (2)	Permits, Privilege Fees, Regulatory Licenses	Fines and Forfeitures	Revenue from the Use of Money and Property	Charges for Services	Miscellaneous	Recovered Costs	Inter-governmental (3)	Total
2003-04 \$	6,091,061 \$	1,704,896 \$	56,682 \$	2,207 \$	95,081 \$	353,331 \$	351,310 \$	- \$	18,666,442 \$	27,321,010
2004-05	6,286,375	1,842,990	58,830	9,297	174,274	395,909	407,738	-	19,005,727	28,181,140
2005-06	6,661,461	1,870,553	105,963	29,580	326,564	402,581	389,918	-	20,824,727	30,611,347
2006-07	7,166,185	1,869,757	79,173	33,535	363,992	419,510	582,653	45,262	20,908,339	31,468,406
2007-08	8,165,190	1,972,396	89,059	32,426	268,844	421,092	688,166	19,738	20,835,242	32,492,153
2008-09	9,451,458	1,865,115	75,292	68,577	127,372	409,788	850,476	37,901	22,393,726	35,279,705
2009-10	9,741,625	3,129,756	84,822	58,038	77,656	357,233	714,329	30,929	21,705,834	35,900,222
2010-11	10,563,656	1,558,471	61,439	56,670	69,642	338,340	906,055	22,447	20,923,637	34,500,357
2011-12	11,465,915	1,405,633	58,249	44,598	62,663	350,436	784,144	3,034	21,201,190	35,375,862
2012-13	12,443,638	1,440,590	85,392	78,760	67,085	336,213	926,178	-	21,294,948	36,672,804

- (1) Includes General, Special Revenue, and Debt Service funds of the Primary Government and its Discretely Presented Component Unit.  
(2) Increase in local taxes is related to new power plant locating in the County in fiscal year 2010, which impacted sales and other taxes.  
(3) Excludes contribution from Primary Government to Discretely Presented Component Unit.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 5

Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year	Total		Current		Delinquent		Percent of		Percent of	
	Tax Levy (1)	Tax Collections (1)	Percent of Levy Collected	Tax Collections (1)	Total Tax Collections	Outstanding Delinquent Taxes (1,2)	Total Tax Collections to Tax Levy	Delinquent Taxes to Tax Levy		
2003-04	\$ 7,303,679	\$ 6,822,595	93.41%	\$ 220,063	\$ 7,042,658	\$ 1,044,210	96.43%	14.30%		
2004-05	7,247,208	6,842,466	94.42%	299,643	7,142,109	1,347,240	98.55%	18.59%		
2005-06	7,627,643	7,178,830	94.12%	414,961	7,593,791	1,349,168	99.56%	17.69%		
2006-07	7,978,350	7,598,725	95.24%	441,133	8,039,858	1,590,644	100.77%	19.94%		
2007-08	9,261,316	8,944,524	96.58%	325,943	9,270,467	1,725,865	100.10%	18.64%		
2008-09	10,777,878	9,787,442	90.81%	542,113	10,329,555	2,080,149	95.84%	19.30%		
2009-10	10,589,590	9,923,038	93.71%	619,631	10,542,669	1,715,573	99.56%	16.20%		
2010-11	11,439,032	10,550,992	92.24%	851,970	11,402,962	1,670,822	99.68%	14.61%		
2011-12	12,433,137	11,649,756	93.70%	654,278	12,304,034	2,229,361	98.96%	17.93%		
2012-13	13,446,472	12,776,284	95.02%	485,934	13,262,218	2,411,202	98.63%	17.93%		

(1) Exclusive of penalties and interest.

(2) Includes all delinquent taxes.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 6

Assessed Value of Taxable Property  
Last Ten Fiscal Years

Fiscal Year	Real Estate (1)	Personal Property and Mobile Homes (1)		Machinery and Tools	Merchants'		Public Service (2,4)		Aircraft (3)	Total
					Capital		Service (2,4)			
2003-04	\$ 672,092,919	\$	82,790,869	\$ 4,530,534	\$ 6,115,309	\$	61,009,911	\$	-	826,539,542
2004-05	680,556,060		80,439,925	5,017,520	6,334,645		59,084,431		-	831,432,581
2005-06	694,368,050		87,771,138	6,034,540	6,485,942		57,064,341		-	851,724,011
2006-07	715,188,609		93,701,415	6,565,610	7,274,988		54,286,338		-	877,016,960
2007-08	1,072,958,030		98,823,429	6,864,290	11,023,763		46,496,132		-	1,236,165,644
2008-09	1,421,037,892		110,182,035	8,250,120	10,032,815		83,407,789		-	1,632,910,651
2009-10	1,431,613,499		104,059,189	7,949,090	10,486,865		76,947,351		2,073,500	1,633,129,494
2010-11	1,445,038,406		102,709,557	7,411,150	11,029,035		274,324,587		147,150	1,840,659,885
2011-12	1,452,096,856		104,942,505	7,685,500	12,406,003		466,323,519		151,500	2,043,605,883
2012-13	1,461,765,706		107,585,400	8,184,860	17,701,611		647,876,531		139,400	2,243,253,508

(1) Assessed at 100% of fair market value.

(2) Assessed values are established by the State Corporation Commission.

(3) 2009-10 was the first year of levy.

(4) Increase in public service assessment is related to new power plant locating in the County in fiscal year 2010.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 7

Property Tax Rates (1)  
Last Ten Fiscal Years

Fiscal Year	Real Estate		Mobile Homes	Personal Property (2)	Machinery and Tools (2)	Merchants' Capital	Aircraft (3)
	1st Half	2nd Half					
2003-04	\$ 0.58	\$ 0.58	\$ 0.58	\$ 4.05	\$ 2.90	\$ 1.00	-
2004-05	0.58	0.58	0.58	4.05	2.90	1.00	-
2005-06	0.58	0.58	0.58	4.05	2.90	1.00	-
2006-07	0.58	0.58	0.58	4.05	2.90	1.00	-
2007-08	0.58	0.44	0.58	4.05	2.90	1.00	-
2008-09	0.44	0.44	0.44	4.05	2.90	1.00	-
2009-10	0.44	0.44	0.44	4.05	2.90	1.00	0.55
2010-11	0.44	0.44	0.44	4.05	2.90	1.00	0.55
2011-12	0.44	0.44	0.44	4.05	2.90	1.00	0.55
2012-13	0.44	0.44	0.44	4.05	2.90	1.00	0.55

(1) Per \$100 of assessed value.

(2) Per \$100 of assessed value based on loan NADA value.

(3) 2009-10 was the first year of levy.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 8

Ratio of Net General Bonded Debt to  
Assessed Value and Net Bonded Debt Per Capita  
Last Ten Fiscal Years

Fiscal Year	Population (1)	Assessed Value (in thousands) (2)	Gross Bonded Debt (3)	Less:		Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
				Debt Service Monies Available	Net Bonded Debt		
2003-04	15,900	\$ 826,540	\$ 24,930,012	-	\$ -	3.02%	\$ 1,568
2004-05	16,100	831,433	24,399,791	-	-	2.93%	1,516
2005-06	15,977	851,724	22,537,793	-	-	2.65%	1,411
2006-07	16,341	877,017	21,539,200	-	-	2.46%	1,318
2007-08	16,342	1,236,166	20,511,736	-	-	1.66%	1,255
2008-09	16,547	1,632,911	19,463,062	-	-	1.19%	1,176
2009-10	16,814	1,633,129	18,395,228	-	-	1.13%	1,094
2010-11	17,182	1,840,660	42,076,504	-	-	2.29%	2,449
2011-12	17,143	2,043,606	39,714,254	-	-	1.94%	2,317
2012-13	17,296	2,243,254	37,684,292	-	-	1.68%	2,179

(1) Weldon Cooper Center for Public Service at the University of Virginia.

(2) From table 6.

(3) Includes all long-term general obligation bonded debt, bonded anticipation notes, and literary fund loans.  
Excludes revenue bonds, capital leases, and compensated absences.



COUNTY OF BUCKINGHAM, VIRGINIA

Table 9

Ratio of Annual Debt Service Expenditures for General Bonded  
Debt to Total General Governmental Expenditures (1)  
Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
2003-04	\$ 511,208	\$ 624,609	\$ 1,135,817	\$ 26,207,644	4.33%
2004-05	518,350	533,267	1,051,617	27,610,015	3.81%
2005-06	527,049	847,333	1,374,382	28,729,738	4.78%
2006-07	952,629	1,027,845	1,980,474	31,367,012	6.31%
2007-08	1,115,489	936,244	2,051,733	32,731,967	6.27%
2008-09	1,010,442	885,956	1,896,398	34,751,658	5.46%
2009-10	1,030,872	835,785	1,866,657	34,054,051	5.48%
2010-11	830,343	982,289	1,812,632	32,299,153	5.61%
2011-12	1,343,921	1,249,599	2,593,520	34,198,378	7.58%
2012-13	2,029,962	1,914,403	3,944,365	36,234,567	10.89%

(1) Includes Debt Service funds of the Primary Government excluding capital projects.

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## **COMPLIANCE**

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# ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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## Independent Auditors' 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 Members of  
The Board of Supervisors  
County of Buckingham, Virginia

We have audited, in accordance with the 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 the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of County of Buckingham, Virginia as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise County of Buckingham, Virginia's basic financial statements and have issued our report thereon dated January 28, 2014.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered County of Buckingham, Virginia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of County of Buckingham, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of County of Buckingham, Virginia's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether County of Buckingham, 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*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Robinson, Farmer, Co. Associates*

Charlottesville, Virginia

January 28, 2014

# ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133

To the Honorable Members of  
The Board of Supervisors  
County of Buckingham, Virginia

### Report on Compliance for Each Major Federal Program

We have audited County of Buckingham, Virginia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of County of Buckingham, Virginia's major federal programs for the year ended June 30, 2013. County of Buckingham, Virginia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on compliance for each of County of Buckingham, Virginia's major federal programs based on our audit of the types of compliance requirements referred to above. 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 County of Buckingham, 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 on compliance for each major federal program. However, our audit does not provide a legal determination of County of Buckingham, Virginia's compliance.

### *Opinion on Each Major Federal Program*

In our opinion, County of Buckingham, Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.


## Report on Internal Control Over Compliance

Management of County of Buckingham, Virginia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered County of Buckingham, Virginia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 County of Buckingham, Virginia's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

  
Charlottesville, Virginia  
January 28, 2014



COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2013

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services:			
Pass Through Payments:			
Virginia Department of Social Services:			
Promoting Safe and Stable Families	93.556	0950112	\$ 9,835
Temporary Assistance for Needy Families (TANF)	93.558	0400112/0400113	171,239
Refugee and Entrant Assistance - State Administered Programs	93.566	0500112/0500113	598
Low-Income Home Energy Assistance	93.568	0600412/0600413	13,864
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	0760112/0760113	26,259
Stephanie Tubbs Jones Child Welfare Services Program	93.645	0900112/0900113	792
Foster Care - Title IV-E	93.658	1100112/1100113	77,656
Adoption Assistance	93.659	1120112/1120113	41,188
Social Services Block Grant	93.667	1000112/1000113	122,386
Chafee Foster Care Independence Program	93.674	9150112/9150113	852
Children's Health Insurance Program (CHIP)	93.767	0540112/0540113	4,721
Medical Assistance Program	93.778	1200112/1200113	117,961
Virginia Department of Health:			
Preventive Health & Health Services (PHHS) Block Grant	93.991	702A232162	20,000
Total Department of Health and Human Services			\$ 607,351
Department of Agriculture:			
Direct Payments:			
Water and Waste Disposal Systems for Rural Communities	10.760	N/A	\$ 6,005,460
Total Department of Agriculture - direct payments			\$ 6,005,460
Pass Through Payments:			
Child Nutrition Cluster:			
Virginia Department of Agriculture and Consumer Services:			
Food Distribution - School Nutrition Program	10.555	406230	\$ 61,784
Virginia Department of Education:			
National School Lunch Program	10.555	406230	526,980 \$ 588,764
Virginia Department of Agriculture and Consumer Services:			
Food Distribution - Summer Food Service Program	10.559	Unknown	424
Virginia Department of Education:			
School Breakfast Program	10.553	405910	180,514
Virginia Department of Health:			
Child and Adult Care Food Program	10.558	59099	14,405
Virginia Department of Social Services:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	0010112/0010113/ 0040112/0040113	196,298
Total Department of Agriculture			\$ 6,985,865

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2013

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Defense: Direct Payments: ROTC	12.000	N/A	\$ 58,024
Department of Homeland Security: Pass Through Payments: Department of Emergency Management: Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Unknown	\$ 799
Emergency Management Performance Grants	97.042	52741	13,950
State Homeland Security Program (SHSP)	97.073	52700	17,850
Total Department of Homeland Security			\$ 32,599
Department of Justice: Pass Through Payments: Department of Criminal Justice Services: Bulletproof Vest Partnership Program	16.607	Unknown	\$ 2,465
Edward Byrne Memorial Justice Assistance Grant Program	16.738	11-DJBX2177	2,655
Total Department of Justice			\$ 5,120
Department of Transportation: Pass Through Payments: Virginia Department of Transportation: Highway Planning and Construction	20.205	EN05-014-110, P101	\$ 203,100
Department of Motor Vehicles: Highway Safety Cluster: State and Community Highway Safety	20.600	SC-2013-53393-5108	20,494
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	K8-2013-53389-5104	13,075
Alcohol Open Container Requirements	20.607	154AL-2012-52252-4630	13,231
Total Department of Transportation			\$ 249,900
U.S. Election Assistance Commission: Pass Through Payments: Virginia State Board of Elections: Help America Vote Act Requirements Payments	90.401	40030	\$ 10,000
Department of Education: Pass Through Payments: Virginia Department of Education: Title I - Grants to Local Educational Agencies	84.010	429010	\$ 649,320
Special Education Cluster: Special Education - Grants to States (IDEA, Part B)	84.027	430710	534,577
Special Education - Preschool Grants (IDEA Preschool)	84.173	625210	10,381
Career and Technical Education - Basic Grants to States (Perkins IV)	84.048	610950	47,275
Twenty-first Century Community Learning Centers	84.287	605650	243,280
Education Technology State Grants	84.318	616000	1,045
Rural Education	84.358	434810	23,116
Improving Teacher Quality State Grants	84.367	614800	105,097
Total Department of Education			\$ 1,614,091
Total Expenditures of Federal Awards			\$ 9,562,950

See accompanying notes to schedule of expenditures of federal awards.

## COUNTY OF BUCKINGHAM, VIRGINIA

### Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2013

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#### Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County of Buckingham, Virginia under programs of the federal government for the year ended June 30, 2013. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the County of Buckingham, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County of Buckingham, Virginia.

#### Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

#### Note 3 - Food Donation

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

#### Note 4 - 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	\$ 297,619
Special Revenue Fund:	
Virginia Public Assistance Fund	783,649
Debt Service Fund	430,425
Proprietary Funds:	
Water and Sewer Funds (including loan proceeds)	6,025,460
Total primary government	<u>\$ 7,537,153</u>

##### Component Unit School Board:

School Operating Fund	\$ 1,672,115
School Cafeteria Fund	784,107
Total component unit school board	<u>\$ 2,456,222</u>

Total federal expenditures per basic financial statements	<u>\$ 9,993,375</u>
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BABs interest subsidy	<u>\$ (430,425)</u>
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Total federal expenditures per the Schedule of Expenditures of Federal Awards	<u><u>\$ 9,562,950</u></u>
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COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2013

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**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
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>
10.760	Water and Waste Disposal Systems for Rural Communities

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 to report.

**COUNTY OF BUCKINGHAM, VIRGINIA**

Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2013

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There were no findings reported for the year ended June 30, 2012.

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