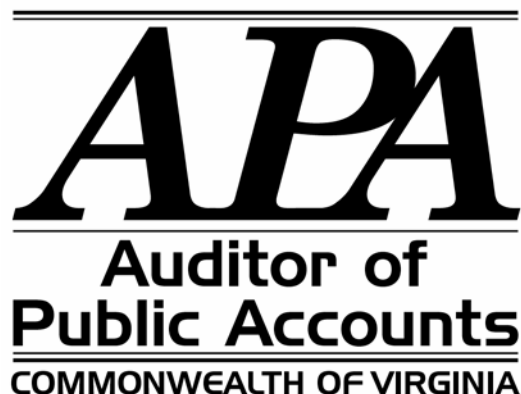


LISA K. DESSOFY, TREASURER
of the
CITY OF POQUOSON, VIRGINIA
REPORT ON EXAMINATION
of
COMMONWEALTH REVENUES

FOR THE PERIOD
JULY 1, 2006 THROUGH NOVEMBER 22, 2006



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Commonwealth of Virginia

Walter J. Kucharski, Auditor

**Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218**

January 4, 2007

Michael E. McGraw
Incoming Treasurer

Lisa K. Dessoffy
Outgoing Treasurer

City Council
City of Poquoson

Independent Auditor's Report

We have examined the accompanying Schedule of the Treasurer's Accountability to the Commonwealth of Lisa K. Dessoffy, Treasurer of the City of Poquoson, for the period July 1, 2006 through November 22, 2006. All records supporting the amounts in this schedule are the Treasurer's responsibility. Our responsibility is to express an opinion based on our examination.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards include examining, on a test basis, evidence supporting the amounts in the Schedule of Treasurer's Accountability and performing such other procedures, as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

Section 58.1-3136 of the Code of Virginia requires a turnover audit whenever a treasurer leaves office. The examination was performed to determine the accountability of the Treasurer at November 22, 2006 and to turn over the assets, accounts, and records of the office to Michael E. McGraw, the newly elected Treasurer.

In our opinion, based on our examination, the schedule referred to above presents fairly, in all material respects, Commonwealth Funds collected and remitted by Lisa K. Dessoffy, Treasurer of the City of Poquoson, Virginia, for the period July 1, 2006 through November 22, 2006, on the cash basis of accounting.

AUDITOR OF PUBLIC ACCOUNTS

CITY OF POQUOSON
SCHEDULE OF TREASURER'S ACCOUNTABILITY TO THE COMMONWEALTH
FOR THE PERIOD ENDED NOVEMBER 22, 2006

	Balance				Balance	
	July 1, 2006		Collections	Remittances	November 22, 2006	
2006 Taxes:						
Estimated income taxes	\$	-	\$ 315,162	\$ 315,162	\$	-
2005 Taxes:						
Taxable year income taxes		-	61,898	61,898		-
Total:	\$	-	\$ 377,060	\$ 377,060	\$	-

This schedule has been prepared on the cash basis of accounting.

CITY OF POQUOSON TREASURER

NOTES TO THE SCHEDULE OF ACCOUNTABILITY

FOR THE PERIOD JULY 1, 2006 THROUGH NOVEMBER 22, 2006

1. SCHEDULE PRESENTATION

The Schedule of Treasurer's Accountability to the Commonwealth represents the Treasurer's accounting for state taxes and fees collected for the Commonwealth of Virginia. The schedule is prepared on the cash basis of accounting.

2. DISCHARGE FROM LIABILITY

In accordance with section 58.1-3145 of the Code of Virginia, the outgoing treasurer is required to file certificates with the circuit court showing the final settlement of his account as Treasurer to secure final discharge from liability.

