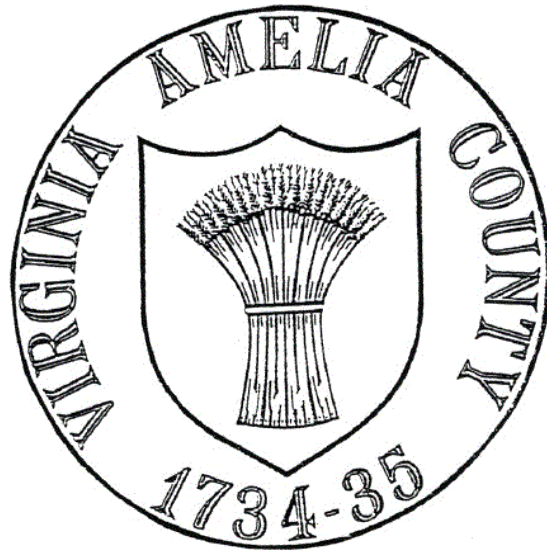


COUNTY OF AMELIA, VIRGINIA



ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2012

COUNTY OF AMELIA, VIRGINIA

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2012

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COUNTY OF AMELIA, VIRGINIA

Board of Supervisors

Franklin D. Harris, Chairperson

Judy M. Jones
Ralph A. Whitaker, Jr.

Ellsworth J. Bennett, Vice Chairperson
Carroll E. Barnard

Department of Social Services

Frances E. Montague, Chairperson

Judy M. Jones
Bekki Morris

Thomas E. Booker, Sr., Vice Chairperson
Maude B. Scott

County School Board

Damon Moyer, Chairperson

Catherine Wilkinson
Kevin Delaney, Sr.

Michael S. Reid, Vice Chairperson
Ann B. Salster

Other Officials

Judge of the Circuit Court	Paul W. Cella
Clerk of the Circuit Court	Marilyn L. Wilson
Commonwealth's Attorney	Lee R. Harrison
Commissioner of the Revenue	Joyce P. Morris
Treasurer	Pamela H. Conyers
Sheriff	Rick L. Walker
Director of Social Services	Martha A. Pullen
County Administrator	Taylor Harvie
Judge of the General District Court	Mayo Gravatt
Judge of the Juvenile and Domestic Relations Court	Valentine W. Southall, Jr.
Superintendent of Schools	Dr. B. J. Brewer

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FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Amelia, Virginia, as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County of Amelia, Virginia's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Amelia, Virginia, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2013, on our consideration of the County of Amelia, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedules of pension and OPEB 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 the management's discussion and analysis and schedules of funding progress 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 management's discussion and analysis and schedules of funding progress 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Amelia, Virginia's financial statements as a whole. The other supplementary information and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying 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 financial statements. The other supplementary information 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. 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.

A handwritten signature in black ink, appearing to read "D. F. Clark", followed by a long horizontal line.

Richmond, Virginia
January 23, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

**To the Honorable Members of the Board of Supervisors
To the Citizens of Amelia County
County of Amelia, Virginia**

As management of the County of Amelia, 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, 2012.

Financial Highlights

Government-wide Financial Statements

- < The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$23,051,876 (net assets).

Fund Financial Statements

The Governmental Funds, on a current financial resource basis, reported expenditures and other financing uses in excess of revenues and other sources of \$1,634,098 (Exhibit 5) after making contributions totaling \$4,975,955 to the School Board.

- < As of the close of the current fiscal year; the County's funds reported ending fund balances of \$12,281,870, a decrease of \$1,634,098 in comparison with the prior year.
- < At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,846,263, or 51% of total general fund expenditures and other financing uses.
- < The combined long-term obligations decreased \$1,123,925 during the current fiscal year.

Overview of the Financial Statements

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

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

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

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

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

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

The Government-wide financial statements include not only the County of Amelia, Virginia itself (known as the primary government), but also a legally separate school district and Industrial development authority for which the County of Amelia, Virginia is financially accountable. Financial information for the component units are 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 Amelia 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 two categories: governmental funds and fiduciary funds.

Overview of the Financial Statements (Continued)

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

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

The Sanitary District Fund provides a centralized source for water / sewer services to County residents.

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

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

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

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a County's financial position. In the case of the County, assets exceeded liabilities by \$23,051,876 at the close of the most recent fiscal year. The following table summarizes the County's Statement of Net Assets:

County of Amelia, Virginia's Net Assets						
	Governmental Activities		Business-type Activities		Totals	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 14,019,044	\$ 14,778,371	\$ 26,419	\$ 37,149	\$ 14,045,463	\$ 14,815,520
Capital assets	<u>13,343,839</u>	<u>13,533,535</u>	<u>6,668,082</u>	<u>6,851,453</u>	<u>20,011,921</u>	<u>20,384,988</u>
Total assets	<u>\$ 27,362,883</u>	<u>\$ 28,311,906</u>	<u>\$ 6,694,501</u>	<u>\$ 6,888,602</u>	<u>\$ 34,057,384</u>	<u>\$ 35,200,508</u>
Current liabilities	\$ 919,799	\$ 249,372	\$ 250,179	\$ 811,029	\$ 1,169,978	\$ 1,060,401
Long-term liabilities outstanding	<u>6,885,223</u>	<u>7,727,107</u>	<u>2,950,307</u>	<u>3,232,348</u>	<u>9,835,530</u>	<u>10,959,455</u>
Total liabilities	<u>\$ 7,805,022</u>	<u>\$ 7,976,479</u>	<u>\$ 3,200,486</u>	<u>\$ 4,043,377</u>	<u>\$ 11,005,508</u>	<u>\$ 12,019,856</u>
Net assets:						
Invested in capital assets, net of related debt	\$ 7,754,571	\$ 7,101,753	\$ 3,726,380	\$ 3,646,156	\$ 11,480,951	\$ 10,747,909
Restricted for:						
Landfill	857,758	812,084	-	-	857,758	812,084
Cash proffers	318,736	313,791	-	-	318,736	313,791
Indoor plumbing	92,032	92,382	-	-	92,032	92,382
Asset forfeiture	42,233	23,066	-	-	42,233	23,066
Courthouse security	66,791	49,181	-	-	66,791	49,181
Unrestricted	<u>10,425,740</u>	<u>11,943,170</u>	<u>(232,365)</u>	<u>(800,931)</u>	<u>10,193,375</u>	<u>11,142,239</u>
Total net assets	<u>\$ 19,557,861</u>	<u>\$ 20,335,427</u>	<u>\$ 3,494,015</u>	<u>\$ 2,845,225</u>	<u>\$ 23,051,876</u>	<u>\$ 23,180,652</u>

Government-wide Financial Analysis (Continued)

Governmental and business-type activities decreased the County's net assets by \$128,776 during the current fiscal year. The following table summarizes the County's Statement of Activities:

County of Amelia, Virginia's Changes in Net Assets						
	Governmental Activities		Business-type Activities		Totals	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program revenues:						
Charges for services	\$ 2,188,018	\$ 2,395,797	\$ 380,031	\$ 490,189	\$ 2,568,049	\$ 2,885,986
Operating grants and contributions	2,841,920	2,873,695	-	-	2,841,920	2,873,695
General revenues:						
General property taxes	6,790,813	6,444,873	-	-	6,790,813	6,444,873
Other local taxes	1,536,883	1,515,784	-	-	1,536,883	1,515,784
Grants and other contributions not restricted	1,302,212	1,349,532	-	-	1,302,212	1,349,532
Other general revenues	592,661	471,503	546	1,098	593,207	472,601
Transfers	(889,997)	(343,714)	889,997	343,714	-	-
Total revenues	\$ 14,362,510	\$ 14,707,470	\$ 1,270,574	\$ 835,001	\$ 15,633,084	\$ 15,542,471
Expenses:						
General government administration	\$ 1,674,203	\$ 1,727,212	\$ -	\$ -	\$ 1,674,203	\$ 1,727,212
Judicial administration	730,856	678,883	-	-	730,856	678,883
Public safety	2,857,590	2,701,541	-	-	2,857,590	2,701,541
Public works	1,515,809	948,197	621,784	667,609	2,137,593	1,615,806
Health and welfare	1,699,946	1,839,393	-	-	1,699,946	1,839,393
Education	5,653,776	5,380,927	-	-	5,653,776	5,380,927
Parks, recreation, and cultural	543,833	544,177	-	-	543,833	544,177
Community development	192,626	248,281	-	-	192,626	248,281
Interest and other fiscal charges	271,437	310,451	-	-	271,437	310,451
Total expenses	\$ 15,140,076	\$ 14,379,062	\$ 621,784	\$ 667,609	\$ 15,761,860	\$ 15,046,671
Change in net assets	\$ (777,566)	\$ 328,408	\$ 648,790	\$ 167,392	\$ (128,776)	\$ 495,800
Beginning of year	20,335,427	20,007,019	2,845,225	2,677,833	23,180,652	22,684,852
End of year	\$ 19,557,861	\$ 20,335,427	\$ 3,494,015	\$ 2,845,225	\$ 23,051,876	\$ 23,180,652

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, unreserved fund balance may serve as a useful measure of a County's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported fund balances of \$12,281,870, a decrease of \$1,634,098 in comparison with the prior year. Approximately 64% of the reported fund balance constitutes unassigned General Fund balance, which is available for spending at the County's discretion.

Proprietary Funds – The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net assets at the end of the year amounted to a deficit of \$232,365. The total increase in net assets was \$648,790. Other factors concerning the finances of this fund have already been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were increases of \$251,935 and can be briefly summarized as follows:

- \$ 100,000 increase in health and welfare expenditures
- \$ 113,204 increase in public safety expenditures
- \$ 54,208 increase in various other expenditures
- \$ 15,477 decrease in general government administration expenditures

During the year, revenues and other financing sources of the General Fund were less than budgetary estimates by \$364,885. Expenditures and other financing uses were less than budgetary estimates by \$298,187, resulting in a negative variance of \$66,698.

Capital Asset and Debt Administration

< **Capital assets** - The County's investment in capital assets for its governmental operations as of June 30, 2012 amounts to \$13,343,839 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and machinery and equipment.

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

Long-term debt - At the end of the current fiscal year, the County had total bonded debt outstanding of \$8,319,742. Of this amount, \$5,378,040 comprises debt backed by the full faith and credit of the County. The remainder of the County's debt represents bonds secured solely by specified revenue sources (i.e., revenue and lease/revenue bonds).

The County's bonded debt decreased by \$1,091,021 during the current fiscal year.

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

Economic Factors and Next Year's Budgets and Rates

- < The unemployment rate for the County of Amelia was 5.7 percent at June 30, 2012. The Commonwealth of Virginia's unemployment rate was 5.7 percent as of the same date.
- < Inflationary trends in the region compare to national indexes.

All of these factors were considered in preparing the County's budget for the 2013 fiscal year.

The fiscal year 2013 budget decreased by approximately 2%. Real estate tax rate increased from \$.43 to \$.47 per \$100 of assessed valuation, personal property tax rate increased from \$4.00 to \$4.15 per \$100 of assessed valuation and all other tax rates remained the same as the prior year.

Requests for Information

This financial report is designed to provide a general overview of the County of Amelia, 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 A, Amelia, Virginia 23002.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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County of Amelia, Virginia
Statement of Net Assets
June 30, 2012

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	School Board	IDA
ASSETS					
Cash and cash equivalents	\$ 11,562,847	\$ -	\$ 11,562,847	\$ 289,967	\$ 65,193
Receivables (net of allowance for uncollectibles):					
Taxes receivable	1,029,152	-	1,029,152	-	-
Accounts receivable	181,499	26,419	207,918	-	-
Interest receivable	89	-	89	-	-
Due from other governmental units	387,699	-	387,699	1,805,317	-
Restricted assets:					
Temporarily restricted:					
Landfill funds held with trustee	857,758	-	857,758	-	-
Capital assets (net of accumulated depreciation):					
Land and land improvements	2,081,507	29,463	2,110,970	367,715	-
Buildings and improvements	9,501,991	-	9,501,991	7,129,534	-
Utility plant in service	-	6,593,912	6,593,912	-	-
Machinery and equipment	1,760,341	44,707	1,805,048	643,519	-
Total assets	\$ 27,362,883	\$ 6,694,501	\$ 34,057,384	\$ 10,236,052	\$ 65,193
LIABILITIES					
Accounts payable	\$ 43,288	\$ 5,155	\$ 48,443	\$ 283,990	\$ -
Accrued liabilities	-	-	-	1,670,517	-
Reconciled overdraft	-	232,151	232,151	-	-
Accrued interest payable	104,829	12,873	117,702	-	-
Due to other governmental units	766,862	-	766,862	-	-
Unearned revenue	4,820	-	4,820	-	-
Long-term liabilities:					
Due within one year	675,057	266,256	941,313	8,143	-
Due in more than one year	6,210,166	2,684,051	8,894,217	1,776,607	-
Total liabilities	\$ 7,805,022	\$ 3,200,486	\$ 11,005,508	\$ 3,739,257	\$ -
NET ASSETS					
Invested in capital assets, net of related debt	\$ 7,754,571	\$ 3,726,380	\$ 11,480,951	\$ 8,140,768	\$ -
Restricted:					
Landfill funds held by trustees	857,758	-	857,758	-	-
Cash proffers	318,736	-	318,736	-	-
Indoor plumbing	92,032	-	92,032	-	-
Asset forfeiture	42,233	-	42,233	-	-
Courthouse security fund	66,791	-	66,791	-	-
Unrestricted (deficit)	10,425,740	(232,365)	10,193,375	(1,643,973)	65,193
Total net assets	\$ 19,557,861	\$ 3,494,015	\$ 23,051,876	\$ 6,496,795	\$ 65,193

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

County of Amelia, Virginia
Statement of Activities
For the Year Ended June 30, 2012

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions		Primary Government		Component Units	
			Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	IDA
PRIMARY GOVERNMENT:								
Governmental activities:								
General government administration	\$ 1,674,203	\$ -	\$ 219,422	\$ -	\$ (1,454,781)	\$ (1,454,781)	\$ (1,454,781)	
Judicial administration	730,856	215,510	370,175	-	(145,171)	(145,171)	(145,171)	
Public safety	2,857,590	141,099	912,334	-	(1,804,157)	(1,804,157)	(1,804,157)	
Public works	1,515,809	1,715,379	83,426	-	282,996	282,996	282,996	
Health and welfare	1,699,946	-	1,121,840	-	(578,106)	(578,106)	(578,106)	
Education	5,653,776	-	-	-	(5,653,776)	(5,653,776)	(5,653,776)	
Parks, recreation, and cultural	543,833	115,667	50,575	-	(377,591)	(377,591)	(377,591)	
Community development	192,626	363	20,163	-	(172,100)	(172,100)	(172,100)	
Interest on long-term debt	271,437	-	63,985	-	(207,452)	(207,452)	(207,452)	
Total governmental activities	\$ 15,140,076	\$ 2,188,018	\$ 2,841,920	\$ -	\$ (10,110,138)	\$ (10,110,138)	\$ (10,110,138)	
Business-type activities:								
Sanitary District	\$ 621,784	\$ 380,031	\$ -	\$ -	\$ (241,753)	\$ (241,753)	\$ (241,753)	
Total business-type activities	\$ 621,784	\$ 380,031	\$ -	\$ -	\$ (241,753)	\$ (241,753)	\$ (241,753)	
Total primary government	\$ 15,761,860	\$ 2,568,049	\$ 2,841,920	\$ -	\$ (10,351,891)	\$ (10,351,891)	\$ (10,351,891)	
COMPONENT UNITS:								
School Board	\$ 17,577,269	\$ 243,096	\$ 11,147,529	\$ -	\$ (6,186,644)	\$ (6,186,644)	\$ (6,186,644)	
Industrial development authority	13,064	-	-	-	-	-	-	(13,064)
Total component units	\$ 17,590,333	\$ 243,096	\$ 11,147,529	\$ -	\$ (6,186,644)	\$ (6,186,644)	\$ (6,186,644)	
General revenues:								
General property taxes					\$ 6,790,813	\$ -	\$ 6,790,813	\$ -
Other local taxes:								
Local sales and use taxes					629,360	-	629,360	-
Consumers' utility taxes					233,257	-	233,257	-
Motor vehicle licenses					340,037	-	340,037	-
Business license taxes					172,980	-	172,980	-
Other local taxes					161,249	-	161,249	-
Unrestricted revenues from use of money and property					145,347	546	145,893	74
Miscellaneous					447,314	-	447,314	269,071
Payments from Amelia County					-	-	-	5,451,328
Grants and contributions not restricted to specific programs					1,302,212	-	1,302,212	-
Transfers					(889,997)	889,997	-	-
Total general revenues and transfers					\$ 9,332,572	\$ 890,543	\$ 10,223,115	\$ 5,722,815
Change in net assets					\$ (777,566)	\$ 648,790	\$ (128,776)	\$ (463,829)
Net assets - beginning					20,335,427	2,845,225	23,180,652	6,960,624
Net assets - ending					\$ 19,557,861	\$ 3,494,015	\$ 23,051,876	\$ 6,496,795

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

FUND FINANCIAL STATEMENTS

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County of Amelia, Virginia
Balance Sheet
Governmental Funds
June 30, 2012

	<u>General</u>	<u>County Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 8,100,248	\$ 2,919,181	\$ 543,418	\$ 11,562,847
Interest receivable	-	42	47	89
Receivables (net of allowance for uncollectibles):				
Taxes receivable	1,029,152	-	-	1,029,152
Accounts receivable	65,532	111,077	4,890	181,499
Due from other governmental units	387,699	-	-	387,699
Restricted assets:				
Temporarily restricted:				
Landfill funds held with trustee	857,758	-	-	857,758
Total assets	<u>\$ 10,440,389</u>	<u>\$ 3,030,300</u>	<u>\$ 548,355</u>	<u>\$ 14,019,044</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 42,482	\$ 806	\$ -	\$ 43,288
Due to other governmental units	766,862	-	-	766,862
Deferred revenue	927,024	-	-	927,024
Total liabilities	<u>\$ 1,736,368</u>	<u>\$ 806</u>	<u>\$ -</u>	<u>\$ 1,737,174</u>
Fund balances:				
Restricted	\$ 857,758	\$ -	\$ 519,792	\$ 1,377,550
Committed	-	3,029,494	28,563	3,058,057
Unassigned	7,846,263	-	-	7,846,263
Total fund balances	<u>\$ 8,704,021</u>	<u>\$ 3,029,494</u>	<u>\$ 548,355</u>	<u>\$ 12,281,870</u>
Total liabilities and fund balances	<u>\$ 10,440,389</u>	<u>\$ 3,030,300</u>	<u>\$ 548,355</u>	<u>\$ 14,019,044</u>

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

County of Amelia, Virginia
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Assets
June 30, 2012

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds	\$ 12,281,870
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	13,343,839
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	922,204
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds. The following is a summary of items supporting this adjustment:	
General obligation bonds	\$ (5,378,040)
Bond issuance premium	(211,228)
Landfill post closure liability	(1,000,000)
OPEB liability	(34,755)
Accrued interest payable	(104,829)
Compensated absences	(261,200)
	<u>(6,990,052)</u>
Net assets of governmental activities	<u><u>\$ 19,557,861</u></u>

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

County of Amelia, Virginia
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2012

	<u>General</u>	<u>County Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total</u>
REVENUES				
General property taxes	\$ 6,603,169	\$ -	\$ -	\$ 6,603,169
Other local taxes	1,536,883	-	-	1,536,883
Permits, privilege fees, and regulatory licenses	95,413	-	-	95,413
Fines and forfeitures	197,161	-	-	197,161
Revenue from the use of money and property	143,340	1,463	544	145,347
Charges for services	329,428	1,521,780	44,236	1,895,444
Miscellaneous	167,332	243,181	36,801	447,314
Recovered costs	95,117	-	-	95,117
Intergovernmental revenues:				
Commonwealth	3,289,738	11,599	3,239	3,304,576
Federal	692,145	147,411	-	839,556
Total revenues	<u>\$ 13,149,726</u>	<u>\$ 1,925,434</u>	<u>\$ 84,820</u>	<u>\$ 15,159,980</u>
EXPENDITURES				
Current:				
General government administration	\$ 1,608,467	\$ -	\$ -	\$ 1,608,467
Judicial administration	699,394	-	-	699,394
Public safety	2,397,231	-	8,411	2,405,642
Public works	967,369	-	-	967,369
Health and welfare	1,797,756	-	-	1,797,756
Education	4,976,912	-	-	4,976,912
Parks, recreation, and cultural	509,979	-	-	509,979
Community development	183,166	-	-	183,166
Capital projects	70,373	1,554,372	-	1,624,745
Debt service:				
Principal retirement	827,426	-	-	827,426
Interest and other fiscal charges	303,225	-	-	303,225
Total expenditures	<u>\$ 14,341,298</u>	<u>\$ 1,554,372</u>	<u>\$ 8,411</u>	<u>\$ 15,904,081</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (1,191,572)</u>	<u>\$ 371,062</u>	<u>\$ 76,409</u>	<u>\$ (744,101)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 515,028	\$ 63,907	\$ -	\$ 578,935
Transfers out	(953,904)	(480,425)	(34,603)	(1,468,932)
Total other financing sources (uses)	<u>\$ (438,876)</u>	<u>\$ (416,518)</u>	<u>\$ (34,603)</u>	<u>\$ (889,997)</u>
Net change in fund balances	\$ (1,630,448)	\$ (45,456)	\$ 41,806	\$ (1,634,098)
Fund balances - beginning	10,334,469	3,074,950	506,549	13,915,968
Fund balances - ending	<u>\$ 8,704,021</u>	<u>\$ 3,029,494</u>	<u>\$ 548,355</u>	<u>\$ 12,281,870</u>

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

County of Amelia, Virginia
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2012

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

Net change in fund balances - total governmental funds	\$	(1,634,098)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period. The following is a summary of items supporting this adjustment:

Capital outlay	\$ 807,795		
Depreciation expense	(522,117)		
Activity related to joint tenancy assets to Component Unit from Primary Government	<u>(475,374)</u>		(189,696)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		187,644
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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 assets. The following is a summary of items supporting this adjustment:

Bond issuance premium amortization	\$ 15,088		
Principal retirement on lease revenue bonds	191,600		
Principal retirement on school general obligation bonds	<u>635,826</u>		842,514

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds. The following is a summary of items supporting this adjustment:

Decrease (increase) in compensated absences	\$ 20,825		
Decrease (increase) in OPEB liability	(21,455)		
Decrease (increase) in accrued interest payable	<u>16,700</u>		16,070

Change in net assets of governmental activities	\$	<u>(777,566)</u>
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The notes to the financial statements are an integral part of this statement.

County of Amelia, Virginia
Statement of Net Assets
Proprietary Funds
June 30, 2012

	Enterprise Fund Sanitary District
ASSETS	
Current assets:	
Accounts receivable, net of allowance for uncollectibles	\$ 26,419
Total current assets	<u>\$ 26,419</u>
Noncurrent assets:	
Capital assets:	
Utility plant in service	\$ 9,179,490
Machinery and equipment	261,173
Land and land improvements	29,463
Less accumulated depreciation	<u>(2,802,044)</u>
Total capital assets	<u>\$ 6,668,082</u>
Total noncurrent assets	<u>\$ 6,668,082</u>
 Total assets	 <u>\$ 6,694,501</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 5,155
Reconciled overdraft	232,151
Accrued interest payable	12,873
Bonds payable - current portion	265,395
Compensated absences - current portion	861
Total current liabilities	<u>\$ 516,435</u>
Noncurrent liabilities:	
Bonds payable - net of current portion	\$ 2,676,307
Compensated absences - net of current portion	7,744
Total noncurrent liabilities	<u>\$ 2,684,051</u>
Total liabilities	<u>\$ 3,200,486</u>
NET ASSETS	
Invested in capital assets, net of related debt	\$ 3,726,380
Unrestricted	(232,365)
Total net assets	<u><u>\$ 3,494,015</u></u>

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

County of Amelia, Virginia
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2012

	Enterprise Fund Sanitary District
OPERATING REVENUES	
Charges for services:	
Water and sewer revenues	\$ 338,498
Excess capacity fees	4,946
Rental income	27,533
Miscellaneous	9,014
Total operating revenues	<u>\$ 379,991</u>
OPERATING EXPENSES	
Water	\$ 103,485
Sewer	244,929
Depreciation	195,284
Total operating expenses	<u>\$ 543,698</u>
Operating income (loss)	<u>\$ (163,707)</u>
NONOPERATING REVENUES (EXPENSES)	
Investment earnings	\$ 546
Connection fees	40
Interest expense	<u>(78,086)</u>
Total nonoperating revenues (expenses)	<u>\$ (77,500)</u>
Income (loss) before transfers	<u>(241,207)</u>
Transfers in	<u>\$ 889,997</u>
Change in net assets	\$ 648,790
Total net assets - beginning	2,845,225
Total net assets - ending	<u><u>\$ 3,494,015</u></u>

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

County of Amelia, Virginia
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2012

	Enterprise Fund Sanitary District
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 390,662
Payments for operating expenses	(128,711)
Net cash provided by (used for) operating activities	<u>\$ 261,951</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers to other funds	\$ 889,997
Net cash provided by (used for) noncapital financing activities	<u>889,997</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital asset addition	\$ (11,913)
Principal payments on bonds	(263,595)
Connection fees	40
Interest payments	(80,116)
Net cash provided by (used for) capital and related financing activities	<u>\$ (355,584)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and dividends received	\$ 605
Net cash provided by (used for) investing activities	<u>\$ 605</u>
Net increase (decrease) in cash and cash equivalents	\$ 796,969
Cash and cash equivalents - beginning	(796,969)
Cash and cash equivalents - ending	<u><u>\$ -</u></u>
Reconciliation of operating income (loss) to net cash provided by operating activities:	
Operating income (loss)	\$ (163,707)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation expense	\$ 195,284
(Increase) decrease in accounts receivable	10,671
Increase (decrease) in accounts payable	5,998
Increase (decrease) in compensated absences	(18,446)
Cash overdraft	232,151
Total adjustments	<u>\$ 425,658</u>
Net cash provided by (used for) operating activities	<u><u>\$ 261,951</u></u>

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

County of Amelia, Virginia
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	Private Purpose Trust <u>Funds</u>	Agency <u>Funds</u>
ASSETS		
Cash and cash equivalents	\$ 220,301	\$ 179,624
Receivables:		
Interest and dividends	167	200
Total assets	<u>\$ 220,468</u>	<u>\$ 179,824</u>
LIABILITIES		
Amounts held for social services clients	\$ -	\$ 14,436
Performance bonds	-	155,224
Amounts held for others	-	10,164
Total liabilities	<u>\$ -</u>	<u>\$ 179,824</u>
NET ASSETS		
Held in trust for scholarships	<u>\$ 220,468</u>	<u>\$ -</u>

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

County of Amelia, Virginia
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2012

	<u>Private Purpose Trust Funds</u>
ADDITIONS	
Contributions:	
Private donations	\$ 9,907
Total contributions	<u>\$ 9,907</u>
Investment earnings:	
Interest	\$ 328
Total investment earnings	<u>\$ 328</u>
Total additions	<u>\$ 10,235</u>
DEDUCTIONS	
Scholarships	\$ 7,043
Total deductions	<u>\$ 7,043</u>
Change in net assets	\$ 3,192
Net assets - beginning	217,276
Net assets - ending	<u><u>\$ 220,468</u></u>

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

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NOTES TO THE FINANCIAL STATEMENTS

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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements As of June 30, 2012

Note 1—Summary of Significant Accounting Policies:

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

The financial statements of the County of Amelia, 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

GASB Statement No. 34 establishes requirements and a reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions.

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

Government-wide and Fund Financial Statements

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

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

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)
As of June 30, 2012

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

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

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or 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 a requirement to report the government's 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 the 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 Amelia (the primary government) and its component units. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)

As of June 30, 2012

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

B. Individual Component Unit Disclosures

Blended Component Unit. The County has no blended component units at June 30, 2012.

Discretely Presented Component Units. The School Board members are elected by the citizens of Amelia County. The School Board is responsible for the operations of the County's School System within the County boundaries. The School Board is fiscally dependent on the County. The County has the ability to approve its budget and any amendments. The School Fund does not issue a separate financial report. The financial statements of the School Board are presented as a discrete presentation of the County financial statements for the fiscal year ended June 30, 2012.

The Industrial Development Authority of Amelia County is responsible for industrial and commercial development in the County. The Authority consists of seven members appointed by the Board of Supervisors. The Authority is fiscally dependent on the County, and therefore, it is included in the County's financial statements as a discrete presentation for the year ended June 30, 2012. The Industrial Development Authority does not issue a separate report.

C. Other Related Organizations Included in the County's Financial Report

None

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

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

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

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)
As of June 30, 2012

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

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

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

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Accordingly, real and personal property taxes are recorded as revenues and receivables when billed, net of allowances for uncollectible amounts. Property taxes not collected within 60 days after year-end are reflected as deferred revenues. Sales and utility taxes, which are collected by the state or utilities and subsequently remitted to the County, are recognized as revenues and receivables upon collection by the state or utility, which is generally within two months preceding receipt by the County.

Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of federal, state and other grants for the purpose of funding specific expenditures, are recognized when earned or at the time of the specific expenditure. Revenues from general purpose grants are recognized in the period to which the grant applies. All other revenue items are considered to be measurable and available only when cash is received by the government.

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.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements *(Continued)*
As of June 30, 2012

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

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

1. Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed. The County reports the General Fund and Capital Projects Fund as major governmental funds.

The General Fund is the primary operating fund of the County. This fund is used to account for and report all financial transactions and resources except those required to be accounted for in another fund.

Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for service, and interest income. A significant part of the General Fund's revenues is used principally to finance the operations of the Component Unit School Board.

Capital Projects Funds - The Capital Projects Fund accounts for and reports 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. The County also reports the County Capital Projects Fund as a major Capital Projects Fund.

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

Enterprise Funds - Enterprise funds distinguish operating revenues and expenses from non-operating 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 County's Enterprise Funds consist of the Sanitary District.

The County reports the following non-major governmental funds:

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 County Special Revenue Fund reports the operations of the proffers, IPR program, Courthouse security, Amelia County clean-up program, special library and forfeited assets funds transactions.

3. 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 and Private Purpose Trust Funds. These funds utilize the accrual basis of accounting described in the Governmental Fund Presentation. Fiduciary funds are not included in the government-wide financial statements. The County's Agency Funds include amounts held for others in fiduciary capacity, which include special welfare, performance bond and A.M. radio partners fund.

E. 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.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements *(Continued)*

As of June 30, 2012

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

F. Investments

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

State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

G. Receivables and payables

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

All trade and property tax receivables are shown net of an allowance for uncollectibles. The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately \$109,892 at June 30, 2012 and is comprised of \$108,711 for property taxes and \$1,181 related to proprietary revenue.

Real and Personal Property Tax Data:

The tax calendars for real and personal property taxes are summarized below.

	<u>Real Property</u>	<u>Personal Property</u>
Levy	January 1	January 1
Due Date	December 5	December 5
Lien Date	January 1	January 1

The County bills and collects its own property taxes.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)

As of June 30, 2012

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

H. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the County as land, buildings, 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. The County does not have any infrastructure in its capital assets since roads, streets, bridges and similar assets within its boundaries are the property of the Commonwealth of Virginia. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded as 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. There is no capitalized interest for the year June 30, 2012.

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	40
Furniture, Vehicles, and Office Equipment	5-20
Buses	10

Property, Plants and Equipment of the Enterprise Fund are depreciated using the straight line method over the following estimated useful lives.

<u>Assets</u>	<u>Years</u>
Sewer System	50
Sewage Treatment Plant	25
Machinery and Equipment	3-5

I. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as an expense in the Statement of Activities and a long-term obligation in the Statement of Net Assets. In accordance with the provisions of 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 is estimated will be taken as "terminal leave" prior to retirement.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)

As of June 30, 2012

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

J. Retirement Plan

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

K. 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.

L. Fund Equity

Beginning with fiscal year 2011, the County implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. 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 the County's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)

As of June 30, 2012

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

L. Fund Equity (Continued)

Board of Supervisors establishes (and modifies or rescinds) fund balance commitments by passage of a 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 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).

	General Fund	Major Capital Project Fund County Capital Projects Fund	Non-Major Special Revenue Fund County Special Revenue Fund	Total
Fund Balances:				
Restricted:				
Cash Proffers	\$ -	\$ -	\$ 318,736	\$ 318,736
Indoor Plumbing	-	-	92,032	92,032
Asset forfeiture	-	-	42,233	42,233
Courthouse security fund	-	-	66,791	66,791
Landfill funds held by trustees	857,758	-	-	857,758
Total Restricted Fund Balance	\$ 857,758	\$ -	\$ 519,792	\$ 1,377,550
Committed:				
Capital Improvements	\$ -	\$ 3,023,922	\$ -	\$ 3,023,922
Spring Hill Project	-	2	-	2
Special Library	-	-	26,489	26,489
Amelia County Clean-up Program	-	-	2,074	2,074
Hindle Building Bell Fund	-	5,570	-	5,570
Economic Development	-	-	-	-
Total Committed Fund Balance	\$ -	\$ 3,029,494	\$ 28,563	\$ 3,058,057
Unassigned Fund Balance	\$ 7,846,263	\$ -	\$ -	\$ 7,846,263
Total Fund Balances	\$ 8,704,021	\$ 3,029,494	\$ 548,355	\$ 12,281,870

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)

As of June 30, 2012

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

M. Net Assets

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

N. Long-term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bonds payable are reported net of the applicable bond premium or discount.

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

Note 2—Stewardship, Compliance, and Accounting:

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

1. On or before March 30th, 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 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. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Appropriations lapse on June 30, for all County units.

Expenditures and Appropriations

Expenditures exceeded appropriations in the following fund at June 30, 2012:

County Special Revenue Fund	\$ 8,411
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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)

As of June 30, 2012

Note 3 - Deposits and Investments:

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).

Credit Risk of Debt Securities

The County's rated debt investments as of June 30, 2012 were rated by Standard and Poor's and the ratings are presented below using the Standard and Poor's rating scale.

County's Rated Debt Investments' Values

Rated Debt Investments	Fair Quality Ratings				
	AAA	AAAm	AA	AA+	AA-
Local Government Investment Pool	\$ -	\$ 1,790,627	\$ -	\$ -	\$ -
State Non-Arbitrage Pool	-	157,378	-	-	-
Municipal/Public Bonds	151,597	-	147,636	633,627	25,547
Corporate Debt	-	-	-	102,436	-
Total	<u>\$ 151,597</u>	<u>\$ 1,948,005</u>	<u>\$ 147,636</u>	<u>\$ 736,063</u>	<u>\$ 25,547</u>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements *(Continued)*

As of June 30, 2012

Note 3 - Deposits and Investments: (Continued)

Interest Rate Risk

Investment Maturities (in years)			
Investment Type	Fair Value	Less Than 1 Year	1-5 Years
Municipal/Public Bonds	\$ 958,407	\$ 911,887	46,520
Corporate Debt	102,436	102,436	-
Total	<u>\$ 1,060,843</u>	<u>\$ 1,014,323</u>	<u>\$ 46,520</u>

External Investment Pools

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

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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)

As of June 30, 2012

Note 4—Due to/from Other Governments:

At June 30, 2012, the County has receivables from other governments as follows:

	Primary Government	Component Unit School Board
Other Local Governments:		
Amelia County School Board	\$ -	\$ 766,862
Commonwealth of Virginia:		
Local sales tax	117,314	-
Welfare	34,786	-
Rolling stock tax	461	-
State Sales Tax	-	311,156
Constitutional officer reimbursements	103,654	-
Recordation tax	5,891	-
Mobile home titling tax	2,898	-
E-911 wireless	3,333	-
Fire programs	4,794	-
School resource officer	16,320	-
Victim witness	6,996	-
Communications tax	44,260	-
Bio-solids fees	2,534	-
Federal Government:		
School fund grants	-	727,299
Welfare	44,458	-
Total due from other governments	<u>\$ 387,699</u>	<u>\$ 1,805,317</u>

At June 30, 2012, amounts due to other local governments are as follows:

Other Local Governments:		
County of Amelia	<u>\$ 766,862</u>	<u>\$ -</u>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)
As of June 30, 2012

Note 5—Capital Assets:

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2012:

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
<i>Primary Government:</i>				
Capital assets not subject to depreciation:				
Land and land improvements	\$ 2,081,507	\$ -	\$ -	\$ 2,081,507
Construction in progress	90,952	191,025	281,977	-
Total capital assets not subject to depreciation	<u>\$ 2,172,459</u>	<u>\$ 191,025</u>	<u>\$ 281,977</u>	<u>\$ 2,081,507</u>
Capital assets subject to depreciation:				
Buildings and improvements	\$ 5,955,736	\$ 281,977	\$ -	\$ 6,237,713
Machinery and Equipment	4,313,880	535,143	231,723	4,617,300
Jointly owned assets	9,100,940	81,627	399,000	8,783,567
Total capital assets subject to depreciation	<u>\$ 19,370,556</u>	<u>\$ 898,747</u>	<u>\$ 630,723</u>	<u>\$ 19,638,580</u>
Less accumulated depreciation for:				
Buildings and improvements	\$ 1,944,688	\$ 169,074	\$ -	\$ 2,113,762
Machinery and Equipment	2,735,639	353,043	231,723	2,856,959
Jointly owned assets	3,329,153	213,581	137,207	3,405,527
Total accumulated depreciation	<u>\$ 8,009,480</u>	<u>\$ 735,698</u>	<u>\$ 368,930</u>	<u>\$ 8,376,248</u>
Total capital assets subject to depreciation, net	<u>\$ 11,361,076</u>	<u>\$ 163,049</u>	<u>\$ 261,793</u>	<u>\$ 11,262,332</u>
Governmental activities capital assets, net	<u><u>\$ 13,533,535</u></u>	<u><u>\$ 354,074</u></u>	<u><u>\$ 543,770</u></u>	<u><u>\$ 13,343,839</u></u>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2012

Note 5—Capital Assets: (Continued)

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2012:

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
<i>Proprietary Funds:</i>				
Capital assets not subject to depreciation:				
Land and land improvements	\$ 29,463	\$ -	\$ -	\$ 29,463
Total capital assets not subject to depreciation	\$ 29,463	\$ -	\$ -	\$ 29,463
Capital assets subject to depreciation:				
Utility plant in service	\$ 9,179,490	\$ -	\$ -	\$ 9,179,490
Vehicles and equipment	249,260	11,913	-	261,173
Total capital assets subject to depreciation	\$ 9,428,750	\$ 11,913	\$ -	\$ 9,440,663
Less: accumulated depreciation for:				
Utility plant in service	\$ 2,403,720	\$ 181,858	\$ -	\$ 2,585,578
Vehicles and equipment	203,040	13,426	-	216,466
Total accumulated depreciation	\$ 2,606,760	\$ 195,284	\$ -	\$ 2,802,044
Total capital assets subject to depreciation, net	\$ 6,821,990	\$ (183,371)	\$ -	\$ 6,638,619
Proprietary Fund capital assets, net	\$ 6,851,453	\$ (183,371)	\$ -	\$ 6,668,082

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2012

Note 5—Capital Assets: (Continued)

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2012:

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
<i>Component Unit-School Board:</i>				
Capital assets not subject to depreciation:				
Land and land improvements	\$ 367,715	\$ -	\$ -	\$ 367,715
Total capital assets not subject to depreciation	\$ 367,715	\$ -	\$ -	\$ 367,715
Capital assets subject to depreciation:				
Machinery and Equipment	\$ 2,447,221	\$ 7,414	\$ -	\$ 2,454,635
Jointly owned assets	11,245,159	-	(399,000)	11,644,159
Total capital assets subject to depreciation	\$ 13,692,380	\$ 7,414	\$ (399,000)	\$ 14,098,794
Less: accumulated depreciation for:				
Machinery and Equipment	\$ 1,648,397	\$ 162,719	\$ -	\$ 1,811,116
Jointly owned assets	4,113,517	263,901	(137,207)	4,514,625
Total accumulated depreciation	\$ 5,761,914	\$ 426,620	\$ (137,207)	\$ 6,325,741
Total capital assets subject to depreciation, net	\$ 7,930,466	\$ (419,206)	\$ (261,793)	\$ 7,773,053
Component unit school board capital assets, net	\$ 8,298,181	\$ (419,206)	\$ (261,793)	\$ 8,140,768

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government administration	\$ 73,759
Judicial administration	28,953
Public safety	353,486
Public works	30,539
Education	213,581
Parks, recreation and cultural	35,380
Total depreciation expense - governmental activities	\$ 735,698
Business type activities:	
Sanitary District Fund	\$ 195,284
Total depreciation expense - primary government	\$ 930,982
Component Unit School Board	\$ 426,620

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2012

Note 6—Long-Term Obligations:

Primary Government:

The following is a summary of changes to long-term obligations for the fiscal year ended June 30, 2012:

	Balance July 1, 2011	Issuances/ Increases	Retirements/ Decreases	Balance June 30, 2012	Amounts Due Within One Year
Primary Government Obligations:					
General Fund Obligations:					
Incurred by County:					
Compensated absences	\$ 282,025	\$ 7,378	\$ 28,203	\$ 261,200	\$ 26,120
Lease revenue bond	191,600	-	191,600	-	-
OPEB liability	13,300	22,655	1,200	34,755	-
Landfill post closure liability	1,000,000	-	-	1,000,000	-
Total incurred by County	<u>\$ 1,486,925</u>	<u>\$ 30,033</u>	<u>\$ 221,003</u>	<u>\$ 1,295,955</u>	<u>\$ 26,120</u>
Incurred by School Board:					
General obligation bonds	\$ 6,013,866	\$ -	\$ 635,826	\$ 5,378,040	\$ 648,937
Add deferred amounts:					
Bond Issuance premium	226,316	-	15,088	211,228	-
Total incurred by School Board	<u>\$ 6,240,182</u>	<u>\$ -</u>	<u>\$ 650,914</u>	<u>\$ 5,589,268</u>	<u>\$ 648,937</u>
Total General Fund Obligations	<u>\$ 7,727,107</u>	<u>\$ 30,033</u>	<u>\$ 871,917</u>	<u>\$ 6,885,223</u>	<u>\$ 675,057</u>
Incurred by Enterprise Fund:					
Compensated absences	\$ 27,051	\$ -	\$ 18,446	\$ 8,605	\$ 861
Revenue bonds	3,205,297	-	263,595	2,941,702	265,395
Total incurred by Enterprise Fund	<u>\$ 3,232,348</u>	<u>\$ -</u>	<u>\$ 282,041</u>	<u>\$ 2,950,307</u>	<u>\$ 266,256</u>
Total Primary Government Obligations	<u>\$ 10,959,455</u>	<u>\$ 30,033</u>	<u>\$ 1,153,958</u>	<u>\$ 9,835,530</u>	<u>\$ 941,313</u>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements *(Continued)*
As of June 30, 2012

Note 6—Long-Term Obligations: (Continued)

Primary Government: (Continued)

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

Year Ending June 30	Enterprise Fund Obligations	
	Revenue Bonds	
	Principal	Interest
2013	\$ 265,395	\$ 76,888
2014	219,215	73,591
2015	156,261	70,225
2016	146,425	66,658
2017	148,510	62,882
2018	150,675	59,020
2019	152,922	55,069
2020	160,255	50,898
2021	162,678	46,504
2022	130,729	42,354
2023	136,915	39,062
2024	143,144	35,485
2025	144,418	31,737
2026	150,738	27,814
2027	37,630	25,155
2028	38,752	24,033
2029	39,925	22,860
2030	41,152	21,632
2031	42,436	20,349
2032	43,778	19,006
2033	45,183	17,602
2034	46,651	16,134
2035	34,975	14,597
2036	36,581	12,991
2037	38,262	11,310
2038	40,020	9,552
2039	41,858	7,714
2040	43,781	5,791
2041	45,792	3,780
2042	47,896	1,676
2043	8,750	54
Total	<u>\$ 2,941,702</u>	<u>\$ 972,423</u>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2012

Note 6—Long-Term Obligations: (Continued)

Primary Government: (Continued)

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

Year Ending June 30	School Fund Obligations	
	General Obligation Bonds	
	Principal	Interest
2013	\$ 648,937	\$ 265,337
2014	330,766	243,220
2015	333,893	230,493
2016	337,853	216,933
2017	342,020	203,167
2018	346,404	189,182
2019	351,019	174,968
2020	355,875	160,512
2021	360,984	145,802
2022	366,361	130,825
2023	372,021	115,566
2024	377,187	100,799
2025	387,223	86,162
2026	392,497	71,288
2027	75,000	63,986
Total	<u>\$ 5,378,040</u>	<u>\$ 2,398,240</u>

Details of Long-Term Obligations:

	Total Amount
<u>General Fund:</u>	
<u>Incurred by County:</u>	
Landfill post closure liability	\$ 1,000,000
Compensated absences (payable from General Fund)	\$ 261,200
OPEB liability (payable from General Fund)	\$ 34,755
Total Incurred by County	<u>\$ 1,295,955</u>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)

As of June 30, 2012

Note 6—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Details of Long-Term Obligations: (Continued)

<u>General Fund: (Continued)</u>	Total Amount
<u>Incurred by School Board:</u>	
<u>General Obligation Bonds:</u>	
\$5,199,534 School Bonds 1992 Series, issued November 12, 1992, maturing annually in installments of varying amounts through November 12, 2013; interest payable semi-annually at 4.9 % to 6.35%.	\$ 320,512
\$5,471,508 School Bonds 2005 Series, issued November 10, 2005, maturing annually in installments of varying amounts through July 15, 2025; interest payable semi-annually at 4.057%.	3,992,528
\$1,205,000 Qualified school construction bonds, issued June 29, 2010, maturing annually in installments of varying amounts through June 1, 2027; interest payable semi-annually at 5.31%.	1,065,000
Total General Obligation Bonds	\$ 5,378,040
Bond Issuance premium	211,228
Total Long-Term Obligations, General Fund	\$ 6,885,223
<u>Enterprise Fund:</u>	
<u>Revenue Bonds:</u>	
1993 Virginia Water Facilities Revolving Fund, loan commitment \$2,567,561, non-interest bearing, due semi-annually through November 1, 2014.	\$ 228,365
2001 Virginia Water Facilities Revolving Fund, loan commitment of \$457,100, interest at 4.10%, due semi-annually through May 1, 2021.	254,611
2000 Virginia Water Facilities Revolving Fund, loan commitment of \$1,368,299, interest at 0.50%, due semi-annually through March 1, 2026.	802,227
2004 Virginia Water Facilities Revolving Fund, loan commitment of \$396,385, non-interest bearing, due semi-annually through June 1, 2034.	290,682
\$900,000 Tax Revenue bond issued November 7, 2002, due monthly beginning December 7, 2004, interest payable at 4.50%.	815,817
2006 Virginia Water Facilities Revolving Fund, loan commitment of \$700,000, non-interest bearing, due semi-annually through November 1, 2026.	550,000
Total Revenue Bonds	\$ 2,941,702
Compensated absences (payable from Enterprise Fund)	\$ 8,605
Total Long-Term Obligations, Enterprise Fund	\$ 2,950,307
Total Long-Term Obligations, Primary Government	\$ 9,835,530

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2012

Note 6—Long-Term Obligations: (Continued)

Component Unit - School Board:

The following is a summary of changes in long-term obligation transactions for fiscal year ended June 30, 2012.

	Balance at July 1, 2011	Increases	Decreases	Balance at June 30, 2012	Amounts Due Within One Year
Component Unit-School Board:					
Compensated absences	\$ 70,875	\$ 17,638	\$ 7,088	\$ 81,425	\$ 8,143
OPEB liability	1,368,600	461,125	126,400	1,703,325	-
Total Component Unit-School Board	<u>\$ 1,439,475</u>	<u>\$ 478,763</u>	<u>\$ 133,488</u>	<u>\$ 1,784,750</u>	<u>\$ 8,143</u>

Note 7—Closure and Postclosure Costs:

Maplewood Landfill:

The currently operating solid waste landfill located in the County is owned and operated by a private company, pursuant to an agreement between the County and such company. In accordance with provisions of such an agreement, the company has agreed to comply with the financial security requirements of the Commonwealth of Virginia Department of Waste Management as to the cost of closure and maintenance of such landfill for a period of 20 years following closure. Also under such landfill agreement the company is required to deposit with a third party specific funds to pay for mitigation and remediation as may be reasonably necessary as a result of its operation of the landfill. At June 30, 2012, such funds in the amount of \$857,758 are presented in the accompanying financial statement as "Cash in the custody of others".

Old County Landfill:

The County demonstrated financial assurance requirements for closure, postclosure care and corrective action costs through the submission of a Local Governmental Financial Test to the Virginia Department of Environmental Quality in accordance with Section 9VAC20-70 of the Virginia Administrative Code. In addition, the County closed its landfill in January, 2005 and is liable for postclosure monitoring for a period of ten years. The amount reported as landfill postclosure liability at June 30, 2012 represents the estimated liability for postclosure monitoring of \$1,000,000 over a period of one year. This amount is based on what it would cost to perform all postclosure care in 2012. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

Note 8—Deferred/Unearned Revenue:

Deferred revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, such amounts are measurable, but not available. Deferred revenue totaling \$927,024 is comprised of the following:

Deferred Property Tax Revenue - Deferred revenue representing uncollected tax billings not available for funding of current expenditures totaled \$922,204 at June 30, 2012.

Prepaid Property Taxes - Property taxes due subsequent to June 30, 2012 but paid in advance by the taxpayers totaled \$4,820 at June 30, 2012.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)

As of June 30, 2012

Note 9—Contingent Liabilities:

Federal programs in which the County and all discretely presented component units participate were audited in accordance with the provisions of the 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, any future disallowance of current grant program expenditures, if any, would be immaterial.

Note 10—Litigation:

At June 30, 2012, there were no matters of litigation involving the County or which would materially affect the County's financial position should any court decisions on pending matters not be favorable to the County.

Note 11 —Risk Management:

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.

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 loss. During the last three fiscal years, settled claims from these risks have not exceeded commercial coverage.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)

As of June 30, 2012

Note 12 –Defined Benefit Pension Plan:

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 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 have service credits before July 1, 2010 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 ten years of service credit.
- Members hired or rehired on or after July 1, 2010 and who have no service credits before July 1, 2010 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 a least five years of service credit.
- 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 members plan apply.

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. 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.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)

As of June 30, 2012

Note 12 –Defined Benefit Pension Plan (Continued):

A. Plan Description (Continued)

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 Plan2, 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 (CAFR) that includes financial statements and required supplementary information for the plans administered by VRS. A copy of the most recent report may be obtained from the VRS Website at: <http://varetire.org/Pdf/Publications/2011-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 5.00% of their compensation toward their retirement. All or part of the 5.00% member contribution may be assumed by the employer. In addition, the County is required to contribute the remaining amounts necessary to fund its 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's contribution rate for the fiscal year ended 2012 were 10.11% and 7.19% of annual covered payroll, respectively.

The School Board's professional employees contributed \$525,303, \$321,343 and \$562,685, to the teacher cost-sharing pool for the fiscal years ended June 30, 2012, 2011, and 2010 respectively, and these contributions represented 6.33%, 3.93% and 8.81%, (for July 2009 through March 2010, and 0.00% for April through June 2010), respectively, of current covered payroll.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)

As of June 30, 2012

Note 12 –Defined Benefit Pension Plan (Continued):

C. Annual Pension Cost

For fiscal year 2012, the County's annual pension cost of \$337,927 (which does not include the portion of the employee share assumed by the employer which was \$167,125) was equal to the County's required and actual contributions.

For fiscal year 2012, the School Board's annual pension cost for the School Board's non-professional employees was \$66,654 (which does not include the portion of the employee share assumed by the School Board which was \$46,352) which was equal to the School Board's required and actual contributions.

Three Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC) (1)	Percentage of APC Contributed	Net Pension Obligation
County:			
June 30, 2012	\$ 337,927	100%	\$ -
June 30, 2011	333,571	100%	-
June 30, 2010	283,462	100%	-
School Board:			
Non-Professional:			
June 30, 2012	\$ 66,654	100%	\$ -
June 30, 2011	68,240	100%	-
June 30, 2010	68,002	100%	-

(1) Employer portion only

The fiscal year 2012 required contribution was determined as part of the June 30, 2009 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at June 30, 2009 included (a) an investment rate of return (net of administrative expenses) of 7.50%, (b) projected salary increases ranging from 3.75% to 5.60% per year for general government employees and 3.50% to 4.75% for employees eligible for enhanced benefits available to law enforcement officers, firefighters, and sheriffs, and (c) a cost-of-living adjustment of 2.50% per year. Both the investment rate of return and the projected salary increases include an inflation component of 2.50%. The actuarial value of the County 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 and School Board's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2009 for the Unfunded Actuarial Accrued Liability (UAAL) was 20 years.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)

As of June 30, 2012

Note 12 –Defined Benefit Pension Plan (Continued):

D. Funded Status and Funding Progress:

As of June 30, 2011, the most recent actuarial valuation date, the plan was 76.40% funded. The actuarial accrued liability for benefits was \$12,478,887, and the actuarial value of assets was \$9,534,252, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,944,635. The covered payroll (annual payroll of active employees covered by the plan) was \$3,356,229, and ratio of the UAAL to the covered payroll was 87.74%.

As of June 30, 2011, the most recent actuarial valuation date, the School Board's Non-Professional retirement plan was 82.36% funded. The actuarial accrued liability for benefits was \$3,343,036 and the actuarial value of assets was \$2,753,400, resulting in an unfunded actuarial accrued liability (UAAL) of \$589,636. The covered payroll (annual payroll of active employees covered by the plan) was \$919,195, and ratio of the UAAL to the covered payroll was 64.15%.

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.

Note 13 –Surety Bonds:

The County of Amelia holds the following Surety Bonds:

	<u>Amount</u>
Division of Risk Management Surety Bond:	
Commonwealth Funds	
Marilyn L. Wilson, Clerk of the Circuit Court	\$ 1,110,000
Pamela H. Conyers, Treasurer	300,000
Joyce P. Morris, Commissioner of the Revenue	3,000
Rick Walker, Sheriff	30,000
Zurich Insurance Company - Surety:	
School Board Clerk and Deputy Clerk	10,000
Nationwide Mutual Insurance Company:	
All Social Services Employees	100,000
Travelers Insurance Company:	
County Board of Supervisors	250,000

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)

As of June 30, 2012

Note 14 – Interfund Transfers:

Interfund transfers for the year ended June 30, 2012, consisted of the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Primary Government:		
General Fund	\$ 515,028	\$ 953,904
County Capital Projects Fund	63,907	480,425
County Special Revenue Fund	-	34,603
	<u> </u>	<u> </u>
Total	\$ 578,935	\$ 1,468,932
	<u> </u>	<u> </u>
Enterprise Fund	\$ 889,997	\$ -
	<u> </u>	<u> </u>
Grand Total	<u>\$ 1,468,932</u>	<u>\$ 1,468,932</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.

Note 15–Other Postemployment Benefits - Health Insurance:

Plan Description

The County of Amelia and the County of Amelia Public Schools offer eligible retirees post-retirement medical and dental coverage if they retire directly from the County or Schools and are eligible to receive an early or regular retirement benefit from the Virginia Retirement System (VRS). Health benefits include medical, disability and dental coverage.

Funding Policy

The County and the Schools in Amelia allow retirees and their spouses continue to participate in the County's medical, dental and disability coverage plans. The retiree pays 100% of all premiums. Medical and dental coverage stops at age 65 or when eligible for Medicare. Disability coverage changes to a carveout class at eligibility for Medicare and stops at age 65.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)

As of June 30, 2012

Note 15–Other Postemployment Benefits - Health Insurance: (Continued)

Annual OPEB Cost and Net OPEB Obligation

The County and School Board’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*. The County and School Board have elected to calculate the ARC as the normal cost plus amortization of the unfunded portion of actuarial accrued liability in compliance with GASB 45 parameters. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The estimated contributions are based on projected medical premium payments and credit for the implicit rate subsidy made during the year for the retired employees by the County and School Board. The following table shows the components of the County and School Board’s annual OPEB cost for the year, the estimated amount contributed to the plan, and changes in the County and School Board’s net OPEB obligation to the Retiree Health Plan:

	Primary Government	Component Unit School Board
Annual required contribution	\$ 22,600	\$ 455,500
Interest on net OPEB obligation	532	54,744
Adjustment to annual required contribution	(477)	(49,119)
Annual OPEB cost (expense)	\$ 22,655	\$ 461,125
Contributions made	(1,200)	(126,400)
Increase in net OPEB obligation	21,455	334,725
Net OPEB obligation-beginning of year	13,300	1,368,600
Net OPEB obligation-end of year	\$ 34,755	\$ 1,703,325

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)

As of June 30, 2012

Note 15–Other Postemployment Benefits - Health Insurance: (Continued)

The County and School Board's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2012 and the two preceding years were as follows:

<u>Fiscal Year Ended</u>		<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>		<u>Net OPEB Obligation</u>
County:					
6/30/2010	\$	16,400	74.39%	\$	7,900
6/30/2011		16,400	67.07%		13,300
6/30/2012		22,655	94.70%		34,755
Schools:					
6/30/2010	\$	582,400	18.85%	\$	916,100
6/30/2011		582,400	22.30%		1,368,600
6/30/2012		461,125	27.41%		1,703,325

Funded Status and Funding Progress

As of July 1, 2012, the County's most recent actuarial valuation date, accrued liability for benefits was \$174,600, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$3,762,200, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 4.64 percent.

As of July 1, 2012, the School Board's most recent actuarial valuation date, accrued liability for benefits was \$5,603,600, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$9,383,700, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 59.72 percent.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)
As of June 30, 2012

Note 15-Other Postemployment Benefits - Health Insurance: (Continued)

Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

Retirement age for active employees-Retirement eligible for medical benefits are assumed to occur beginning once a participant attains age 60 and completes 10 or more years of service or attains age 55 and completes 20 or more years of service. In no event is an active participant assumed to work beyond age 70.

Mortality-Life expectancies were based on mortality tables from the 1994 Group Annuity Mortality Tables for males and females with a one year setback in pre-retirement for males and females.

Coverage elections - The actuary assumed that 30% of active participants who retire at age 50 or greater are assumed to continue their coverage into retirement. 30% of their spouses are assumed to continue their coverage into retirement. 100% of actives who become disabled (and 25% of their spouses) are assumed to continue their coverage.

Based on the historical and expected returns of the County and School Board's short-term investment portfolio, a discount of 4.50% was used. In addition, the projected unit credit actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2009 was thirty years.

Note 16-Other Postemployment Benefits (OPEB):

Health Insurance Credit Program Through Virginia Retirement System

A. Plan Description

Amelia County participates in the Health Insurance Credit Program, a plan designed to assist retirees with the cost of health insurance coverage. This program is an agent and 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.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)

As of June 30, 2012

Note 16-Other Postemployment Benefits (OPEB): (Continued)

Health Insurance Credit Program Through Virginia Retirement System (Continued)

A. Plan Description (Continued)

Employees of Amelia County, who retire under VRS with at least 15 years of total creditable service under the System and are enrolled in a health insurance plan, are eligible to receive a monthly health insurance credit of \$1.50 per year of creditable service up to a maximum monthly credit of \$45. However, such credit shall not exceed the health insurance premium for the retiree. Disabled retirees automatically receive the maximum monthly health insurance credit of \$45.

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 12.

B. Funding Policy

As a participating local political subdivision, the County is required to contribute the entire amount necessary to fund participation in the program using the actuarial basis specified by the Code of Virginia and the VRS Board of Trustees. The County's contribution rate for the fiscal year ended 2012 were .10% of annual covered payroll.

C. Annual OPEB Cost and Net OPEB Obligation

The annual cost of OPEB under Governmental Accounting Standards Board (GASB) 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions, is based on the annual required contribution (ARC). The County is required to contribute the ARC, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

For 2012, the County's contribution of \$3,009 was equal to the ARC and OPEB cost. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the preceding two years are as follows:

<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2010	\$ 2,690	100.00%	\$ -
6/30/2011	3,299	100.00%	-
6/30/2012	3,009	100.00%	-

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)

As of June 30, 2012

Note 16-Other Postemployment Benefits (OPEB): (Continued)

Health Insurance Credit Program Through Virginia Retirement System (Continued)

C. Annual OPEB Cost and Net OPEB Obligation (Continued)

Funded Status and Funding Progress

The funded status of the plan as of June 30, 2011, the most recent actuarial valuation date, is as follows:

Actuarial accrued liability (AAL)	\$ 32,270
Actuarial value of plan assets	\$ 4,752
Unfunded actuarial accrued liability (UAAL)	\$ 27,518
Funded ratio (actuarial value of plan assets/AAL)	14.73%
Covered payroll (active plan members)	\$1,339,679
UAAL as a percentage of covered payroll	2.05%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future and reflect a long-term perspective. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used included techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (*Continued*)

As of June 30, 2012

Note 16-Other Postemployment Benefits (OPEB): (Continued)

Health Insurance Credit Program Through Virginia Retirement System (Continued)

C. Annual OPEB Cost and Net OPEB Obligation (Continued)

Actuarial Methods and Assumptions: (Continued)

The entry age normal cost method was used to determine the plan's funding liabilities and costs. The actuarial assumptions included a 7.0% investment rate of return, compounded annually, including an inflation component of 2.5%, and a payroll growth rate of 3%. The UAAL is being amortized as a level percentage of payroll on an open basis. The remaining open amortization period at June 30, 2011 was 26 years.

Professional Employees – Discretely Presented Component Unit School Board

The School Board professional employees participate 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.

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.

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 .60% of annual covered payroll. The School Board's contributions to VRS for the years ended June 30, 2012, 2011, and 2010 were \$41,552, \$36,843 and \$66,579, respectively and equaled the required contributions for each year.

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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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County of Amelia, Virginia
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
General property taxes	\$ 6,820,715	\$ 6,820,715	\$ 6,603,169	\$ (217,546)
Other local taxes	1,537,863	1,537,863	1,536,883	(980)
Permits, privilege fees, and regulatory licenses	142,700	142,700	95,413	(47,287)
Fines and forfeitures	176,500	176,500	197,161	20,661
Revenue from the use of money and property	64,890	64,890	143,340	78,450
Charges for services	326,231	326,231	329,428	3,197
Miscellaneous	177,335	177,335	167,332	(10,003)
Recovered costs	107,895	107,895	95,117	(12,778)
Intergovernmental revenues:				
Commonwealth	3,490,723	3,490,723	3,289,738	(200,985)
Federal	1,184,787	1,184,787	692,145	(492,642)
Total revenues	\$ 14,029,639	\$ 14,029,639	\$ 13,149,726	\$ (879,913)
EXPENDITURES				
Current:				
General government administration	\$ 1,830,337	\$ 1,814,860	\$ 1,608,467	\$ 206,393
Judicial administration	711,253	734,370	699,394	34,976
Public safety	2,334,031	2,447,235	2,397,231	50,004
Public works	1,018,054	1,033,365	967,369	65,996
Health and welfare	1,924,485	2,024,485	1,797,756	226,729
Education	5,109,396	5,109,396	4,976,912	132,484
Parks, recreation, and cultural	507,401	517,581	509,979	7,602
Community development	245,419	246,226	183,166	63,060
Capital projects	530,729	535,220	70,373	464,847
Debt service:				
Principal retirement	827,124	827,426	827,426	-
Interest and other fiscal charges	303,225	303,225	303,225	-
Total expenditures	\$ 15,341,454	\$ 15,593,389	\$ 14,341,298	\$ 1,252,091
Excess (deficiency) of revenues over (under) expenditures	\$ (1,311,815)	\$ (1,563,750)	\$ (1,191,572)	\$ 372,178
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ 515,028	\$ 515,028
Transfers out	-	-	(953,904)	(953,904)
Total other financing sources (uses)	\$ -	\$ -	\$ (438,876)	\$ (438,876)
Net change in fund balances	\$ (1,311,815)	\$ (1,563,750)	\$ (1,630,448)	\$ (66,698)
Fund balances - beginning	1,311,815	1,563,750	10,334,469	8,770,719
Fund balances - ending	\$ -	\$ -	\$ 8,704,021	\$ 8,704,021

County of Amelia, Virginia
Schedule of Pension Funding Progress
As of June 30, 2012

Primary Government:

County Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded (Excess Funded) Actuarial Accrued Liability (UAAL)	Funded Ratio Assets as % of AAL	Annual Covered Payroll	UAAL as a % of Covered Payroll
6/30/2011	\$ 9,534,252	\$ 12,478,887	\$ 2,944,635	76.40%	\$ 3,356,229	87.74%
6/30/2010	9,107,699	11,677,933	2,570,234	77.99%	3,246,512	79.17%
6/30/2009	8,911,905	10,371,775	1,459,870	85.92%	3,456,702	42.23%

Discretely Presented Component Unit:

School Board Non-Professional Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded (Excess Funded) Actuarial Accrued Liability (UAAL)	Funded Ratio Assets as % of AAL	Annual Covered Payroll	UAAL as a % of Covered Payroll
6/30/2011	\$ 2,753,400	\$ 3,343,036	\$ 589,636	82.36%	\$ 919,195	64.15%
6/30/2010	2,644,387	3,138,399	494,012	84.26%	939,236	52.60%
6/30/2009	2,580,016	2,831,285	251,269	91.13%	947,158	26.53%

County of Amelia, Virginia
Schedule of OPEB Funding Progress - Retiree Health Plan and Health Insurance Credit Program

For the Year Ended June 30, 2012

Primary Government:

County Retiree Health Plan:

Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded (Excess Funded) Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as % of Payroll
6/30/2012*	\$ -	\$ 174,600	\$ 174,600	0.00%	\$ 3,762,200	4.64%

Health Insurance Credit Program Through Virginia Retirement System:

Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded (Excess Funded) Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as % of Payroll
6/30/2011*	\$ 4,752	\$ 32,270	\$ 27,518	14.73%	\$ 1,339,679	2.05%

Discretely Presented Component Unit:

School Board Retiree Health Plan:

Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded (Excess Funded) Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as % of Payroll
School Board: 6/30/2012*	\$ -	\$ 5,603,600	\$ 5,603,600	0.00%	\$ 9,383,700	59.72%

*Only one actuarial valuation available.

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OTHER SUPPLEMENTARY INFORMATION

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*COMBINING AND INDIVIDUAL FUNDS STATEMENTS AND
SCHEDULES*

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County of Amelia, Virginia
County Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ 1,463	\$ 1,463
Charges for services	1,440,000	1,440,000	1,521,780	81,780
Miscellaneous	-	-	243,181	243,181
Intergovernmental revenues:				
Commonwealth	-	-	11,599	11,599
Federal	1,575,349	1,575,349	147,411	(1,427,938)
Total revenues	\$ 3,015,349	\$ 3,015,349	\$ 1,925,434	\$ (1,089,915)
EXPENDITURES				
Capital projects	\$ 3,015,349	\$ 3,257,387	\$ 1,554,372	\$ 1,703,015
Total expenditures	\$ 3,015,349	\$ 3,257,387	\$ 1,554,372	\$ 1,703,015
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (242,038)	\$ 371,062	\$ 613,100
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ 63,907	\$ 63,907
Transfers out	-	-	(480,425)	(480,425)
Total other financing sources (uses)	\$ -	\$ -	\$ (416,518)	\$ (416,518)
Net change in fund balances	\$ -	\$ (242,038)	\$ (45,456)	\$ 196,582
Fund balances - beginning	-	242,038	3,074,950	2,832,912
Fund balances - ending	\$ -	\$ -	\$ 3,029,494	\$ 3,029,494

County of Amelia, Virginia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

County Special Revenue Fund				
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ 544	\$ 544
Charges for services	32,949	32,949	44,236	11,287
Miscellaneous	3,500	3,500	36,801	33,301
Intergovernmental revenues:				
Commonwealth	-	-	3,239	3,239
Total revenues	\$ 36,449	\$ 36,449	\$ 84,820	\$ 48,371
EXPENDITURES				
Current:				
Public safety	\$ -	\$ -	\$ 8,411	\$ (8,411)
Total expenditures	\$ -	\$ -	\$ 8,411	\$ (8,411)
Excess (deficiency) of revenues over (under) expenditures	\$ 36,449	\$ 36,449	\$ 76,409	\$ 39,960
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ (36,449)	\$ (36,449)	\$ (34,603)	\$ 1,846
Total other financing sources (uses)	\$ (36,449)	\$ (36,449)	\$ (34,603)	\$ 1,846
Net change in fund balances	\$ -	\$ -	\$ 41,806	\$ 41,806
Fund balances - beginning	-	-	506,549	506,549
Fund balances - ending	\$ -	\$ -	\$ 548,355	\$ 548,355

County of Amelia, Virginia
Combining Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	Agency Funds				Private Purpose Trust Funds					
	Special Welfare	Performance Bond	A.M. Radio Partners	Total	Harris Scholarship	Wright Scholarship	Arnold Scholarship	Black Scholarship	N.S. Montague Scholarship	Total
ASSETS										
Cash and cash equivalents	\$ 14,236	\$ 155,224	\$ 10,164	\$ 179,624	\$ 1,086	\$ 13,415	\$ 173,888	\$ 4,586	\$ 27,326	\$ 220,301
Receivables:										
Interest and dividends	200	-	-	200	-	-	24	-	143	167
Total assets	\$ 14,436	\$ 155,224	\$ 10,164	\$ 179,824	\$ 1,086	\$ 13,415	\$ 173,912	\$ 4,586	\$ 27,469	\$ 220,468
LIABILITIES										
Amounts held for social services clients	\$ 14,436	\$ -	\$ -	\$ 14,436	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Performance bonds	-	155,224	-	155,224	-	-	-	-	-	-
Amounts held for others	-	-	10,164	10,164	-	-	-	-	-	-
Total liabilities	\$ 14,436	\$ 155,224	\$ 10,164	\$ 179,824	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NET ASSETS										
Held in trust for scholarships	\$ -	\$ -	\$ -	\$ -	\$ 1,086	\$ 13,415	\$ 173,912	\$ 4,586	\$ 27,469	\$ 220,468

County of Amelia, Virginia
Statement of Changes in Assets and Liabilities - Agency Funds
For the Year Ended June 30, 2012

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Special Welfare Fund:				
Assets:				
Cash and cash equivalents	\$ 17,188	\$ -	\$ 2,952	\$ 14,236
Interest and dividends	-	200	-	200
Total assets	<u>\$ 16,311</u>	<u>\$ 200</u>	<u>\$ 2,952</u>	<u>\$ 14,436</u>
Liabilities:				
Amounts held for social services clients	<u>\$ 17,188</u>	<u>\$ 200</u>	<u>\$ 2,952</u>	<u>\$ 14,436</u>
Performance Bond Fund:				
Assets:				
Cash and cash equivalents	<u>\$ 154,729</u>	<u>\$ 495</u>	<u>\$ -</u>	<u>\$ 155,224</u>
Liabilities:				
Performance bonds	<u>\$ 154,729</u>	<u>\$ 495</u>	<u>\$ -</u>	<u>\$ 155,224</u>
A.M. Radio Partners Fund:				
Assets:				
Cash and cash equivalents	<u>\$ 10,149</u>	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 10,164</u>
Liabilities:				
Amounts held for others	<u>\$ 10,149</u>	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 10,164</u>
Totals -- All Agency Funds				
Assets:				
Cash and cash equivalents	\$ 182,066	\$ 510	\$ 2,952	\$ 179,624
Liabilities:				
Amounts held for social services clients	\$ 17,188	\$ 200	\$ 2,952	\$ 14,436
Performance bonds	154,729	495	-	155,224
Amounts held for others	10,149	15	-	10,164
Total liabilities	<u>\$ 182,066</u>	<u>\$ 710</u>	<u>\$ 2,952</u>	<u>\$ 179,824</u>

*DISCRETELY PRESENTED COMPONENT UNIT
SCHOOL BOARD*

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County of Amelia, Virginia
Combining Balance Sheet
Discretely Presented Component Unit - School Board
June 30, 2012

	School Operating Fund	School Special Revenue Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 103,560	\$ 186,407	\$ 289,967
Due from other governmental units	1,800,414	4,903	1,805,317
Total assets	<u>\$ 1,903,974</u>	<u>\$ 191,310</u>	<u>\$ 2,095,284</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 283,990	\$ -	\$ 283,990
Accrued liabilities	1,619,984	50,533	1,670,517
Total liabilities	<u>\$ 1,903,974</u>	<u>\$ 50,533</u>	<u>\$ 1,954,507</u>
Fund balances:			
Committed	\$ -	\$ 140,777	\$ 140,777
Total fund balances	<u>\$ -</u>	<u>\$ 140,777</u>	<u>\$ 140,777</u>
Total liabilities and fund balances	<u>\$ 1,903,974</u>	<u>\$ 191,310</u>	<u>\$ 2,095,284</u>

Amounts reported for governmental activities in the Statement of Net Assets (Exhibit 1) are different because:

Total fund balances per above \$ 140,777

Capital assets used in governmental activities are not financial resources and, therefore,
are not reported in the funds. 8,140,768

Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds. The following is a summary of items supporting this adjustment:

Compensated absences	\$ (81,425)	
OPEB Liability	<u>(1,703,325)</u>	(1,784,750)
Change in net assets of governmental activities		<u>\$ 6,496,795</u>

County of Amelia, Virginia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds - Discretely Presented Component Unit - School Board
For the Year Ended June 30, 2012

	School Operating <u>Fund</u>	School Special Revenue <u>Fund</u>	Total Governmental <u>Funds</u>
REVENUES			
Revenue from the use of money and property	\$ 2,416	\$ -	\$ 2,416
Charges for services	23,222	219,874	243,096
Miscellaneous	269,071	-	269,071
Recovered costs	49,328	-	49,328
Intergovernmental revenues:			
Local government	4,874,045	101,909	4,975,954
Commonwealth	9,317,605	69,984	9,387,589
Federal	1,319,827	440,113	1,759,940
Total revenues	<u>\$ 15,855,514</u>	<u>\$ 831,880</u>	<u>\$ 16,687,394</u>
EXPENDITURES			
Current:			
Education	\$ 15,855,514	\$ 793,021	\$ 16,648,535
Total expenditures	<u>\$ 15,855,514</u>	<u>\$ 793,021</u>	<u>\$ 16,648,535</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 38,859</u>	<u>\$ 38,859</u>
Net change in fund balances	\$ -	\$ 38,859	\$ 38,859
Fund balances - beginning	-	101,918	101,918
Fund balances - ending	<u>\$ -</u>	<u>\$ 140,777</u>	<u>\$ 140,777</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	\$ 38,859
--	-----------

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

Capital asset additions	\$ (7,414)	
Depreciation expense	640,201	
Activity related to joint tenancy assets to Component Unit from Primary Government	<u>(475,374)</u>	(157,413)

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

The following is a summary of items supporting this adjustment:

(Increase) Decrease in compensated absences	\$ (10,550)	
(Increase) Decrease in OPEB liability	<u>(334,725)</u>	(345,275)

Change in net assets of governmental activities	<u><u>\$ (463,829)</u></u>
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County of Amelia, 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, 2012

	School Operating Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 2,500	\$ 2,500	\$ 2,416	\$ (84)
Charges for services	17,500	17,500	23,222	5,722
Recovered Costs	-	-	49,328	(10,080)
Miscellaneous	199,983	279,151	269,071	49,328
Intergovernmental revenues:				
Local government	5,006,528	5,006,528	4,874,045	(132,483)
Commonwealth	9,180,426	9,180,426	9,317,605	137,179
Federal	1,194,033	1,452,347	1,319,827	(132,520)
Total revenues	\$ 15,600,970	\$ 15,938,452	\$ 15,855,514	\$ (82,938)
EXPENDITURES				
Current:				
Education	\$ 15,688,423	\$ 16,025,905	\$ 15,855,514	\$ 170,391
Total expenditures	\$ 15,688,423	\$ 16,025,905	\$ 15,855,514	\$ 170,391
Excess (deficiency) of revenues over (under) expenditures	\$ (87,453)	\$ (87,453)	\$ -	\$ 87,453
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 87,453	\$ 87,453	\$ -	\$ (87,453)
Total other financing sources (uses)	\$ 87,453	\$ 87,453	\$ -	\$ (87,453)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

County of Amelia, Virginia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Fund - Discretely Presented Component Unit - School Board
For the Year Ended June 30, 2012

	School Special Revenue Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Charges for services	\$ 351,500	\$ 351,500	\$ 219,874	\$ (131,626)
Intergovernmental revenues:				
Local government	101,910	101,910	101,909	(1)
Commonwealth	35,536	35,536	69,984	34,448
Federal	290,000	322,068	440,113	118,045
Total revenues	<u>\$ 778,946</u>	<u>\$ 811,014</u>	<u>\$ 831,880</u>	<u>\$ 20,866</u>
EXPENDITURES				
Current:				
Education	<u>\$ 861,660</u>	<u>\$ 893,728</u>	<u>\$ 793,021</u>	<u>\$ 100,707</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (82,714)</u>	<u>\$ (82,714)</u>	<u>\$ 38,859</u>	<u>\$ 121,573</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>\$ (87,453)</u>	<u>\$ (87,453)</u>	<u>\$ -</u>	<u>\$ 87,453</u>
Total other financing sources (uses)	<u>\$ (87,453)</u>	<u>\$ (87,453)</u>	<u>\$ -</u>	<u>\$ 87,453</u>
Net change in fund balances	<u>\$ (170,167)</u>	<u>\$ (170,167)</u>	<u>\$ 38,859</u>	<u>\$ 209,026</u>
Fund balances - beginning	170,167	170,167	101,918	(68,249)
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 140,777</u>	<u>\$ 140,777</u>

*DISCRETELY PRESENTED COMPONENT UNIT
INDUSTRIAL DEVELOPMENT AUTHORITY*

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County of Amelia, Virginia
Statement of Net Assets
Discretely Presented Component Unit - Industrial Development Authority
June 30, 2012

ASSETS

Current assets:

Cash and cash equivalents	\$ 65,193
Total assets	<u>\$ 65,193</u>

NET ASSETS

Unrestricted

Total net assets	<u>\$ 65,193</u>
------------------	------------------

County of Amelia, Virginia
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Discretely Presented Component Unit - Industrial Development Authority
For the Year Ended June 30, 2012

OPERATING EXPENSES

Other supplies and expenses	\$ 13,064
Total operating expenses	<u>\$ 13,064</u>
Operating income (loss)	<u>\$ (13,064)</u>

NONOPERATING REVENUES (EXPENSES)

Investment earnings	\$ 74
Total nonoperating revenues (expenses)	<u>\$ 74</u>
Income (loss)	<u>\$ (12,990)</u>
Change in net assets	\$ (12,990)
Total net assets - beginning	78,183
Total net assets - ending	<u><u>\$ 65,193</u></u>

County of Amelia, Virginia
Statement of Cash Flows
Discretely Presented Component Unit - Industrial Development Authority
For the Year Ended June 30, 2012

CASH FLOWS FROM OPERATING ACTIVITIES

Payments for operating activities	\$ (13,064)
Net cash provided by (used for) operating activities	<u>\$ (13,064)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest and dividends received	<u>\$ 80</u>
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Net increase (decrease) in cash and cash equivalents	\$ (12,984)
--	-------------

Cash and cash equivalents - beginning	78,177
Cash and cash equivalents - ending	<u><u>\$ 65,193</u></u>

**Reconciliation of operating income (loss) to net cash
provided by (used for) operating activities:**

Operating income (loss)	\$ (13,064)
Net cash provided by (used for) operating activities	<u><u>\$ (13,064)</u></u>

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

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SUPPORTING SCHEDULES

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County of Amelia, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2012

Schedule 1
Page 1 of 7

<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 4,726,588	\$ 4,726,588	\$ 4,475,319	\$ (251,269)
Real and personal public service corporation taxes	89,220	89,220	151,632	62,412
Personal property taxes	1,844,537	1,844,537	1,795,462	(49,075)
Mobile home taxes	19,565	19,565	17,671	(1,894)
Machinery and tools taxes	40,805	40,805	35,634	(5,171)
Penalties	75,000	75,000	101,574	26,574
Interest	25,000	25,000	25,877	877
Total general property taxes	\$ 6,820,715	\$ 6,820,715	\$ 6,603,169	\$ (217,546)
Other local taxes:				
Local sales and use taxes	\$ 650,000	\$ 650,000	\$ 629,360	\$ (20,640)
Consumers' utility taxes	273,863	273,863	233,257	(40,606)
Consumption tax	-	-	26,010	26,010
Business license taxes	170,000	170,000	172,980	2,980
Motor vehicle licenses	315,000	315,000	340,037	25,037
Bank stock taxes	36,000	36,000	48,397	12,397
Taxes on recordation and wills	93,000	93,000	86,842	(6,158)
Total other local taxes	\$ 1,537,863	\$ 1,537,863	\$ 1,536,883	\$ (980)
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 13,000	\$ 13,000	\$ 16,149	\$ 3,149
Land use application fees	1,000	1,000	4,180	3,180
Transfer fees	500	500	418	(82)
Permits and other licenses	128,200	128,200	74,666	(53,534)
Total permits, privilege fees, and regulatory licenses	\$ 142,700	\$ 142,700	\$ 95,413	\$ (47,287)
Fines and forfeitures:				
Court fines and forfeitures	\$ 176,500	\$ 176,500	\$ 197,161	\$ 20,661
Revenue from use of money and property:				
Revenue from use of money	\$ 40,000	\$ 40,000	\$ 125,825	\$ 85,825
Revenue from use of property	24,890	24,890	17,515	(7,375)
Total revenue from use of money and property	\$ 64,890	\$ 64,890	\$ 143,340	\$ 78,450
Charges for services:				
Sheriff's fees	\$ 1,500	\$ 1,500	\$ 995	\$ (505)
Court costs	5,800	5,800	7,421	1,621
Courthouse maintenance fees	10,000	10,000	9,229	(771)
Charges for Commonwealth's Attorney	700	700	1,699	999
Charges for other protection	500	500	455	(45)
Charges for sanitation and waste removal	190,000	190,000	193,599	3,599
Charges for planning and development	500	500	363	(137)
Charges for parks and recreation	112,731	112,731	108,468	(4,263)
Charges for library	4,500	4,500	7,199	2,699
Total charges for services	\$ 326,231	\$ 326,231	\$ 329,428	\$ 3,197

County of Amelia, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2012

Schedule 1
Page 2 of 7

<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund: (Continued)				
Revenue from local sources: (Continued)				
Miscellaneous revenue:				
Miscellaneous	\$ 177,335	\$ 177,335	\$ 167,332	\$ (10,003)
Recovered costs:				
Social Services reimbursement	\$ 91,895	\$ 91,895	\$ 86,962	\$ (4,933)
Piedmont Regional Jail	16,000	16,000	8,155	(7,845)
Total recovered costs	\$ 107,895	\$ 107,895	\$ 95,117	\$ (12,778)
Total revenue from local sources	\$ 9,354,129	\$ 9,354,129	\$ 9,167,843	\$ (186,286)
Intergovernmental revenues:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Mobile home titling tax	\$ 21,000	\$ 21,000	\$ 11,615	\$ (9,385)
Communications tax	277,000	277,000	259,156	(17,844)
Rolling stock tax	30,000	30,000	26,776	(3,224)
Auto rental tax	1,500	1,500	3,279	1,779
State recordation tax	30,000	30,000	51,294	21,294
Personal property tax relief funds	1,019,213	1,019,213	1,019,213	-
Reduction in state aid to local governments	(66,091)	(66,091)	(69,121)	(3,030)
Total noncategorical aid	\$ 1,312,622	\$ 1,312,622	\$ 1,302,212	\$ (10,410)
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 153,884	\$ 153,884	\$ 153,473	\$ (411)
Sheriff	699,709	699,709	709,447	9,738
Commissioner of revenue	86,039	86,039	86,171	132
Treasurer	79,658	79,658	79,879	221
Registrar/electoral board	41,923	41,923	39,675	(2,248)
Clerk of the Circuit Court	177,211	177,211	180,868	3,657
Total shared expenses	\$ 1,238,424	\$ 1,238,424	\$ 1,249,513	\$ 11,089
Other categorical aid:				
Public assistance and welfare administration	\$ 581,447	\$ 581,447	\$ 366,671	\$ (214,776)
Emergency medical services grant	13,215	13,215	13,869	654
School resource officer grant	-	-	32,640	32,640
Juvenile confinement	9,852	9,852	9,913	61
Litter control	5,125	5,125	5,000	(125)
Comprehensive Services Act	175,001	175,001	140,096	(34,905)
Wireless grant	38,581	38,581	40,000	1,419
Library	50,618	50,618	50,575	(43)
Victim-witness grant	30,526	30,526	31,137	611
Fire programs	30,051	30,051	33,924	3,873
Circuit court records grant	-	-	4,697	4,697

County of Amelia, Virginia
Schedule of Revenues - Budget and Actual
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For the Year Ended June 30, 2012

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<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund: (Continued)				
Intergovernmental revenues: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid: (Continued)				
Other categorical aid: (Continued)				
Bio solids	\$ 5,000	\$ 5,000	\$ 7,393	\$ 2,393
Other state funds	261	261	2,098	1,837
Total other categorical aid	<u>\$ 939,677</u>	<u>\$ 939,677</u>	<u>\$ 738,013</u>	<u>\$ (201,664)</u>
Total categorical aid	<u>\$ 2,178,101</u>	<u>\$ 2,178,101</u>	<u>\$ 1,987,526</u>	<u>\$ (190,575)</u>
Total revenue from the Commonwealth	<u>\$ 3,490,723</u>	<u>\$ 3,490,723</u>	<u>\$ 3,289,738</u>	<u>\$ (200,985)</u>
Revenue from the federal government:				
Other categorical aid:				
Public assistance and welfare administration	\$ 615,073	\$ 615,073	\$ 615,073	\$ -
SCAAP grant	5,729	5,729	1,601	(4,128)
State and community highway safety	-	-	29,038	29,038
Community development block grant	-	-	7,770	7,770
Emergency management performance grants	500,000	500,000	34,022	(465,978)
State homeland security program	-	-	4,641	4,641
Energy eff. loan interest	63,985	63,985	-	(63,985)
Total other categorical aid	<u>\$ 1,184,787</u>	<u>\$ 1,184,787</u>	<u>\$ 692,145</u>	<u>\$ (492,642)</u>
Total categorical aid	<u>\$ 1,184,787</u>	<u>\$ 1,184,787</u>	<u>\$ 692,145</u>	<u>\$ (492,642)</u>
Total revenue from the federal government	<u>\$ 1,184,787</u>	<u>\$ 1,184,787</u>	<u>\$ 692,145</u>	<u>\$ (492,642)</u>
Total General Fund	<u><u>\$ 14,029,639</u></u>	<u><u>\$ 14,029,639</u></u>	<u><u>\$ 13,149,726</u></u>	<u><u>\$ (879,913)</u></u>
Special Revenue Funds:				
County Special Revenue Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 544</u>	<u>\$ 544</u>
Charges for services:				
Courthouse security fees	<u>\$ 32,949</u>	<u>\$ 32,949</u>	<u>\$ 44,236</u>	<u>\$ 11,287</u>
Total charges for services	<u>\$ 32,949</u>	<u>\$ 32,949</u>	<u>\$ 44,236</u>	<u>\$ 11,287</u>
Miscellaneous revenue:				
Miscellaneous	<u>\$ 3,500</u>	<u>\$ 3,500</u>	<u>\$ 36,801</u>	<u>\$ 33,301</u>
Total revenue from local sources	<u>\$ 36,449</u>	<u>\$ 36,449</u>	<u>\$ 81,581</u>	<u>\$ 45,132</u>

County of Amelia, Virginia
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<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Special Revenue Funds: (Continued)				
County Special Revenue Fund: (Continued)				
Intergovernmental revenues:				
Revenue from the Commonwealth:				
Categorical aid:				
Forfeited assets	\$ -	\$ -	\$ 3,239	\$ 3,239
Total revenue from the Commonwealth	\$ -	\$ -	\$ 3,239	\$ 3,239
Total County Special Revenue Fund	\$ 36,449	\$ 36,449	\$ 84,820	\$ 48,371
Capital Projects Fund:				
County Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 1,463	\$ 1,463
Charges for services:				
Charges for sanitation and waste removal	\$ 1,440,000	\$ 1,440,000	\$ 1,521,780	\$ 81,780
Total charges for services	\$ 1,440,000	\$ 1,440,000	\$ 1,521,780	\$ 81,780
Miscellaneous revenue:				
Miscellaneous	\$ -	\$ -	\$ 243,181	\$ 243,181
Total revenue from local sources	\$ 1,440,000	\$ 1,440,000	\$ 1,766,424	\$ 326,424
Intergovernmental revenues:				
Revenue from the Commonwealth:				
Categorical aid:				
VODT state revenue sharing	\$ -	\$ -	\$ 11,599	\$ 11,599
Revenue from the federal government:				
Categorical aid:				
Interest rate subsidy	\$ -	\$ -	\$ 63,985	\$ 63,985
ISTEA grant	1,575,349	1,575,349	83,426	(1,491,923)
Total categorical aid	\$ 1,575,349	\$ 1,575,349	\$ 147,411	\$ (1,427,938)
Total revenue from the federal government	\$ 1,575,349	\$ 1,575,349	\$ 147,411	\$ (1,427,938)
Total County Capital Projects Fund	\$ 3,015,349	\$ 3,015,349	\$ 1,925,434	\$ (1,089,915)
Total Revenues - Primary Government	\$ 17,081,437	\$ 17,081,437	\$ 15,159,980	\$ (1,921,457)

County of Amelia, Virginia
Schedule of Revenues - Budget and Actual
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<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Component Unit - School Board:				
School Operating Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of property	\$ 2,500	\$ 2,500	\$ 2,416	\$ (84)
Charges for services:				
Tuition and payments from other divisions	\$ 17,500	\$ 17,500	\$ 23,222	\$ 5,722
Miscellaneous revenue:				
Miscellaneous	\$ 199,983	\$ 279,151	\$ 269,071	\$ (10,080)
Recovered costs				
Amelia-Nottoway Vocational Center	\$ -	\$ -	\$ 49,328	\$ 49,328
Total revenue from local sources	\$ 219,983	\$ 299,151	\$ 344,037	\$ 44,886
Intergovernmental revenues:				
Revenues from local governments:				
Contribution from County of Amelia	\$ 5,006,528	\$ 5,006,528	\$ 4,874,045	\$ (132,483)
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 1,575,035	\$ 1,575,035	\$ 1,627,887	\$ 52,852
Basic school aid	4,994,550	4,994,550	5,034,469	39,919
Regular foster care	2,670	2,670	-	(2,670)
Gifted and talented	51,408	51,408	51,883	475
Special education	760,838	760,838	767,873	7,035
Occupational preparation	18,631	18,631	12,240	(6,391)
GED funding	7,859	7,859	7,859	-
Vocational education	132,518	132,518	134,454	1,936
School fringes	598,618	598,618	604,153	5,535
Reduced K-3	215,441	215,441	210,567	(4,874)
Early reading intervention	23,802	23,802	17,851	(5,951)
English as a second language	10,423	10,423	11,142	719
Homebound	17,146	17,146	14,805	(2,341)
CTE equipment	-	-	2,742	2,742
Project graduation	-	-	14,187	14,187
Technology grant	128,000	128,000	176,883	48,883
Lottery proceeds	22,705	22,705	-	(22,705)
At risk	236,031	236,031	237,457	1,426
Standards of Learning algebra readiness	22,311	22,311	22,411	100
Remedial education - summer school	69,364	69,364	73,550	4,186
Remedial education	142,800	142,800	144,120	1,320
School construction	146,766	146,766	149,447	2,681
Hold harmless	1,625	1,625	1,625	-
Mentor teacher program	1,885	1,885	-	(1,885)
Total categorical aid	\$ 9,180,426	\$ 9,180,426	\$ 9,317,605	\$ 137,179
Total revenue from the Commonwealth	\$ 9,180,426	\$ 9,180,426	\$ 9,317,605	\$ 137,179

County of Amelia, Virginia
Schedule of Revenues - Budget and Actual
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<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Component Unit - School Board: (Continued)				
School Operating Fund: (Continued)				
Intergovernmental revenues: (Continued)				
Revenue from the federal government:				
Categorical aid:				
Title I grants to local educational agencies	\$ 235,766	\$ 319,431	\$ 274,403	\$ (45,028)
Special education-grants to states	388,137	542,008	422,864	(119,144)
ARRA - Title VI-B	-	-	41,667	41,667
Vocational education - basic grants to states	28,670	32,355	31,048	(1,307)
Special education - preschool grants	13,617	13,686	13,257	(429)
ARRA - preschool grants	-	-	69	69
Safe and drug-free schools and communities - state grants	-	735	735	-
Twenty-first century community learning centers	-	3,602	1,401	(2,201)
ARRA - education jobs funds	400,000	403,523	403,523	-
ARRA - education technology	-	-	476	476
JROTC	43,524	43,524	55,785	12,261
Improving teacher quality state grants	84,319	93,483	74,599	(18,884)
Total categorical aid	\$ 1,194,033	\$ 1,452,347	\$ 1,319,827	\$ (132,520)
Total revenue from the federal government	\$ 1,194,033	\$ 1,452,347	\$ 1,319,827	\$ (132,520)
Total School Operating Fund	\$ 15,600,970	\$ 15,938,452	\$ 15,855,514	\$ (82,938)
School Special Revenue Fund:				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	\$ 351,500	\$ 351,500	\$ 219,874	\$ (131,626)
Total revenue from local sources	\$ 351,500	\$ 351,500	\$ 219,874	\$ (131,626)
Intergovernmental revenues:				
Revenues from local governments:				
Contribution from County of Amelia	\$ 101,910	\$ 101,910	\$ 101,909	\$ (1)
Revenue from the Commonwealth:				
Categorical aid:				
School food program grant	\$ 11,906	\$ 11,906	\$ 11,612	\$ (294)
Textbook payments	23,630	23,630	58,372	34,742
Total categorical aid	\$ 35,536	\$ 35,536	\$ 69,984	\$ 34,448
Total revenue from the Commonwealth	\$ 35,536	\$ 35,536	\$ 69,984	\$ 34,448

County of Amelia, Virginia
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<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Component Unit - School Board: (Continued)				
School Special Revenue Fund: (Continued)				
Intergovernmental revenues: (Continued)				
Revenue from the federal government:				
Categorical aid:				
School food program grant	\$ 290,000	\$ 290,000	\$ 408,045	\$ 118,045
Commodities	-	32,068	32,068	-
Total categorical aid	\$ 290,000	\$ 322,068	\$ 440,113	\$ 118,045
 Total revenue from the federal government	 \$ 290,000	 \$ 322,068	 \$ 440,113	 \$ 118,045
 Total School Special Revenue Fund	 \$ 778,946	 \$ 811,014	 \$ 831,880	 \$ 20,866
 Total Discretely Presented Component Unit - School Board	 \$ 16,379,916	 \$ 16,749,466	 \$ 16,687,394	 \$ (62,072)

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County of Amelia, Virginia
Schedule of Expenditures - Budget and Actual
Governmental Funds
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<u>Fund, Function, Activity and Element</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 183,559	\$ 188,559	\$ 187,204	\$ 1,355
General and financial administration:				
County administrator	\$ 423,391	\$ 439,922	\$ 440,412	\$ (490)
Legal services	74,160	74,160	74,160	-
Commissioner of revenue	359,446	364,599	351,851	12,748
Independent Auditor	35,400	35,400	35,400	-
Treasurer	262,057	269,836	269,703	133
Other general and financial administration	371,383	320,636	137,611	183,025
Total general and financial administration	\$ 1,525,837	\$ 1,504,553	\$ 1,309,137	\$ 195,416
Board of elections:				
Electoral board and officials	\$ 31,168	\$ 31,168	\$ 27,835	\$ 3,333
Registrar	89,773	90,580	84,291	6,289
Total board of elections	\$ 120,941	\$ 121,748	\$ 112,126	\$ 9,622
Total general government administration	\$ 1,830,337	\$ 1,814,860	\$ 1,608,467	\$ 206,393
Judicial administration:				
Courts:				
Circuit court	\$ 10,068	\$ 10,068	\$ 9,511	\$ 557
General district court	18,374	28,374	19,151	9,223
Special Magistrates	1,200	1,200	948	252
Sheriff - court services unit	47,083	47,352	38,013	9,339
Sheriff - courtroom security	32,949	33,218	28,626	4,592
Victim and witness assistance	32,484	33,022	32,249	773
Law library	3,165	3,548	3,985	(437)
Clerk of the circuit court	287,389	297,971	295,046	2,925
Total courts	\$ 432,712	\$ 454,753	\$ 427,529	\$ 27,224
Commonwealth's attorney:				
Commonwealth's attorney	\$ 278,541	\$ 279,617	\$ 271,865	\$ 7,752
Total judicial administration	\$ 711,253	\$ 734,370	\$ 699,394	\$ 34,976
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 1,424,141	\$ 1,511,235	\$ 1,494,310	\$ 16,925
School resource officer	118,748	119,824	113,331	6,493
911 System	175,269	176,345	173,106	3,239
Total law enforcement and traffic control	\$ 1,718,158	\$ 1,807,404	\$ 1,780,747	\$ 26,657
Fire and rescue services:				
Fire department	\$ 193,279	\$ 213,229	\$ 194,831	\$ 18,398
Ambulance and rescue services	63,615	64,269	64,269	-
Total fire and rescue services	\$ 256,894	\$ 277,498	\$ 259,100	\$ 18,398

County of Amelia, Virginia
Schedule of Expenditures - Budget and Actual
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<u>Fund, Function, Activity and Element</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund: (Continued)				
Public safety: (Continued)				
Inspections:				
Building	\$ 129,125	\$ 130,201	\$ 128,060	\$ 2,141
Other protection:				
Animal control	\$ 132,595	\$ 134,335	\$ 134,746	\$ (411)
Emergency services	96,959	97,497	94,538	2,959
Medical examiner	300	300	40	260
Total other protection	\$ 229,854	\$ 232,132	\$ 229,324	\$ 2,808
Total public safety	\$ 2,334,031	\$ 2,447,235	\$ 2,397,231	\$ 50,004
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Streetlights	\$ 5,000	\$ 5,000	\$ 4,886	\$ 114
Sanitation and waste removal:				
Refuse disposal	\$ 217,137	\$ 218,213	\$ 214,440	\$ 3,773
Landfill maintenance	22,500	32,698	32,698	-
Total sanitation and waste removal	\$ 239,637	\$ 250,911	\$ 247,138	\$ 3,773
Maintenance of general buildings and grounds:				
General properties	\$ 773,417	\$ 777,454	\$ 715,345	\$ 62,109
Total public works	\$ 1,018,054	\$ 1,033,365	\$ 967,369	\$ 65,996
Health and welfare:				
Health:				
Supplement of local health department	\$ 129,663	\$ 129,663	\$ 107,372	\$ 22,291
Mental health and mental retardation:				
Crossroads	\$ 56,595	\$ 56,595	\$ 56,595	\$ -
Welfare:				
Public assistance and welfare administration	\$ 1,471,675	\$ 1,471,675	\$ 1,213,018	\$ 258,657
Area agency on aging	787	787	787	-
Comprehensive services act	262,500	362,500	417,653	(55,153)
Social services board	3,265	3,265	2,331	934
Total welfare	\$ 1,738,227	\$ 1,838,227	\$ 1,633,789	\$ 204,438
Total health and welfare	\$ 1,924,485	\$ 2,024,485	\$ 1,797,756	\$ 226,729
Education:				
Other instructional costs:				
Contributions to Community College	\$ 958	\$ 958	\$ 958	\$ -
Contribution to County School Board	5,108,438	5,108,438	4,975,954	132,484
Total education	\$ 5,109,396	\$ 5,109,396	\$ 4,976,912	\$ 132,484

County of Amelia, Virginia
Schedule of Expenditures - Budget and Actual
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<u>Fund, Function, Activity and Element</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund: (Continued)				
Parks, recreation, and cultural:				
Parks and recreation:				
Supervision of parks and recreation	\$ 241,639	\$ 249,397	\$ 243,706	\$ 5,691
Library:				
Library administration	\$ 265,762	\$ 268,184	\$ 266,273	\$ 1,911
Total parks, recreation, and cultural	\$ 507,401	\$ 517,581	\$ 509,979	\$ 7,602
Community development:				
Planning and community development:				
Planning and zoning	\$ 105,650	\$ 106,188	\$ 95,096	\$ 11,092
Economic development	23,500	23,500	64	23,436
Total planning and community development	\$ 129,150	\$ 129,688	\$ 95,160	\$ 34,528
Environmental management:				
Contribution to soil and water conservation district	\$ 12,900	\$ 12,900	\$ 12,900	\$ -
Litter control program	11,505	11,505	9,366	2,139
Flood and erosion control	15,778	16,047	11,415	4,632
Total environmental management	\$ 40,183	\$ 40,452	\$ 33,681	\$ 6,771
Cooperative extension program:				
Extension office	\$ 76,086	\$ 76,086	\$ 54,325	\$ 21,761
Total community development	\$ 245,419	\$ 246,226	\$ 183,166	\$ 63,060
Capital projects:				
SCAAP grant project	\$ 5,729	\$ 5,729	\$ 1,601	\$ 4,128
Technology grant project	25,000	25,000	9,246	15,754
IPR program	-	4,491	6,913	(2,422)
Other capital projects	500,000	500,000	52,613	447,387
Total capital projects	\$ 530,729	\$ 535,220	\$ 70,373	\$ 464,847

County of Amelia, Virginia
Schedule of Expenditures - Budget and Actual
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<u>Fund, Function, Activity and Element</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund: (Continued)				
Debt service:				
Principal retirement	\$ 827,124	\$ 827,426	\$ 827,426	\$ -
Interest and other fiscal charges	303,225	303,225	303,225	-
Total debt service	<u>\$ 1,130,349</u>	<u>\$ 1,130,651</u>	<u>\$ 1,130,651</u>	<u>\$ -</u>
 Total General Fund	 <u>\$ 15,341,454</u>	 <u>\$ 15,593,389</u>	 <u>\$ 14,341,298</u>	 <u>\$ 1,252,091</u>
County Special Revenue Fund:				
Public Safety:				
Sheriff:				
Forfeited assets	\$ -	\$ -	\$ 8,411	\$ (8,411)
Total public safety	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,411</u>	<u>\$ (8,411)</u>
Total County Special Revenue Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,411</u>	<u>\$ (8,411)</u>
Capital Projects Fund:				
County Capital Projects Fund:				
Capital projects expenditures:				
School projects	\$ 421,000	\$ 421,000	\$ 283,117	\$ 137,883
County capital projects	2,594,349	2,836,387	1,271,255	1,565,132
Total capital projects	<u>\$ 3,015,349</u>	<u>\$ 3,257,387</u>	<u>\$ 1,554,372</u>	<u>\$ 1,703,015</u>
Total County Capital Projects Fund	<u>\$ 3,015,349</u>	<u>\$ 3,257,387</u>	<u>\$ 1,554,372</u>	<u>\$ 1,703,015</u>
Total Primary Government	<u>\$ 18,356,803</u>	<u>\$ 18,850,776</u>	<u>\$ 15,904,081</u>	<u>\$ 2,946,695</u>
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Education:				
Administration, health, and attendance	\$ 1,082,175	\$ 1,082,175	\$ 1,193,305	\$ (111,130)
Instruction costs	12,064,010	12,401,492	11,888,054	513,438
Pupil transportation	1,206,287	1,206,287	1,473,355	(267,068)
Operation and maintenance of school plant	1,335,951	1,335,951	1,300,800	35,151
Total education	<u>\$ 15,688,423</u>	<u>\$ 16,025,905</u>	<u>\$ 15,855,514</u>	<u>\$ 170,391</u>
Total School Operating Fund	<u>\$ 15,688,423</u>	<u>\$ 16,025,905</u>	<u>\$ 15,855,514</u>	<u>\$ 170,391</u>

County of Amelia, Virginia
Schedule of Expenditures - Budget and Actual
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<u>Fund, Function, Activity and Element</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Discretely Presented Component Unit - School Board: (Continued)				
Special Revenue Funds:				
School Special Revenue Fund:				
Education:				
School food services	\$ 721,415	\$ 721,415	\$ 676,324	\$ 45,091
Purchase of textbooks	140,245	140,245	84,629	55,616
Commodities	-	32,068	32,068	-
Total School Special Revenue Fund	\$ 861,660	\$ 893,728	\$ 793,021	\$ 100,707
Total Discretely Presented Component Unit - School Board	\$ 16,550,083	\$ 16,919,633	\$ 16,648,535	\$ 271,098

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STATISTICAL INFORMATION

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Table 1

County of Amelia, Virginia
Government-Wide Expenses by Function
Last Nine Fiscal Years

Fiscal Year	General Government Administration			Judicial Administration	Public Safety	Public Works	Parks, Recreation, and Cultural		Community Development	Interest on Long-Term Debt		Sanitary District	Total									
							Health and Welfare	Education			Term Debt											
2004	\$	1,200,126	\$	491,536	\$	1,415,105	\$	671,900	\$	1,238,188	\$	7,496,731	\$	247,134	\$	1,472,946	\$	356,393	\$	451,872	\$	15,041,931
2005		1,388,627		529,879		1,609,806		717,649		1,260,737		4,038,486		369,701		753,041		377,368		552,652		11,597,946
2006		1,261,738		608,725		1,812,286		890,000		1,384,064		6,742,450		393,684		2,909,130		428,536		622,158		17,052,771
2007		1,405,905		598,360		2,024,485		1,903,456		1,651,508		5,266,265		475,837		1,311,153		445,116		671,291		15,753,376
2008		1,358,926		687,057		2,368,075		1,128,387		1,792,303		5,509,457		489,571		403,372		363,098		675,262		14,775,508
2009		1,403,535		698,653		2,716,067		1,344,358		1,777,720		5,323,104		521,866		325,028		325,999		687,074		15,123,404
2010		1,411,481		812,424		3,486,512		894,193		1,815,222		4,756,806		520,951		249,971		91,538		679,436		14,718,534
2011		1,727,212		678,883		2,701,541		948,197		1,839,393		5,380,927		544,177		248,281		310,451		667,609		15,046,671
2012		1,674,203		730,856		2,857,590		1,515,809		1,699,946		5,653,776		543,833		192,626		271,437		621,784		15,761,860

Table 2

County of Amelia, Virginia
Government-Wide Revenues
Last Nine Fiscal Years

Fiscal Year	PROGRAM REVENUES				GENERAL REVENUES					
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		General Property Taxes	Other Local Taxes	Unrestricted Investment Earnings	Miscellaneous	Grants and Contributions Not Restricted to Specific Programs	Total
2004	\$ 1,816,293	\$ 2,985,867	\$ 1,400,906	\$	4,639,282	1,600,972	137,307	1,171,486	1,126,268	\$ 14,878,381
2005	1,902,041	2,718,801	767,495		4,691,874	1,772,842	204,588	49,866	933,347	13,040,854
2006	1,997,712	2,415,452	3,305,181		4,947,171	1,827,066	371,962	192,077	1,409,753	16,466,374
2007	2,375,618	2,709,422	1,147,138		5,671,144	1,917,890	598,967	220,952	1,564,894	16,206,025
2008	2,425,393	3,066,731	315,870		6,607,770	1,928,252	445,461	202,393	1,125,567	16,117,437
2009	2,369,605	3,451,119	298,875		7,030,195	1,802,647	177,654	249,316	1,100,355	16,479,766
2010	2,094,499	2,915,375	807,277		6,698,182	1,477,885	165,993	499,684	1,409,280	16,068,175
2011	2,885,986	2,873,695	-		6,444,873	1,515,784	157,628	270,166	1,394,339	15,542,471
2012	2,188,018	2,841,920	-		6,790,813	1,536,883	145,893	447,314	1,302,212	15,253,053

County of Amelia, Virginia
General Governmental Expenditures by Function (1,3)
Last Ten Fiscal Years

Fiscal Year	General Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education (2)	Parks, Recreation, and Cultural	Community Development	Debt Service	Total
2003	\$ 967,725	\$ 485,836	\$ 1,322,668	\$ 504,605	\$ 1,242,597	\$ 12,295,603	\$ 256,560	\$ 228,248	\$ 915,125	\$ 18,218,967
2004	1,473,871	458,348	1,322,924	721,765	1,279,558	13,015,665	259,358	669,877	770,161	19,971,527
2005	1,169,933	501,713	1,517,761	584,608	1,312,782	14,027,957	336,693	376,571	786,271	20,614,289
2006	1,157,884	579,120	1,678,458	859,455	1,382,828	14,824,680	381,973	451,760	8,182,236	29,498,394
2007	1,184,089	567,154	1,782,975	864,947	1,683,597	16,414,605	441,577	579,612	1,134,783	24,653,339
2008	1,347,918	658,002	2,209,536	834,031	1,847,996	16,958,325	459,017	332,632	1,074,412	25,721,869
2009	1,408,093	670,119	2,562,844	840,320	1,758,681	17,873,586	481,688	286,564	1,054,984	26,936,879
2010	1,394,465	688,476	2,356,051	845,838	1,904,574	17,079,267	483,716	247,792	839,444	25,839,623
2011	1,565,005	650,030	2,348,926	870,518	1,910,023	16,119,943	504,480	243,549	1,143,205	25,355,679
2012	1,608,467	699,394	2,405,642	967,369	1,797,756	16,649,493	509,979	183,166	1,130,651	25,951,917

(1) Includes General and Special Revenue funds of the Primary Government and its Discretely Presented Component Unit - School Board.

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

(3) Excludes Capital projects funds.

Table 4

County of Amelia, Virginia
General Governmental Revenues by Source (1,3)
Last Ten Fiscal Years

Fiscal Year	General Property Taxes	Other Local Taxes	Permits, Privilege Fees, Regulatory Licenses	Fines and Forfeitures	Revenue from the Use of Money and Property	Charges for Services	Miscellaneous	Recovered Costs	Inter-governmental (2)	Total
2003	\$ 4,204,841	\$ 1,449,719	\$ 120,029	\$ 9,433	\$ 238,100	\$ 1,320,608	\$ 285,028	\$ 48,026	\$ 12,617,643	\$ 20,293,427
2004	4,628,673	1,600,972	158,963	24,027	109,023	1,478,029	677,972	243,567	13,341,889	22,263,115
2005	4,716,275	1,772,842	208,332	43,310	191,716	1,478,060	206,942	42,156	14,028,018	22,687,651
2006	4,970,257	1,827,066	325,205	93,811	338,991	1,421,134	312,187	4,214	16,693,674	25,986,539
2007	5,591,062	1,917,890	278,754	135,033	569,894	1,812,712	455,153	123,456	16,464,227	27,348,181
2008	6,464,564	1,928,252	229,741	181,238	417,688	2,230,052	461,219	78,899	16,012,997	28,004,650
2009	6,859,158	1,802,647	160,747	189,075	164,920	1,926,092	484,877	76,020	17,402,818	29,066,354
2010	6,470,665	1,477,885	162,489	16,793	162,726	1,684,498	411,488	98,310	17,435,709	27,920,563
2011	6,580,459	1,515,784	118,036	195,651	154,225	687,777	474,876	97,683	14,949,513	24,774,004
2012	6,603,169	1,536,883	95,413	197,161	146,300	616,760	157,735	144,445	15,291,661	24,789,527

(1) Includes General and Special Revenue funds of the Primary Government and its Discretely Presented Component Unit - School Board.

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

(3) Excludes Capital projects funds.

Table 5

County of Amelia, Virginia
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy (1)	Current Tax Collections (1)	Percent of Levy Collected	Delinquent Tax Collections (1)	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes (1,2)	Percent of Delinquent Taxes to Tax Levy
2003	\$ 5,072,127	\$ 4,870,971	96.03%	\$ 175,411	\$ 5,046,382	99.49%	\$ 301,709	5.95%
2004	5,519,099	5,269,837	95.48%	213,132	5,482,969	99.35%	312,479	5.66%
2005	5,604,004	5,374,683	95.91%	152,297	5,526,980	98.63%	305,349	5.45%
2006	5,967,840	5,778,868	96.83%	141,510	5,920,378	99.20%	283,428	4.75%
2007	6,516,385	6,367,759	97.72%	157,518	6,525,277	100.14%	401,659	6.16%
2008	7,568,823	7,246,789	95.75%	121,509	7,368,298	97.35%	555,846	7.34%
2009	7,965,477	7,455,764	93.60%	308,749	7,764,513	97.48%	802,921	10.08%
2010	7,767,156	7,044,774	90.70%	348,244	7,393,018	95.18%	857,670	11.04%
2011	7,859,093	7,133,128	90.76%	354,971	7,488,099	95.28%	825,695	10.51%
2012	7,851,275	7,187,882	91.55%	307,049	7,494,931	95.46%	739,827	9.42%

(1) Exclusive of penalties, interest and land redemptions.

(2) Includes four years of taxes.

Table 6

County of Amelia, Virginia
Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Estate (1)	Personal Property	Machinery and Tools	Farm Equipment	Mobile Homes	Public Utility (2)			Total
						Real Estate	Personal Property	Property	
2003	\$ 600,939,846	\$ 57,501,882	\$ 4,299,235	\$ 1,697,755	\$ 5,840,680	\$ 29,769,505	\$ 112,116	\$	\$ 700,161,019
2004	609,343,417	60,044,684	4,068,000	-	5,808,964	28,225,327	76,871		707,567,263
2005	636,320,105	59,358,499	4,017,550	-	5,739,024	26,845,265	68,975		732,349,418
2006	659,542,611	68,605,683	2,668,400	-	5,670,344	24,079,559	66,233		760,632,830
2007	982,417,621	72,543,560	3,710,075	-	4,970,850	34,862,647	87,140		1,098,591,893
2008	1,002,644,186	74,590,525	6,706,940	-	4,679,150	33,199,987	67,140		1,121,887,928
2009	1,027,417,960	84,271,167	7,977,175	-	4,674,650	27,805,662	56,317		1,152,202,931
2010	1,033,233,853	70,391,917	4,308,775	-	4,598,725	28,550,898	71,586		1,141,155,754
2011	1,037,797,786	70,483,734	3,930,550	-	4,572,825	31,821,143	88,878		1,148,694,916
2012	1,045,275,607	69,302,288	3,527,050	-	4,558,450	34,085,222	125,536		1,156,874,153

(1) Real estate is assessed at 100% of fair market value.

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

Table 7

County of Amelia, Virginia
Property Tax Rates (1)
Last Ten Fiscal Years

Fiscal Year	Real Estate	Personal Property	Machinery and Tools	Farm Equipment (2)	Mobile Homes
2003	\$ 0.50	\$ 3.25	\$ 1.00	\$ 1.00	\$ 0.50
2004	0.52	3.50	1.00	-	0.52
2005	0.52	3.50	1.00	-	0.52
2006	0.52	3.50	1.00	-	0.52
2007	0.39	3.50	1.00	-	0.39
2008	0.43	4.00	1.00	-	0.43
2009	0.43	4.00	1.00	-	0.43
2010	0.43	4.00	1.00	-	0.43
2011	0.43	4.00	1.00	-	0.43
2012	0.43	4.00	4.00	-	0.43

(1) Per \$100 of assessed value.

(2) Farm equipment was not assessed after fiscal year 2003.

Table 8

County of Amelia, Virginia
Ratio of Net General Obligation Bonded Debt to
Assessed Value and Net Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	Population (1)	Assessed Value (2)	Gross		Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value		Net Bonded Debt per Capita
			Bonded Debt (3)	Bonded Debt		Assessed Value	Assessed Value	
2003	11,400	\$ 700,161,019	\$ 2,826,427	\$ 2,826,427	0.40%	\$	248	
2004	11,400	707,567,263	2,573,168	2,573,168	0.36%		226	
2005	11,400	732,349,418	2,315,244	2,315,244	0.32%		203	
2006	11,400	760,632,830	7,523,488	7,523,488	0.99%		660	
2007	11,400	1,098,591,893	7,021,136	7,021,136	0.64%		616	
2008	11,400	1,121,887,928	6,501,943	6,501,943	0.58%		570	
2009	11,400	1,152,202,931	5,972,445	5,972,445	0.52%		524	
2010	12,690	1,141,155,754	5,431,725	5,431,725	0.48%		428	
2011	12,690	1,148,694,916	6,013,866	6,013,866	0.52%		474	
2012	12,690	1,156,874,153	5,378,040	5,378,040	0.46%		424	

(1) Weldon Cooper Center for Public Service for the 2000 and 2010 Census counts.

(2) From Table 6.

(3) Includes all long-term general obligation bonded debt, bonded anticipation notes, and literary fund loans.

Excludes revenue bonds, landfill closure/post-closure care liability, capital leases, and compensated absences.

COMPLIANCE

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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Amelia, Virginia, as of and for the year ended June 30, 2012, which collectively comprise the County of Amelia, Virginia's basic financial statements and have issued our report thereon dated January 23, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

We noted certain matters that we reported to the management of the County of Amelia, Virginia, in a separate letter dated January 23, 2013.

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

A handwritten signature in black ink, appearing to read "D. F. Clark", followed by a long horizontal line.

Richmond, Virginia
January 23, 2013

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

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

Compliance

We have audited County of Amelia, 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 Amelia, Virginia's major federal programs for the year ended June 30, 2012. The County of Amelia, Virginia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County of Amelia, Virginia's management. Our responsibility is to express an opinion on the County of Amelia, Virginia's compliance based on our audit.

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

In our opinion, the County of Amelia, Virginia complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal program for the year ended June 30, 2012.

Internal Control Over Compliance

Management of the County of Amelia, Virginia, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County of Amelia, Virginia's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance 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 the County of Amelia, 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 control 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

A handwritten signature in black ink, appearing to read "R. F. Cox", followed by a long horizontal line extending to the right.

Richmond, Virginia
January 23, 2013

County of Amelia, Virginia
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Page 1 of 3

Federal Grantor/State 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:			
Department of Social Services:			
Promoting Safe and Stable Families	93.556	0950109/0950110	\$ 11,003
Temporary Assistance for Needy Families	93.558	0400109/0400110	129,348
Refugee and Entrant Assistance - State Administered Programs	93.566	0500109/0500110	230
Low Income Home Energy Assistance	93.568	0600409/00600410	9,148
CCDF cluster:			
Child Care and Development Block Grant	93.575	0770109/0770110	6,298
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	0760109/0760110	45,983
Chafee Education and Training Vouchers	93.599	9160108/9160109	4,000
Stephanie Tubbs Jones Child Welfare Services Program	93.645	0900109/090110	419
Foster care - Title IV-E	93.658	1100109/1100110	39,438
Adoption Assistance	93.659	1120109/1120110	13,520
Social Services Block Grant	93.667	1000109/1000110	82,858
Chafee Foster Care Independence Program	93.674	9150109/9150110	1,767
Children's Health Insurance Program	93.767	0540109/0540110	4,606
Medical Assistance Program	93.778	1200109/1200110	100,382
Total Department of Health and Human Services			<u>\$ 449,000</u>
Department of Homeland Security:			
Pass Through Payments:			
Department of Emergency Management:			
Emergency Management Performance Grants	97.042	77501-52740/52749	\$ 34,022
State Homeland Security Program	97.073	77501-52708	<u>4,641</u>
Total Department of Homeland Security			<u>\$ 38,663</u>
Department of Agriculture:			
Pass Through Payments:			
Child Nutrition Cluster:			
Department of Agriculture:			
Food Distribution	10.555	17901-45707	\$ 32,068
Department of Education:			
National School Lunch Program	10.555	17901-45707	\$ 320,667
Total CFDA# 10.555	10.555	17901-45707	<u>\$ 352,735</u>

County of Amelia, Virginia
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
School breakfast program	10.553	17901-40591	\$ 87,379
Department of Social Services:			
SNAP Cluster:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	0010109/0010100	\$ 166,073
Total Department of Agriculture			\$ 606,187
Department of Defense:			
Direct payments:			
Junior ROTC	12.xxx	N/A	\$ 55,785
Department of Housing and Urban Development:			
Pass Through Payments:			
Department of Housing and Community Development:			
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	53305-50799	\$ 7,770
Department of Justice:			
Direct payments:			
State Criminal Alien Assistance Program	16.606	N/A	\$ 1,601
Department of Transportation:			
Pass Through Payments:			
Department of Motor Vehicles:			
Highway Planning and Construction	20.205	60302	\$ 83,426
State and Community Highway Safety	20.600	60507-50287	29,037
Total Department of Transportation			\$ 112,463
Department of Education:			
Pass Through Payments:			
Department of Education:			
Title I Grants to Local Educational Agencies	84.010	17901-42901-42999	\$ 274,403

County of Amelia, Virginia
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Page 3 of 3

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Education: (continued)			
Pass Through Payments: (continued)			
Department of Education: (continued)			
Special Education Cluster:			
Special Education - Grants to States	84.027	17901-43071-61234	\$ 422,864
ARRA - Special Education - Grants to States	84.391	17901-61245	41,667
Special Education - Preschool Grants	84.173	17901-62521	13,257
ARRA - Special Education - Preschool Grants	84.392	17901-61247	69
Career and Technical Education - Basic Grants to States	84.048	17901-61095	31,048
Safe and Drug-Free Schools and Communities - State Grants	84.186	17901-60511	735
Twenty-First Century Community Learning Centers	84.287	17901-60565	1,401
Improving Teacher Quality State Grants	84.367	17901-61480	74,599
ARRA - Education Technology Grants	84.386	17901-60897	476
ARRA - Education Jobs Fund	84.410	17901-62700	403,523
Total Department of Education			<u>\$ 1,264,042</u>
Total Expenditures of Federal Awards			<u><u>\$ 2,535,511</u></u>

See accompanying notes to schedule of expenditures of federal awards.

County of Amelia, Virginia

Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2012

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the County of Amelia, Virginia under programs of the federal government for the year ended June 30, 2012. The information in this Schedule is presented in accordance with the requirements of the 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 Amelia, Virginia, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the County of Amelia, 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 or 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	\$	692,145
Capital Projects Fund		147,411
Total primary government	\$	<u>839,556</u>

Component Unit School Board:

School Operating Fund	\$	1,319,827
School Special Revenue Fund		440,113
Total component unit School Board	\$	<u>1,759,940</u>
Total federal expenditures per basic financial statements	\$	<u>2,599,496</u>

Total federal expenditures per the Schedule of Expenditures of Federal Awards

\$ 2,535,511

Add: Federal interest rate subsidy not included in Schedule of Expenditures of Federal Awards

63,985

Total federal expenditures per the Schedule of Expenditures of Federal Awards, as adjusted

\$ 2,599,496

County of Amelia, Virginia
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Section I—Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

Material weakness(es) identified?	<u> </u> yes	<u> ✓ </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> ✓ </u> none reported
Noncompliance material to financial statements noted?	<u> </u> yes	<u> ✓ </u> no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<u> </u> yes	<u> ✓ </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> ✓ </u> none reported

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

Any findings disclosed that are required to be
reported in accordance with section 510(a) of
Circular A-133? yes ✓ no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553/10.555/10.559	Child Nutrition Cluster
84.027/84.173/84.391/84.392	Special Education Cluster
84.410	ARRA Education Jobs

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

Auditee qualified as low-risk auditee? yes ✓ no

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

County of Amelia, Virginia
Schedule of Prior Year Findings and Questioned Costs
For the year ended June 30, 2012

There were no prior year findings and questioned costs