

COUNTY OF APPOMATTOX, VIRGINIA



ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2009

COUNTY OF APPOMATTOX, VIRGINIA

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2009

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COUNTY OF APPOMATTOX, VIRGINIA

Board of Supervisors

Thomas H. Conrad, Chairperson

Gary W. Tanner
Samuel E. Carter

William H. Craft
Russell H. Moore

School Board

Rev. J. Wesley Williams, Chairperson

Amy M. Martin
Stacy C. Garrett

R.W. Mitchell
Bobby K. Waddell

Board of Social Services

Martha Watkins, Chairperson

Nelson Mann

William H. Craft

Other Officials

Judge of the Circuit Court.....	Richard S. Blanton
Clerk of the Circuit Court.....	Barbara R. Williams
Judge of the General District Court	Robert Woodson, Jr.
Judge of the Juvenile and Domestic Relations Court.....	Marvin Dunkam
Commonwealth's Attorney	Darrel W. Puckett
Commissioner of the Revenue	Sara R. Henderson
Treasurer	Janet M. Belter
Sheriff.....	O. Wilson Staples
Superintendent of Schools.....	Dorinda G. Grasty
Director of Social Services.....	Barry Elder
County Administrator.....	Aileen T. Ferguson

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FINANCIAL REPORT
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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Appomattox, Virginia, as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County of Appomattox, 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 discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Appomattox, Virginia, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 15, the County implemented GASB Statement No.45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits other than Pensions* effective July 1, 2008.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2009, on our consideration of the County of Appomattox, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

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

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

Robyn, Fann, Cox Associates

Richmond, Virginia
December 23, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

As management of the County of Appomattox, Virginia we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2009. Please read it in conjunction with the transmittal letter at the front of this report and with the County's basic financial statements, which follow this section.

Financial Highlights

Government-wide Financial Statements

- ▶ The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$8,346,139 (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 financing sources of \$1,156,325 (Exhibit 5) after making contributions totaling \$4,199,148 to the School Board.

- ▶ As of the close of the current fiscal year; the County's funds reported ending fund balances of \$12,206,901, an increase of \$1,156,325 in comparison with the prior year.
- ▶ At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$2,882,489, or 14% of total general fund expenditures and other uses.
- ▶ The combined long-term obligations increased by \$2,591,098 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 Appomattox, Virginia itself (known as the primary government), but also a legally separate school district and industrial development authority for which the County of Appomattox, 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 Appomattox, 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.

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 and the component unit – Economic Development Authority. Neither the School Board nor the Economic Development Authority issues 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 \$8,346,139 at the close of the most recent fiscal year. The following table summarizes the County's Statement of Net Assets:

<u>County of Appomattox, Virginia's Net Assets</u>		
	<u>Governmental Activities</u>	
	<u>2009</u>	<u>2008</u>
Current and other assets	\$ 13,759,180	\$ 12,120,132
Capital assets	<u>20,591,418</u>	<u>21,154,513</u>
Total assets	<u>\$ 34,350,598</u>	<u>\$ 33,274,645</u>
Current liabilities	\$ 781,958	\$ 781,245
Long-term liabilities outstanding	<u>25,222,501</u>	<u>22,271,403</u>
Total liabilities	<u>\$ 26,004,459</u>	<u>\$ 23,052,648</u>
Net assets:		
Invested in capital assets, net of related debt	\$ 3,224,044	\$ 1,190,814
Unrestricted	<u>5,122,095</u>	<u>9,031,183</u>
Total net assets	<u>\$ 8,346,139</u>	<u>\$ 10,221,997</u>

Government-wide Financial Analysis (Continued)

The County's net assets decreased by \$1,875,858 during the current fiscal year. The following table summarizes the County's Statement of Activities

<u>County of Appomattox, Virginia's Changes in Net Assets</u>		
	<u>Governmental Activities</u>	
	<u>2009</u>	<u>2008</u>
Charges for services	\$ 351,290	\$ 448,455
Operating grants and contributions	5,162,798	4,330,058
General property taxes	8,900,236	8,329,989
Other local taxes	2,146,757	2,241,637
Grants and other contributions not restricted	1,096,610	1,153,964
Other general revenues	428,233	656,942
 Total revenues	 <u>\$ 18,085,924</u>	 <u>\$ 17,161,045</u>
 General government administration	 \$ 1,475,556	 \$ 1,717,318
Judicial administration	1,138,050	1,059,914
Public safety	3,796,542	3,568,696
Public works	3,482,208	1,854,655
Health and welfare	2,967,988	2,790,885
Education	4,986,375	4,778,638
Parks, recreation, and cultural	408,633	377,658
Community development	761,056	285,603
Interest and other fiscal charges	945,374	862,965
 Total expenses	 <u>\$ 19,961,782</u>	 <u>\$ 17,296,332</u>
 Change in net assets	 \$ (1,875,858)	 \$ (135,287)
 Net assets, beginning of year	 <u>10,221,997</u>	 <u>10,357,284</u>
Net assets, end of year	<u><u>\$ 8,346,139</u></u>	<u><u>\$ 10,221,997</u></u>

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 \$12,206,901, an increase of \$1,156,325 in comparison with the prior year. Approximately 40% of this total amount constitutes unreserved General Fund balance, which is available for spending at the County's discretion.

The County Capital Projects Fund accounts for all major general public improvements. At the end of the fiscal year, the fund balance was \$8,925,294, all of which was designated for current or future capital projects.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were increases of \$1,205,609 and can be briefly summarized as follows:

- ▶ \$ 678,097 increase in health and welfare expenditures
- ▶ \$ 179,426 increase in public safety expenditures
- ▶ \$ 131,104 increase in public works expenditures
- ▶ \$ 171,192 increase in debt service expenditures
- ▶ \$ 148,612 increase in judicial administration expenditures
- ▶ \$ 160,287 decrease in capital projects expenditures
- ▶ \$ 57,465 increase in various expenditures

The increase in budgeted General Fund expenditures resulted in an increase in the budgeted beginning General Fund balance. During the year, revenues and other sources exceeded budgetary estimates by \$794,465. Budgetary estimates exceeded expenditures and other uses by \$1,777,075 resulting in a positive variance of \$2,571,540.

Capital Asset and Debt Administration

Capital assets - The County's investment in capital assets for its governmental operations as of June 30, 2009 amounts to \$20,591,418 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, 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 debt outstanding of \$22,539,136. Of this amount, \$7,985,636 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., lease/revenue bonds).

The County's total debt increased by \$2,112,770 during the current fiscal year.

Additional information on the County of Appomattox, 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 7.8 percent compared to the state's average unemployment rate of 7.3 percent.
- ▶ Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the County's budget for the 2010 fiscal year.

The fiscal year 2010 budget increased 2.68%, and all tax rates remained the same except the real estate rate, which increased from \$0.44 to \$0.48.

Requests for Information

This financial report is designed to provide a general overview of the County of Appomattox, 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 863, Appomattox, Virginia 24522.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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County of Appomattox, Virginia
Statement of Net Assets
June 30, 2009

	Primary Government		
	Governmental Activities	Component Units	
		School Board	EDA
ASSETS			
Cash and cash equivalents	\$ 5,593,749	\$ 3,656,625	\$ 75,085
Cash in custody of others	-	4,000	-
Receivables (net of allowance for uncollectibles):			
Taxes receivable	1,328,666	-	-
Accounts receivable	87,225	33,834	-
Due from other governmental units	1,387,446	602,354	-
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents (in custody of others)	5,171,762	-	-
Other assets:			
Unamortized bond issue costs	190,332	-	-
Capital assets (net of accumulated depreciation):			
Land	1,038,296	211,370	1,386,773
Buildings and improvements	17,184,318	8,551,681	-
Equipment	1,683,791	933,564	-
Infrastructure	19,628	-	1,514,128
Construction in progress	665,385	-	-
Total assets	<u>\$ 34,350,598</u>	<u>\$ 13,993,428</u>	<u>\$ 2,975,986</u>
LIABILITIES			
Accounts payable	\$ 419,868	\$ 58,795	\$ -
Accrued liabilities	-	1,777,418	-
Accrued interest payable	243,129	-	-
Due to other governmental units	-	577,630	-
Unearned revenue	118,961	-	-
Long-term liabilities:			
Due within one year	834,279	19,703	-
Due in more than one year	24,388,222	557,270	-
Total liabilities	<u>\$ 26,004,459</u>	<u>\$ 2,990,816</u>	<u>\$ -</u>
NET ASSETS			
Invested in capital assets, net of related debt	\$ 3,224,044	\$ 9,696,615	\$ 2,900,901
Unrestricted (deficit)	5,122,095	1,305,997	75,085
Total net assets	<u>\$ 8,346,139</u>	<u>\$ 11,002,612</u>	<u>\$ 2,975,986</u>
Total liabilities and net assets	<u>\$ 34,350,598</u>	<u>\$ 13,993,428</u>	<u>\$ 2,975,986</u>

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

County of Appomattox, Virginia
Statement of Activities
For the Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental	Component Units	
					Activities	School Board	EDA
PRIMARY GOVERNMENT:							
Governmental activities:							
General government administration	\$ 1,475,556	\$ -	\$ 324,788	\$ -	\$ (1,150,768)	\$ -	\$ -
Judicial administration	1,138,050	23,931	496,257	-	(617,862)	-	-
Public safety	3,796,542	176,090	1,584,560	-	(2,035,892)	-	-
Public works	3,482,208	112,305	-	-	(3,369,903)	-	-
Health and welfare	2,967,988	-	2,279,657	-	(688,331)	-	-
Education	4,986,375	-	-	-	(4,986,375)	-	-
Parks, recreation, and cultural	408,633	38,962	45,135	-	(324,536)	-	-
Community development	761,056	2	432,401	-	(328,653)	-	-
Interest on long-term debt	945,374	-	-	-	(945,374)	-	-
Total governmental activities	<u>\$ 19,961,782</u>	<u>\$ 351,290</u>	<u>\$ 5,162,798</u>	<u>\$ -</u>	<u>\$ (14,447,694)</u>	<u>\$ -</u>	<u>\$ -</u>
Total primary government	<u>\$ 19,961,782</u>	<u>\$ 351,290</u>	<u>\$ 5,162,798</u>	<u>\$ -</u>	<u>\$ (14,447,694)</u>	<u>\$ -</u>	<u>\$ -</u>
COMPONENT UNITS:							
School Board	\$ 21,699,994	\$ 492,753	\$ 16,940,735	\$ -	\$ -	\$ (4,266,506)	\$ -
Economic Development Authority	47,356	13,447	-	-	-	-	(33,909)
Total component units	<u>\$ 21,747,350</u>	<u>\$ 506,200</u>	<u>\$ 16,940,735</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,266,506)</u>	<u>\$ (33,909)</u>
General revenues:							
General property taxes					\$ 8,900,236	\$ -	\$ -
Local sales and use taxes					807,068	-	-
Consumer utility taxes					335,914	-	-
Communication taxes					587,391	-	-
Other local taxes					416,384	-	-
Unrestricted revenues from use of money and property					145,117	16,438	455
Miscellaneous					229,763	203,627	-
Grants and contributions not restricted to specific programs					1,096,610	-	-
Payment from Appomattox County School Board					53,353	-	-
Payment from Appomattox County					-	4,653,165	-
Total general revenues					<u>\$ 12,571,836</u>	<u>\$ 4,873,230</u>	<u>\$ 455</u>
Change in net assets					<u>\$ (1,875,858)</u>	<u>\$ 606,724</u>	<u>\$ (33,454)</u>
Net assets - beginning					10,221,997	10,395,888	3,009,440
Net assets - ending					<u>\$ 8,346,139</u>	<u>\$ 11,002,612</u>	<u>\$ 2,975,986</u>

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

FUND FINANCIAL STATEMENTS

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County of Appomattox, Virginia
Balance Sheet
Governmental Funds
June 30, 2009

	<u>General</u>	<u>County Capital Projects</u>	<u>County Special Revenue Fund</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 1,442,490	\$ 3,753,532	\$ 397,727	\$ 5,593,749
Receivables (net of allowance for uncollectibles):				
Taxes receivable	1,328,666	-	-	1,328,666
Accounts receivable	86,999	-	226	87,225
Due from other governmental units	1,380,701	-	6,745	1,387,446
Restricted assets:				
Temporarily restricted:				
Cash and cash equivalents	-	5,171,762	-	5,171,762
Total assets	<u>\$ 4,238,856</u>	<u>\$ 8,925,294</u>	<u>\$ 404,698</u>	<u>\$ 13,568,848</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 414,288	\$ -	\$ 5,580	\$ 419,868
Deferred revenue	942,079	-	-	942,079
Total liabilities	<u>\$ 1,356,367</u>	<u>\$ -</u>	<u>\$ 5,580</u>	<u>\$ 1,361,947</u>
Fund balances:				
Unreserved, designated for:				
Law library	\$ -	\$ -	\$ 26,282	\$ 26,282
Ballpark	34	-	-	34
Capital improvements	-	3,249,755	-	3,249,755
Courthouse maintenance	7,086	-	-	7,086
Cost of jail keep	-	-	30,901	30,901
Wireless grant	-	-	83,026	83,026
Unreserved, undesignated reported in:				
General fund	2,875,369	-	-	2,875,369
Special revenue funds	-	-	258,909	258,909
Capital projects funds	-	5,675,539	-	5,675,539
Total fund balances	<u>\$ 2,882,489</u>	<u>\$ 8,925,294</u>	<u>\$ 399,118</u>	<u>\$ 12,206,901</u>
Total liabilities and fund balances	<u>\$ 4,238,856</u>	<u>\$ 8,925,294</u>	<u>\$ 404,698</u>	<u>\$ 13,568,848</u>

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

County of Appomattox, Virginia
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Assets
June 30, 2009

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds		\$	12,206,901
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Capital assets, cost		\$ 30,529,534	
Less: Accumulated depreciation		<u>(9,938,116)</u>	20,591,418
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.			
			823,118
Long-term liabilities, including bonds payable and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.			
Bonds and notes payable		\$ (22,539,136)	
Compensated absences		(388,544)	
OPEB liability		(23,000)	
Unamortized bond issuance costs		190,332	
Landfill accrued closure/post-closure costs		(2,271,821)	
Interest payable		<u>(243,129)</u>	(25,275,298)
Net assets of governmental activities			<u><u>\$ 8,346,139</u></u>

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

County of Appomattox, Virginia
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2009

	<u>General</u>	<u>County Capital Projects</u>	<u>County Special Revenue Fund</u>	<u>Total</u>
REVENUES				
General property taxes	\$ 8,739,210	\$ -	\$ -	\$ 8,739,210
Other local taxes	2,146,757	-	-	2,146,757
Permits, privilege fees, and regulatory licenses	159,932	-	-	159,932
Fines and forfeitures	19,785	-	-	19,785
Revenue from the use of money and property	115,715	28,093	1,309	145,117
Charges for services	168,082	-	3,491	171,573
Miscellaneous	219,427	-	10,336	229,763
Recovered costs	78,034	-	-	78,034
Intergovernmental revenues:				
Appomattox School Board	53,353	-	-	53,353
Commonwealth	5,412,926	-	53,109	5,466,035
Federal	793,373	-	-	793,373
Total revenues	<u>\$ 17,906,594</u>	<u>\$ 28,093</u>	<u>\$ 68,245</u>	<u>\$ 18,002,932</u>
EXPENDITURES				
Current:				
General government administration	\$ 1,384,164	\$ -	\$ -	\$ 1,384,164
Judicial administration	991,963	-	-	991,963
Public safety	3,555,375	-	1,751	3,557,126
Public works	1,368,486	-	-	1,368,486
Health and welfare	2,973,560	-	-	2,973,560
Education	4,199,524	-	-	4,199,524
Parks, recreation, and cultural	380,600	-	-	380,600
Community development	720,109	-	-	720,109
Capital projects	1,782,520	334,967	-	2,117,487
Debt service:				
Principal retirement	1,591,988	-	-	1,591,988
Interest and other fiscal charges	863,533	402,825	-	1,266,358
Total expenditures	<u>\$ 19,811,822</u>	<u>\$ 737,792</u>	<u>\$ 1,751</u>	<u>\$ 20,551,365</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (1,905,228)</u>	<u>\$ (709,699)</u>	<u>\$ 66,494</u>	<u>\$ (2,548,433)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 1,101,679	\$ 756,965	\$ -	\$ 1,858,644
Transfers out	(756,965)	(1,079,317)	(22,362)	(1,858,644)
Debt issuance	-	3,344,600	-	3,344,600
Issuance of refunding bonds	-	11,208,900	-	11,208,900
Redemption of refunding bonds	-	(10,848,742)	-	(10,848,742)
Total other financing sources (uses)	<u>\$ 344,714</u>	<u>\$ 3,382,406</u>	<u>\$ (22,362)</u>	<u>\$ 3,704,758</u>
Net change in fund balances	\$ (1,560,514)	\$ 2,672,707	\$ 44,132	\$ 1,156,325
Fund balances - beginning	4,443,003	6,252,587	354,986	11,050,576
Fund balances - ending	<u>\$ 2,882,489</u>	<u>\$ 8,925,294</u>	<u>\$ 399,118</u>	<u>\$ 12,206,901</u>

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

County of Appomattox, Virginia
Reconciliation of Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2009

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

Net change in fund balances - total governmental funds	\$	1,156,325
<p>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.</p>		
Capital asset additions	\$ 443,754	
Depreciation expense	<u>(1,006,849)</u>	(563,095)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		161,026
<p>The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Principal payments	\$ 12,440,730	
Issuance of long-term debt	(14,553,500)	
(Increase) decrease in landfill closure liability	<u>(813,472)</u>	(2,926,242)
<p>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.</p>		
(Increase) decrease in compensated absences	\$ (1,856)	
(Increase) decrease in OPEB liability	(23,000)	
(Increase) decrease in Unamortized bond issuance costs	190,332	
Decrease in accrued interest	<u>130,652</u>	296,128
Change in net assets of governmental activities		<u>\$ (1,875,858)</u>

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

**County of Appomattox, Virginia
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2009**

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	<u>\$ 19,185</u>
LIABILITIES	
Amounts held for social services clients	\$ 12,307
Amounts held for others	6,531
Amounts held for inmates	<u>347</u>
Total liabilities	<u>\$ 19,185</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 APPOMATTOX, VIRGINIA

Notes to Financial Statements
As of June 30, 2009

Note 1—Summary of Significant Accounting Policies:

The County of Appomattox, 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 service, recreational activities, cultural events, education, and social services.

The financial statements of the County of Appomattox, 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.

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 unit. 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.

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

COUNTY OF APPOMATTOX, VIRGINIA

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

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

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, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

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, 2009.

Discretely Presented Component Units. The School Board members are elected by the citizens of Appomattox 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 primary funding is from the General Fund of the County. The School Fund does not issue a separate financial report. The financial statements of the School Board are presented as a discrete presentation of the County financial statements for the fiscal year ended June 30, 2009.

The Economic Development Authority of Appomattox County is responsible for industrial and commercial development in the County. The Authority consists of members that are 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, 2009. The Economic Development Authority does not issue a separate financial 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 APPOMATTOX, VIRGINIA

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

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 APPOMATTOX, VIRGINIA

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

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 as a major governmental fund.

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

Capital Projects Funds - Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities. The County Capital Projects Fund is reported as a major fund.

The County reports the following nonmajor governmental funds:

Special Revenue Funds: Special Revenue Funds account for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

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

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.

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

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.

COUNTY OF APPOMATTOX, VIRGINIA

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

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

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 \$153,216 at June 30, 2009 and is comprised solely of property taxes.

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	June 5/December 5	December 5
Lien Date	January 1	January 1

The County bills and collects its own property taxes.

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COUNTY OF APPOMATTOX, VIRGINIA

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

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 assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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>
Building Improvements	40
Furniture, Vehicles, and Office Equipment	5-20
Buses	10

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 received 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.

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.

COUNTY OF APPOMATTOX, VIRGINIA

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

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

L. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

M. 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 debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued 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 did not exceed appropriations in any fund at June 30, 2009.

COUNTY OF APPOMATTOX, VIRGINIA

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

NOTE 3—Deposits and Investments:

Deposits

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

Investments

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

Credit Risk of Debt Securities

The County's rated debt investments as of June 30, 2009 were rated by Standard and Poor's and the ratings are presented below using the Standard and Poor's rating scale. The County will minimize credit risk by limiting investments to the safest type of securities.

	<u>Fair Quality Ratings</u>	
	<u>AAAm</u>	
Local Government Investment Pool	\$	2,500,000
State Non-Arbitrage Pool		77,009
Total	\$	<u>2,577,009</u>

Interest Rate Risk

The County will minimize the risk that the market value of securities in that portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

External Investment Pools

The State Non-Arbitrage Pool (SNAP) is an open-end management investment company registered with the Securities and Exchange Commission (SEC). The fair value of the positions in the SNAP and Local Government Investment Pool (LGIP) 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.

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 4—Due to/from Other Governments:

At June 30, 2009, the County has receivables from other governments as follows:

	<u>Primary Government</u>	<u>Component Unit School Board</u>
Other Local Governments:		
Appomattox County School Board	\$ 577,630	\$ -
Commonwealth of Virginia:		
Local sales tax	139,597	-
Welfare	41,681	-
Rolling stock tax	38,801	-
Auto rental tax	285	-
Comprehensive services	109,141	-
State Sales Tax	-	299,590
Wireless grant	6,745	-
Constitutional officer reimbursements	160,989	-
Recordation tax	9,419	-
Mobile home titling tax	12,306	-
ABC profits	-	-
Department of Forestry	23,490	-
Tobacco grant	87,707	-
Region 2000 reimbursement	26,993	-
Communications tax	85,253	-
Virginia domestic violence victim funds	10,000	-
Federal Government:		
School fund grants	-	302,764
Welfare	57,409	-
	<u>1,387,446</u>	<u>602,354</u>
Total due from other governments	\$ <u>1,387,446</u>	\$ <u>602,354</u>

At June 30, 2009, amounts due to other local governments are as follows:

Other Local Governments:		
County of Appomattox	\$ <u>-</u>	\$ <u>577,630</u>

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 5—Capital Assets:

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

Primary Government:

	Balance July 1, 2008	Increases	Decreases	Balance June 30, 2009
Governmental activities:				
Capital assets not subject to depreciation:				
Land	\$ 1,038,296	\$ -	\$ -	\$ 1,038,296
Construction in progress	325,150	615,755	275,520	665,385
Total capital assets not subject to depreciation	\$ 1,363,446	\$ 615,755	\$ 275,520	\$ 1,703,681
Capital assets subject to depreciation:				
Buildings	\$ 11,501,773	\$ 534,470	\$ -	\$ 12,036,243
Equipment	4,495,089	121,003	94,090	4,522,002
Infrastructure	-	21,809	-	21,809
Jointly owned assets	12,819,562	96,979	670,742	12,245,799
Total capital assets being depreciated	\$ 28,816,424	\$ 774,261	\$ 764,832	\$ 28,825,853
Less accumulated depreciation for:				
Buildings	\$ 2,434,984	\$ 402,576	\$ -	\$ 2,837,560
Equipment	2,467,281	465,020	94,090	2,838,211
Infrastructure	-	2,181	-	2,181
Jointly owned assets	4,123,092	353,797	216,725	4,260,164
Total accumulated depreciation	\$ 9,025,357	\$ 1,223,574	\$ 310,815	\$ 9,938,116
Total capital assets being depreciated, net	\$ 19,791,067	\$ (449,313)	\$ 454,017	\$ 18,887,737
Governmental capital assets, net	\$ 21,154,513	\$ 166,442	\$ 729,537	\$ 20,591,418

Component Unit - School Board:

	Balance July 1, 2008	Increases	Decreases	Balance June 30, 2009
Governmental activities:				
Capital assets not subject to depreciation:				
Land	\$ 211,370	\$ -	\$ -	\$ 211,370
Total capital assets not subject to depreciation	\$ 211,370	\$ -	\$ -	\$ 211,370
Capital assets subject to depreciation:				
Equipment	\$ 3,102,690	\$ 202,564	\$ 88,761	\$ 3,216,493
Jointly owned assets	12,443,076	-	(670,742)	13,113,818
Total capital assets being depreciated	\$ 15,545,766	\$ 202,564	\$ (581,981)	\$ 16,330,311
Less accumulated depreciation for:				
Equipment	\$ 2,159,393	\$ 212,297	\$ 88,761	\$ 2,282,929
Jointly owned assets	4,002,004	343,408	(216,725)	4,562,137
Total accumulated depreciation	\$ 6,161,397	\$ 555,705	\$ (127,964)	\$ 6,845,066
Total capital assets being depreciated, net	\$ 9,384,369	\$ (353,141)	\$ (454,017)	\$ 9,485,245
Governmental capital assets, net	\$ 9,595,739	\$ (353,141)	\$ (454,017)	\$ 9,696,615

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 5—Capital Assets: (Continued)

Component Unit - economic Development Authority:

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

	<u>Balance</u> <u>July 1, 2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2009</u>
Business-Type activities:				
Capital assets not subject to depreciation:				
Land	\$ 1,386,773	\$ -	\$ -	\$ 1,386,773
Total capital assets not subject to depreciation	\$ 1,386,773	\$ -	\$ -	\$ 1,386,773
Capital assets subject to depreciation:				
Infrastructure	\$ 1,861,204	\$ -	\$ -	\$ 1,861,204
Total capital assets being depreciated	\$ 1,861,204	\$ -	\$ -	\$ 1,861,204
Less accumulated depreciation for:				
Infrastructure	\$ 300,546	\$ 46,530	\$ -	\$ 347,076
Total accumulated depreciation	\$ 300,546	\$ 46,530	\$ -	\$ 347,076
Total capital assets being depreciated, net	\$ 1,560,658	\$ (46,530)	\$ -	\$ 1,514,128
Business-Type capital assets, net	<u>\$ 2,947,431</u>	<u>\$ (46,530)</u>	<u>\$ -</u>	<u>\$ 2,900,901</u>

Depreciation expense was charged to functions/programs/funds as follows:

Governmental activities:

General government administration	\$ 77,258
Judicial administration	146,087
Public safety	394,775
Public works	149,213
Health and welfare	11,049
Education	353,797
Parks, recreation and cultural	50,448
Community development	<u>40,947</u>
Total Governmental activities	<u>\$ 1,223,574</u>
Component Unit School Board	<u>\$ 555,705</u>
Component Unit Economic Development Authority	<u>\$ 46,530</u>

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 6—Interfund Transfers:

Interfund transfers for the year ended June 30, 2009, consisted of the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Primary Government:		
General Fund	\$ 1,101,679	\$ 756,965
County Special Revenue Fund	-	22,362
County Capital Projects Fund	<u>756,965</u>	<u>1,079,317</u>
Total	<u>\$ 1,858,644</u>	<u>\$ 1,858,644</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 7—Long-Term Obligations:

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

	<u>Amounts Payable at July 1, 2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Amounts Payable at June 30, 2009</u>	<u>Amounts Due Within One Year</u>
Governmental Obligations:					
Incurred by County:					
Compensated absences payable	\$ 386,688	\$ 40,525	\$ 38,669	\$ 388,544	\$ 38,854
Lease revenue bonds	11,260,568	14,553,500	11,260,568	14,553,500	-
OPEB liability	-	37,000	14,000	23,000	-
Landfill postclosure care	<u>1,458,349</u>	<u>813,472</u>	<u>-</u>	<u>2,271,821</u>	<u>75,727</u>
Total incurred by County	<u>\$ 13,105,605</u>	<u>\$ 15,444,497</u>	<u>\$ 11,313,237</u>	<u>\$ 17,236,865</u>	<u>\$ 114,581</u>
Incurred by School Board:					
General obligation bonds	\$ 8,696,470	-	\$ 710,834	\$ 7,985,636	\$ 719,698
Capital Leases	<u>469,328</u>	<u>-</u>	<u>469,328</u>	<u>-</u>	<u>-</u>
Total incurred by School Board	<u>\$ 9,165,798</u>	<u>\$ -</u>	<u>\$ 1,180,162</u>	<u>\$ 7,985,636</u>	<u>\$ 719,698</u>
Total General Obligations, Primary Government	<u>\$ 22,271,403</u>	<u>\$ 15,444,497</u>	<u>\$ 12,493,399</u>	<u>\$ 25,222,501</u>	<u>\$ 834,279</u>

The County issued 2009A lease revenue refunding bond in the amount of \$11,208,900 to be used to refund a 2001 Capital Lease, Series 2003A and 2003B lease Revenue Notes, Series 2005 Lease Revenue Bond and Series 2006 Lease Revenue Bond. The aggregate difference in debt service between the refunded debt and the refunding debt was (\$3,308,186). The economic loss on the transaction was (\$692,217).

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 7—Long-Term Obligations: (Continued)

Primary Government:

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

Year Ending June 30	County Obligations	
	Lease Revenue Bonds	
	Principal	Interest
2010	\$ -	\$ 527,510
2011	-	701,596
2012	103,400	701,596
2013	633,600	696,644
2014	688,400	666,084
2015	789,300	632,880
2016	843,900	594,804
2017	901,300	554,094
2018	1,209,300	510,614
2019	1,280,000	452,258
2020	1,349,300	390,492
2021	1,426,200	325,380
2022	1,506,800	256,558
2023	2,103,700	183,846
2024	181,300	82,306
2025	190,000	73,622
2026	199,100	64,522
2027	208,700	54,984
2028	458,600	44,988
2029	480,600	23,021
Total	\$ <u>14,553,500</u>	\$ <u>7,537,799</u>

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 7—Long-Term Obligations: (Continued)

Primary Government: (continued)

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

Year Ending June 30	School Obligations	
	General Obligation Bonds	
	Principal	Interest
2010	\$ 719,698	\$ 381,614
2011	733,767	343,545
2012	663,290	307,754
2013	683,319	274,064
2014	695,100	238,028
2015	662,505	202,825
2016	680,569	168,283
2017	699,327	132,792
2018	464,676	102,957
2019	476,431	78,958
2020	493,541	54,224
2021	502,253	33,854
2022	511,160	13,035
Total	\$ <u>7,985,636</u>	\$ <u>2,331,933</u>

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COUNTY OF APPOMATTOX, VIRGINIA

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

Note 7—Long-Term Obligations: (Continued)

Primary Government: (continued)

Long-term obligations at June 30, 2009 are as follows:

General Obligations:

Incurred by County:

Lease Revenue Bonds:

\$11,208,900 lease revenue bond issued May 28, 2009, payable in varying annual installments, interest at 4.83%, through April 1, 2023.	\$ 11,208,900
\$3,344,600 lease revenue bond issued May 28, 2009, payable in varying annual installments, interest at 4.79%, through April 1, 2029.	<u>3,344,600</u>
Total lease revenue bonds	\$ <u>14,553,500</u>
OPEB liability (payable by the general fund)	\$ <u>23,000</u>
Landfill postclosure care liability (payable by the general fund)	\$ <u>2,271,821</u>
Compensated absences (payable by the general fund)	\$ <u>388,544</u>
Total Incurred by County	\$ <u>17,236,865</u>

Incurred by School Board:

General Obligation bonds

\$1,000,000 school bond issued May 5, 1994, payable in varying amounts and interest rates (6.19%-6.30%) through July 15, 2013	\$ 255,000
\$1,285,000 school bond issued August 1, 1990, payable in varying amounts and interest rates through July 15, 2015	165,000
\$3,789,949 school bond issued November 1, 1996, payable in varying amounts and interest rates through July 15, 2017	1,774,670
\$1,850,000 school bond issued October 26, 2001, payable in varying amounts and interest rates through July 15, 2021	1,385,000
\$6,512,513 school bond issued October 26, 2001, payable in varying amounts and rates through July 15, 2021	<u>4,405,966</u>
Total General Obligation Bonds	\$ <u>7,985,636</u>
Total Incurred by School Board	\$ <u>7,985,636</u>
Total General Obligations, Primary Government	\$ <u>25,222,501</u>

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 7—Long-Term Obligations: (Continued)

Discretely Presented Component - Unit School Board:

The following is a summary of long-term obligation transactions of the Component Unit School Board for the fiscal year ended June 30, 2009:

	Amounts Payable at July 1, 2008	Increases	Decreases	Amounts Payable at June 30, 2009	Amounts Due Within One Year
Component Unit-School Board:					
Early retirement liability	\$ 553,216	\$ -	\$ 18,243	\$ 534,973	\$ 19,703
OPEB liability	-	87,000	45,000	42,000	-
Total Component Unit-School Board	<u>\$ 553,216</u>	<u>\$ 87,000</u>	<u>\$ 63,243</u>	<u>\$ 576,973</u>	<u>\$ 19,703</u>

Year Ending June 30	Early Retirement Liability Payable	
	Principal	Interest
2010	\$ 19,703	\$ 42,798
2011	21,279	41,222
2012	22,981	39,520
2013	24,820	37,681
2014	26,806	35,695
2015	28,950	33,551
2016	31,266	31,235
2017	33,767	28,734
2018	36,468	26,033
2019	39,386	23,115
2020	42,537	19,964
2021	45,940	16,561
2022	49,615	12,886
2023	53,584	8,917
2024	57,871	4,630
Total	<u>\$ 534,973</u>	<u>\$ 402,542</u>

\$703,618 VRS early retirement incentive issued July 1, 1994, payable in annual amounts of principal and interest of \$62,501 through July 1, 2024.

\$534,973

OPEB liability (payable from the School Fund)

42,000

Total Debt Incurred by the School Board (payable from the School Fund)

\$576,973

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 8—Deferred 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 \$942,079 is comprised of the following:

Deferred Property Tax Revenue - Deferred revenue representing uncollected tax billings not available for funding of current expenditures totaled \$823,118 at June 30, 2009.

Prepaid Property Taxes - Property taxes due subsequent to June 30, 2009 but paid in advance by the taxpayers totaled \$118,961 at June 30, 2009.

Note 9— Commitments and Contingent Liabilities:

Federal programs in which the County and all discretely presented component units participate were audited in accordance with the provisions of U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Pursuant to the provisions of this circular all major programs and certain other programs were tested for compliance with applicable grant requirements.

While no matters of noncompliance were disclosed by audit, the Federal Government may subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, any future disallowance of current grant program expenditures, if any, would be immaterial.

Note 10—Litigation:

At June 30, 2009, 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 and the Component Unit School Board are 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.

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 11 –Risk Management: (Continued)

The County also participates with other localities in a public entity risk pool for their coverage of general liability and auto insurance with Virginia Municipal League and public officials' liability with the Virginia Association of Counties Group Self Insurance Risk Pool. The County pays an annual premium to the pools for general insurance through member premiums. The County continues to carry commercial insurance for all other risks of loss. The Component Unit School Board carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 12 –Defined Benefit Pension Plan:

Primary Government and Discretely Presented Component Unit School Board:

A. Plan Description

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

The County and School Board contribute to the Virginia Retirement System (VRS). School Board professional employees participate in a VRS Statewide teacher cost sharing pool, and the County employees and School Board nonprofessional employees participate as a separate group in the agent multiple-employer retirement system.

All full-time, salaried permanent employees of participating employers must participate in the VRS. Benefits vest after five years of service. Employees are eligible for an unreduced retirement benefit at age 65 with 5 years of service (age 60 for participating local law enforcement officers, firefighters, and sheriffs) or at age 50 with at least 30 years of service if elected by the employer (age 50 with at least 25 years of service for participating local law enforcement officers, firefighters, and sheriffs) payable monthly for life in an amount equal to 1.70% for their average final compensation (AFC) for each year of credited service (1.85% for sheriffs and if the employer elects, for other employees in hazardous duty positions receiving enhanced benefits). Benefits are actuarially reduced for retirees who retire prior to becoming eligible for full retirement benefits. In addition, retirees qualify for annual cost-of-living adjustment (COLA) beginning in their second year of retirement. The COLA is limited to 5.00% per year. AFC is defined as the highest consecutive 36 months of reported compensation. Participating local law enforcement officers, firefighters, and sheriffs may receive a monthly benefit supplement if they retire prior to age 65. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

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

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 12 – Defined Benefit Pension Plan: (Continued)

Primary Government and Discretely Presented Component Unit School Board: (Continued)

B. Funding Policy

Plan members are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5.00% of their annual salary to the VRS. This 5.00% member contribution may be assumed by the employer. In addition, the County and School Board are required to contribute the remaining amounts necessary to fund their participation in the VRS using the actuarial basis specified by the Code of Virginia and approved by the VRS Board of Trustees. The County and School Board’s non-professional employees contribution rates for the fiscal year ended 2009 were 10.71% and 6.14% of annual covered payroll, respectively.

The School Board’s professional employees contributed \$939,345, \$1,039,644, and \$900,422, to the teacher cost-sharing pool for the fiscal years ended June 30, 2009, 2008, and 2007 respectively, and these contributions represented 8.81%, 10.30%, and 9.20%, respectively, of current covered payroll.

C. Annual Pension Cost

For fiscal year 2009, the County’s annual pension cost of \$633,147 (which includes the employee portion assumed by the County of \$201,511) was equal to the County’s required and actual contributions.

For fiscal year 2009, the County School Board’s annual pension cost for the Board’s non-professional employees was \$76,759, (which includes the employee portion assumed by the County of \$34,452) which was equal to the Board’s required and actual contributions.

Fiscal Year Ending	Annual Pension Cost (APC) (1)	Percentage of APC Contributed	Net Pension Obligation
County:			
June 30, 2009	\$ 431,636	100%	\$ -
June 30, 2008	382,396	100%	-
June 30, 2007	332,596	100%	-
School Board:			
Non-Professional:			
June 30, 2009	\$ 42,307	100%	\$ -
June 30, 2008	48,605	100%	-
June 30, 2007	59,661	100%	-

(1) Employer portion only

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 12 –Defined Benefit Pension Plan: (Continued)

Primary Government and Discretely Presented Component Unit School Board: (Continued)

C. Annual Pension Cost (Continued)

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

D. Funded Status and Funding Progress

As of June 30, 2008, the most recent actuarial valuation date, the Primary Government plan was 86.05% funded. The actuarial accrued liability for benefits was \$16,884,274, and the actuarial value of assets was \$14,528,854, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,355,420. The covered payroll (annual payroll of active employees covered by the plan) was \$3,862,711, and ratio of the UAAL to the covered payroll was 60.98%.

As of June 30, 2008, the most recent actuarial valuation date, the School Board's Non-Professional plan was 109.83% funded. The actuarial accrued liability for benefits was \$2,040,746, and the actuarial value of assets was \$2,241,335, resulting in an unfunded actuarial accrued liability (UAAL) of (\$200,589). The covered payroll (annual payroll of active employees covered by the plan) was \$622,331, and ratio of the UAAL to the covered payroll was negative 32.23%.

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

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 13 –Closure and Postclosure Costs:

The County closed its landfill and is liable for postclosure monitoring for a period of thirty years. In conjunction with the closing of the landfill, an environmental engineering firm was engaged to devise a closure plan in accordance with federal and State Regulations. The \$2,271,821 reported as landfill postclosure liability at June 30, 2009, represents the estimated liability for postclosure monitoring over the remaining thirty years. These amounts are based on what it would cost to perform all postclosure care in 2009. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

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

Note 14–Surety Bonds:

The Commonwealth of Virginia has established a Faithful Performance of Duty Bond Plan to cover the following positions:

	<u>Amount</u>
Division of Tisk Management, Faithful Performance of Duty Schedule Position Bond: Commonwealth Funds	
Barbara R. Williams, Clerk of the Circuit Court	\$ 115,430
Janet M. Belter, Treasurer	400,000
Sara R. Henderson, Commissioner of the Revenue	3,000
O. Wilson Staples, Sheriff	30,000
The above constitutional officers and subordinate employees - blanket bond	50,000

Note 15–Postemployment Benefits Other Than Pensions:

Plan Description

The County of Appomattox and the County of Appomattox 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 Appomattox 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 APPOMATTOX, VIRGINIA

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

Note 15--Postemployment Benefits Other Than Pensions: (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	\$ 37,000	\$ 87,000
Interest on net OPEB obligation	-	-
Adjustment to annual required contribution	-	-
Annual OPEB cost (expense)	\$ 37,000	\$ 87,000
Estimated Contributions made	(14,000)	(45,000)
Increase in net OPEB obligation	23,000	42,000
Net OPEB obligation-beginning of year	-	-
Net OPEB obligation-end of year	\$ 23,000	\$ 42,000

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 2009 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
County : 6/30/2009	\$ 37,000	37.84%	\$ 23,000
Schools: 6/30/2009	87,000	51.72%	42,000

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 15--Postemployment Benefits Other Than Pensions (Continued):

Funded Status and Funding Progress

As of June 30, 2009, the County's actuarial accrued liability for benefits was \$822,355, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$3,862,711, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 21.29 percent.

As of June 30, 2009, the School Board's actuarial accrued liability for benefits was \$1,933,645, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$10,715,957, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 18.04 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.

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 50 and completes 15 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.

COUNTY OF APPOMATTOX, VIRGINIA

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

Note 15–Postemployment Benefits Other Than Pensions (Continued):

Methods and Assumptions (Continued)

Coverage elections - The actuary assumed that 50% of active participants who retire at age 50 or greater are assumed to continue their coverage into retirement. 25% 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.

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REQUIRED SUPPLEMENTARY INFORMATION

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County of Appomattox, Virginia
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
General property taxes	\$ 8,418,406	\$ 8,418,406	\$ 8,739,210	\$ 320,804
Other local taxes	2,272,600	2,272,600	2,146,757	(125,843)
Permits, privilege fees, and regulatory licenses	113,100	113,100	159,932	46,832
Fines and forfeitures	30,000	30,000	19,785	(10,215)
Revenue from the use of money and property	384,045	384,045	115,715	(268,330)
Charges for services	250,922	250,922	168,082	(82,840)
Miscellaneous	86,502	86,502	219,427	132,925
Recovered costs	75,340	75,340	78,034	2,694
Intergovernmental revenues:				
Appomattox School Board	-	-	53,353	53,353
Commonwealth	5,300,398	5,300,398	5,412,926	112,528
Federal	682,614	682,614	793,373	110,759
Total revenues	\$ 17,613,927	\$ 17,613,927	\$ 17,906,594	\$ 292,667
EXPENDITURES				
Current:				
General government administration	\$ 1,508,435	\$ 1,506,534	\$ 1,384,164	\$ 122,370
Judicial administration	1,006,849	1,155,461	991,963	163,498
Public safety	3,634,000	3,813,426	3,555,375	258,051
Public works	1,393,434	1,524,538	1,368,486	156,052
Health and welfare	2,676,307	3,354,404	2,973,560	380,844
Education	4,401,444	4,401,444	4,199,524	201,920
Parks, recreation, and cultural	493,673	509,108	380,600	128,508
Community development	962,894	1,006,825	720,109	286,716
Capital projects	2,900,586	2,740,299	1,782,520	957,779
Debt service:				
Principal retirement	1,594,497	1,594,497	1,591,988	2,509
Interest and other fiscal charges	568,134	739,326	863,533	(124,207)
Total expenditures	\$ 21,140,253	\$ 22,345,862	\$ 19,811,822	\$ 2,534,040
Excess (deficiency) of revenues over (under) expenditures	\$ (3,526,326)	\$ (4,731,935)	\$ (1,905,228)	\$ 2,826,707
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 599,881	\$ 599,881	\$ 1,101,679	\$ 501,798
Transfers out	-	-	(756,965)	(756,965)
Total other financing sources and uses	\$ 599,881	\$ 599,881	\$ 344,714	\$ (255,167)
Net change in fund balances	\$ (2,926,445)	\$ (4,132,054)	\$ (1,560,514)	\$ 2,571,540
Fund balances - beginning	2,926,445	4,132,054	4,443,003	310,949
Fund balances - ending	\$ -	\$ -	\$ 2,882,489	\$ 2,882,489

County of Appomattox, Virginia

Schedule of Funding Progress-Virginia Retirement System

Last Eight Fiscal Years						
Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded (Excess Funded) Actuarial Accrued Liability (UAAL) (3-2)	Funded Ratio (2)/(3)	Annual Covered Payroll	UAAL as % of Payroll (4)/(6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
County:						
6/30/2008	\$ 14,528,854	\$ 16,884,274	2,355,420	86.05%	\$ 3,862,711	60.98%
6/30/2007	13,009,420	15,181,452	2,172,032	85.69%	3,716,487	58.44%
6/30/2006	11,422,045	12,970,976	1,548,931	88.06%	3,204,187	48.34%
6/30/2005	10,567,651	12,474,514	1,906,863	84.71%	2,936,907	64.93%
6/30/2004	10,108,022	11,350,662	1,242,640	89.05%	2,855,983	43.51%
6/30/2003	9,776,261	10,406,571	630,310	93.94%	2,816,707	22.38%
6/30/2002	9,475,523	9,477,867	2,344	99.98%	2,748,741	0.09%
6/30/2001	9,011,744	8,769,068	(242,676)	102.77%	2,700,675	-8.99%
School Board Non-Professionals:						
6/30/2008	\$ 2,241,335	\$ 2,040,746	(200,589)	109.83%	\$ 622,331	-32.23%
6/30/2007	2,033,380	2,070,542	37,162	98.21%	795,331	4.67%
6/30/2006	1,792,492	1,875,955	83,463	95.55%	780,958	10.69%
6/30/2005	1,710,788	1,891,413	180,625	90.45%	736,895	24.51%
6/30/2004	1,678,809	1,570,229	(108,580)	106.91%	660,514	-16.44%
6/30/2003	1,669,062	1,439,863	(229,199)	115.92%	599,423	-38.24%
6/30/2002	1,675,942	1,344,901	(331,041)	124.61%	655,012	-50.54%
6/30/2001	1,610,915	1,237,113	(373,802)	130.22%	650,447	-57.47%

County of Appomattox, Virginia

Schedule of Funding Progress for Retiree Health Insurance Plan

Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Last Fiscal Year		Annual Covered Payroll	UAAL as % of Payroll (4)/(6)
			Unfunded (Excess Funded) Actuarial Accrued Liability (UAAL) (3-2)	Funded Ratio (2)/(3)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Primary Government:						
7/1/2008	\$ -	\$ 822,355	\$ 822,355	0.00%	\$ 3,862,711	21.29%
Discretely Presented Component Unit:						
7/1/2008	\$ -	\$ 1,933,645	\$ 1,933,645	0.00%	\$ 10,715,957	18.04%

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OTHER SUPPLEMENTARY INFORMATION

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*COMBINING AND INDIVIDUAL FUNDS STATEMENTS
AND SCHEDULES*

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County of Appomattox, Virginia
 County Capital Projects Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ 28,093	\$ 28,093
Total revenues	\$ -	\$ -	\$ 28,093	\$ 28,093
EXPENDITURES				
Current:				
Capital Projects	\$ -	\$ -	\$ 334,967	\$ (334,967)
Debt service:				
Interest and other fiscal charges	-	-	402,825	(402,825)
Total expenditures	\$ -	\$ -	\$ 737,792	\$ (737,792)
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ (709,699)	\$ (709,699)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ 756,965	\$ 756,965
Transfers out	-	-	(1,079,317)	(1,079,317)
Debt issuance	-	-	3,344,600	3,344,600
Issuance of refunding bonds	-	-	11,208,900	11,208,900
Redemption of refunding bonds	-	-	(10,848,742)	(10,848,742)
Total other financing sources and uses	\$ -	\$ -	\$ 3,382,406	\$ 3,382,406
Net change in fund balances	\$ -	\$ -	\$ 2,672,707	\$ 2,672,707
Fund balances - beginning	-	-	6,252,587	6,252,587
Fund balances - ending	\$ -	\$ -	\$ 8,925,294	\$ 8,925,294

County of Appomattox, Virginia
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 County Special Revenue Fund
 For the Year Ended June 30, 2009

	County Special Revenue Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ 1,309	\$ 1,309
Charges for services	-	-	3,491	3,491
Miscellaneous	-	-	10,336	10,336
Intergovernmental revenues:				
Commonwealth	9,201	9,201	53,109	43,908
Total revenues	<u>\$ 9,201</u>	<u>\$ 9,201</u>	<u>\$ 68,245</u>	<u>\$ 59,044</u>
EXPENDITURES				
Current:				
Public safety	\$ -	\$ -	\$ 1,751	\$ (1,751)
Total expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,751</u>	<u>\$ (1,751)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 9,201</u>	<u>\$ 9,201</u>	<u>\$ 66,494</u>	<u>\$ 57,293</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ -	\$ -	\$ (22,362)	\$ (22,362)
Total other financing sources and uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,362)</u>	<u>\$ (22,362)</u>
Net change in fund balances	\$ 9,201	\$ 9,201	\$ 44,132	\$ 34,931
Fund balances - beginning			354,986	354,986
Fund balances - ending	<u>\$ 9,201</u>	<u>\$ 9,201</u>	<u>\$ 399,118</u>	<u>\$ 389,917</u>

County of Appomattox, Virginia
Combining Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2009

	Agency Funds			
	<u>Special Welfare</u>	<u>Jail Inmate</u>	<u>Sheriff Drug</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 12,307	\$ 347	\$ 6,531	\$ 19,185
Total assets	\$ 12,307	\$ 347	\$ 6,531	\$ 19,185
LIABILITIES				
Amounts held for social services clients	\$ 12,307	\$ -	\$ -	\$ 12,307
Amounts held for others	-	-	6,531	6,531
Amounts held for inmates	-	347	-	347
Total liabilities	\$ 12,307	\$ 347	\$ 6,531	\$ 19,185

County of Appomattox, Virginia

Fiduciary Funds
Statement of Changes in Fiduciary Net Assets - Agency Funds
For the Year Ended June 30, 2009

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
Special Welfare Fund:				
Assets:				
Cash and cash equivalents	\$ <u>13,068</u>	\$ <u>36,932</u>	\$ <u>37,693</u>	\$ <u>12,307</u>
Liabilities:				
Amounts held for social services clients	\$ <u>13,068</u>	\$ <u>36,932</u>	\$ <u>37,693</u>	\$ <u>12,307</u>
Jail Inmate Fund:				
Assets:				
Cash and cash equivalents	\$ <u>560</u>	\$ <u>22,332</u>	\$ <u>22,545</u>	\$ <u>347</u>
Liabilities:				
Amounts held for inmates	\$ <u>560</u>	\$ <u>22,332</u>	\$ <u>22,545</u>	\$ <u>347</u>
Sheriff Drug Fund:				
Assets:				
Cash and cash equivalents	\$ <u>3,651</u>	\$ <u>8,250</u>	\$ <u>5,370</u>	\$ <u>6,531</u>
Liabilities:				
Amounts held for others	\$ <u>3,651</u>	\$ <u>8,250</u>	\$ <u>5,370</u>	\$ <u>6,531</u>
Totals -- All Agency Funds				
Assets:				
Cash and cash equivalents	\$ <u>17,279</u>	\$ <u>67,514</u>	\$ <u>65,608</u>	\$ <u>19,185</u>
Liabilities:				
Amounts held for others	\$ 3,651	\$ 8,250	\$ 5,370	\$ 6,531
Amounts held for inmates	560	22,332	22,545	347
Amounts held for social services clients	<u>13,068</u>	<u>36,932</u>	<u>37,693</u>	<u>12,307</u>
Total liabilities	\$ <u>17,279</u>	\$ <u>67,514</u>	\$ <u>65,608</u>	\$ <u>19,185</u>

*DISCRETELY PRESENTED COMPONENT UNIT
SCHOOL BOARD*

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County of Appomattox, Virginia
Combining Balance Sheet
Discretely Presented Component Unit - School Board
June 30, 2009

	<u>School Operating Fund</u>	<u>School Special Revenue Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 2,393,741	\$ 1,262,884	\$ 3,656,625
Cash in custody of others	-	4,000	4,000
Receivables (net of allowance for uncollectibles):			
Accounts receivable	33,750	84	33,834
Due from other governmental units	602,354	-	602,354
Total assets	<u>\$ 3,029,845</u>	<u>\$ 1,266,968</u>	<u>\$ 4,296,813</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 58,474	\$ 321	\$ 58,795
Accrued liabilities	1,721,741	55,677	1,777,418
Due to other governmental units	577,630	-	577,630
Total liabilities	<u>\$ 2,357,845</u>	<u>\$ 55,998</u>	<u>\$ 2,413,843</u>
Fund balances:			
Unreserved:			
Designated for subsequent expenditure	\$ 670,000	\$ -	\$ 670,000
Undesignated	2,000	1,210,970	1,212,970
Total fund balances	<u>\$ 672,000</u>	<u>\$ 1,210,970</u>	<u>\$ 1,882,970</u>
Total liabilities and fund balances	<u>\$ 3,029,845</u>	<u>\$ 1,266,968</u>	<u>\$ 4,296,813</u>

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

Total fund balances per above	\$ 1,882,970
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	9,696,615
Long-term liabilities, including VRS early retirement incentive, are not due and payable in the current period and, therefore, are not reported in the funds.	(576,973)
Net assets of governmental activities	<u>\$ 11,002,612</u>

County of Appomattox, 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, 2009

	School Operating Fund	School Special Revenue Fund	Total Governmental Funds
REVENUES			
Revenue from the use of money and property	\$ 10,545	\$ 5,893	\$ 16,438
Charges for services	80,508	412,245	492,753
Miscellaneous	203,627	-	203,627
Recovered costs	32,514	-	32,514
Intergovernmental revenues:			
Local government	4,199,148	-	4,199,148
Commonwealth	15,125,624	13,548	15,139,172
Federal	1,278,603	522,960	1,801,563
Total revenues	<u>\$ 20,930,569</u>	<u>\$ 954,646</u>	<u>\$ 21,885,215</u>
EXPENDITURES			
Current:			
Education	\$ 20,186,514	\$ 1,095,041	\$ 21,281,555
Capital projects	11,554	-	11,554
Debt service:			
Principal retirement	18,243	-	18,243
Interest and other fiscal charges	44,258	-	44,258
Total expenditures	<u>\$ 20,260,569</u>	<u>\$ 1,095,041</u>	<u>\$ 21,355,610</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 670,000</u>	<u>\$ (140,395)</u>	<u>\$ 529,605</u>
Net change in fund balances	\$ 670,000	\$ (140,395)	\$ 529,605
Fund balances - beginning	2,000	1,351,365	1,353,365
Fund balances - ending	<u>\$ 672,000</u>	<u>\$ 1,210,970</u>	<u>\$ 1,882,970</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 \$ 529,605

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period.

Capital asset additions	\$ 873,306	
Depreciation expense	<u>(772,430)</u>	100,876

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

Principal payments	<u>\$ 18,243</u>	18,243
--------------------	------------------	--------

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.

(Increase) decrease in OPEB liability	<u>\$ (42,000)</u>	(42,000)
---------------------------------------	--------------------	----------

Change in net assets of governmental activities	<u>\$ 606,724</u>
-------------------------------------------------	-------------------

County of Appomattox, 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, 2009

	School Operating Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 7,000	\$ 7,000	\$ 10,545	\$ 3,545
Charges for services	9,600	9,600	80,508	70,908
Miscellaneous	77,700	77,700	203,627	125,927
Recovered costs	15,500	15,500	32,514	17,014
Intergovernmental revenues:				
Local government	4,401,068	4,401,068	4,199,148	(201,920)
Commonwealth	15,609,340	15,609,340	15,125,624	(483,716)
Federal	1,359,492	1,359,492	1,278,603	(80,889)
Total revenues	<u>\$ 21,479,700</u>	<u>\$ 21,479,700</u>	<u>\$ 20,930,569</u>	<u>\$ (549,131)</u>
EXPENDITURES				
Current:				
Education	\$ 21,097,199	\$ 21,097,199	\$ 20,186,514	\$ 910,685
Capital projects	20,000	20,000	11,554	8,446
Debt service:				
Principal retirement	18,243	18,243	18,243	-
Interest and other fiscal charges	44,258	44,258	44,258	-
Total expenditures	<u>\$ 21,179,700</u>	<u>\$ 21,179,700</u>	<u>\$ 20,260,569</u>	<u>\$ 919,131</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 670,000</u>	<u>\$ 370,000</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ (300,000)	\$ (300,000)	\$ -	\$ 300,000
Total other financing sources and uses	<u>\$ (300,000)</u>	<u>\$ (300,000)</u>	<u>\$ -</u>	<u>\$ 300,000</u>
Net change in fund balances	\$ -	\$ -	\$ 670,000	\$ 670,000
Fund balances - beginning	-	-	2,000	2,000
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 672,000</u>	<u>\$ 672,000</u>

County of Appomattox, 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, 2009

	School Special Revenue Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 16,000	\$ 16,000	\$ 5,893	\$ (10,107)
Charges for services	425,000	425,000	412,245	(12,755)
Miscellaneous	2,600	2,600	-	(2,600)
Intergovernmental revenues:				
Commonwealth	13,163	13,163	13,548	385
Federal	409,000	409,000	522,960	113,960
Total revenues	<u>\$ 865,763</u>	<u>\$ 865,763</u>	<u>\$ 954,646</u>	<u>\$ 88,883</u>
EXPENDITURES				
Current:				
Education	\$ 1,246,170	\$ 1,246,170	\$ 1,095,041	\$ 151,129
Total expenditures	<u>\$ 1,246,170</u>	<u>\$ 1,246,170</u>	<u>\$ 1,095,041</u>	<u>\$ 151,129</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (380,407)</u>	<u>\$ (380,407)</u>	<u>\$ (140,395)</u>	<u>\$ 240,012</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 300,000	\$ 300,000	\$ -	\$ (300,000)
Total other financing sources and uses	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ -</u>	<u>\$ (300,000)</u>
Net change in fund balances	\$ (80,407)	\$ (80,407)	\$ (140,395)	\$ (59,988)
Fund balances - beginning	80,407	80,407	1,351,365	1,270,958
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,210,970</u>	<u>\$ 1,210,970</u>

*DISCRETELY PRESENTED COMPONENT UNIT
ECONOMIC DEVELOPMENT AUTHORITY*

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County of Appomattox, Virginia
Statement of Net Assets
Discretely Presented Component Unit-Economic Development Authority
June 30, 2009

ASSETS

Current assets:		
Cash and cash equivalents	\$	<u>75,085</u>
Noncurrent assets:		
Capital assets:		
Land	\$	1,386,773
Infrastructure		1,861,204
Less accumulated depreciation		<u>(347,076)</u>
Total capital assets	\$	<u>2,900,901</u>
Total noncurrent assets	\$	<u>2,900,901</u>
 Total assets	 \$	 <u>2,975,986</u>
 NET ASSETS		
Invested in capital assets, net of related debt	\$	2,900,901
Unrestricted		75,085
Total net assets	\$	<u><u>2,975,986</u></u>

County of Appomattox, Virginia
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Discretely Presented Component Unit-Economic Development Authority
For the Year Ended June 30, 2009

OPERATING REVENUES

Charges for services:

Bond fees	\$ 9,375
Materials and supplies	4,072
Total operating revenues	<u>\$ 13,447</u>

OPERATING EXPENSES

Other supplies and expenses	\$ 826
Depreciation	46,530
Total operating expenses	<u>\$ 47,356</u>

Operating income (loss)	<u>\$ (33,909)</u>
-------------------------	--------------------

NONOPERATING REVENUES (EXPENSES)

Investment earnings	\$ 455
Total nonoperating revenues (expenses)	<u>\$ 455</u>

Change in net assets	<u>\$ (33,454)</u>
----------------------	--------------------

Total net assets - beginning	<u>3,009,440</u>
Total net assets - ending	<u><u>\$ 2,975,986</u></u>

County of Appomattox, Virginia
Statement of Cash Flows
Discretely Presented Component Unit-Economic Development Authority
For the Year Ended June 30, 2009

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers and users	\$ 13,447
Payments for operating activities	<u>(826)</u>

Net cash provided (used) by operating activities	\$ <u>12,621</u>
--------------------------------------------------	------------------

CASH FLOWS FROM INVESTING ACTIVITIES

Interest and dividends received	\$ <u>455</u>
---------------------------------	---------------

Net cash provided (used) by investing activities	\$ <u>455</u>
--------------------------------------------------	---------------

Net increase (decrease) in cash and cash equivalents	13,076
------------------------------------------------------	--------

Cash and cash equivalents - beginning	62,009
Cash and cash equivalents - ending	<u>\$ 75,085</u>

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

Operating income (loss)	\$ (33,909)
-------------------------	-------------

Adjustments to reconcile operating income (loss) to net cash
provided (used) by operating activities:

Depreciation expense	46,530
----------------------	--------

Total adjustments	\$ <u>46,530</u>
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Net cash provided (used) by operating activities	\$ <u><u>12,621</u></u>
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SUPPORTING SCHEDULES

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County of Appomattox, Virginia
 Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2009

Schedule 1
 Page 1 of 6

<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	\$ 5,679,072	\$ 5,679,072	\$ 5,654,070	\$ (25,002)
Real and personal public service corporation taxes	211,604	211,604	370,770	159,166
Personal property taxes	2,042,385	2,042,385	2,157,371	114,986
Machinery and tools taxes	303,288	303,288	350,674	47,386
Merchant's capital taxes	82,057	82,057	83,407	1,350
Penalties	65,000	65,000	82,586	17,586
Interest	35,000	35,000	40,332	5,332
Total general property taxes	<u>\$ 8,418,406</u>	<u>\$ 8,418,406</u>	<u>\$ 8,739,210</u>	<u>\$ 320,804</u>
Other local taxes:				
Local sales and use taxes	\$ 900,000	\$ 900,000	\$ 807,068	\$ (92,932)
Consumers' utility taxes	330,000	330,000	335,914	5,914
Communication taxes	600,000	600,000	587,391	(12,609)
Motor vehicle licenses	350,000	350,000	329,574	(20,426)
Taxes on recordation and wills	92,600	92,600	86,810	(5,790)
Total other local taxes	<u>\$ 2,272,600</u>	<u>\$ 2,272,600</u>	<u>\$ 2,146,757</u>	<u>\$ (125,843)</u>
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 4,000	\$ 4,000	\$ 9,798	\$ 5,798
Permits and other licenses	109,100	109,100	150,134	41,034
Total permits, privilege fees, and regulatory licenses	<u>\$ 113,100</u>	<u>\$ 113,100</u>	<u>\$ 159,932</u>	<u>\$ 46,832</u>
Fines and forfeitures:				
Court fines and forfeitures	\$ 30,000	\$ 30,000	\$ 19,785	\$ (10,215)
Total fines and forfeitures	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 19,785</u>	<u>\$ (10,215)</u>
Revenue from use of money and property:				
Revenue from use of money	\$ 300,000	\$ 300,000	\$ 72,668	\$ (227,332)
Revenue from use of property	84,045	84,045	43,047	(40,998)
Total revenue from use of money and property	<u>\$ 384,045</u>	<u>\$ 384,045</u>	<u>\$ 115,715</u>	<u>\$ (268,330)</u>
Charges for services:				
Sheriff's fees	\$ 794	\$ 794	\$ 794	\$ -
Charges for Commonwealth's Attorney	450	450	655	205
Charges for sanitation and waste removal	186,378	186,378	112,305	(74,073)
Charges for planning and community development	100	100	2	(98)
Charges for correction and detention	12,700	12,700	13,219	519
Charges for other protection	500	500	2,145	1,645
Charges for recreation	36,000	36,000	23,161	(12,839)
Charges for library	14,000	14,000	15,801	1,801
Total charges for services	<u>\$ 250,922</u>	<u>\$ 250,922</u>	<u>\$ 168,082</u>	<u>\$ (82,840)</u>
Miscellaneous revenue:				
Miscellaneous	\$ 86,502	\$ 86,502	\$ 219,427	\$ 132,925
Total miscellaneous revenue	<u>\$ 86,502</u>	<u>\$ 86,502</u>	<u>\$ 219,427</u>	<u>\$ 132,925</u>

County of Appomattox, Virginia
 Schedule of Revenues - Budget and Actual
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 For the Year Ended June 30, 2009

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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)				
Revenue from local sources: (Continued)				
Recovered costs:				
Refunds and recoveries	\$ 20,650	\$ 20,650	\$ 22,198	\$ 1,548
Town recoveries	54,690	54,690	55,836	1,146
Total recovered costs	<u>\$ 75,340</u>	<u>\$ 75,340</u>	<u>\$ 78,034</u>	<u>\$ 2,694</u>
Total revenue from local sources	<u>\$ 11,630,915</u>	<u>\$ 11,630,915</u>	<u>\$ 11,646,942</u>	<u>\$ 16,027</u>
Intergovernmental revenues:				
Revenues from local governments:				
Contribution from Appomattox County School Board	\$ -	\$ -	\$ 53,353	\$ 53,353
Total revenues from local governments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,353</u>	<u>\$ 53,353</u>
Revenue from the Commonwealth:				
Noncategorical aid:				
ABC profits	\$ 6,889	\$ 6,889	\$ -	\$ (6,889)
Wine taxes	7,222	7,222	-	(7,222)
Motor vehicle carriers' tax	545	545	-	(545)
Mobile home titling tax	35,000	35,000	60,502	25,502
Rolling stock tax	30,000	30,000	38,801	8,801
Auto rental tax	16,186	16,186	26,009	9,823
Additional tax on deeds	25,000	25,000	19,634	(5,366)
State recordation tax	23,000	23,000	34,471	11,471
Personal property tax relief funds	1,023,637	1,023,637	1,023,637	-
Payback to the Commonwealth	-	-	(112,534)	(112,534)
Total noncategorical aid	<u>\$ 1,167,479</u>	<u>\$ 1,167,479</u>	<u>\$ 1,090,520</u>	<u>\$ (76,959)</u>
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 318,286	\$ 318,286	\$ 307,079	\$ (11,207)
Sheriff	1,311,145	1,311,145	1,264,728	(46,417)
Commissioner of revenue	116,327	116,327	114,210	(2,117)
Treasurer	106,161	106,161	103,328	(2,833)
Medical examiner	700	700	-	(700)
Registrar/electoral board	50,000	50,000	57,250	7,250
Clerk of the Circuit Court	167,110	167,110	172,009	4,899
Total shared expenses	<u>\$ 2,069,729</u>	<u>\$ 2,069,729</u>	<u>\$ 2,018,604</u>	<u>\$ (51,125)</u>
Other categorical aid:				
Public assistance and welfare administration	\$ 478,845	\$ 478,845	\$ 503,092	\$ 24,247
Comprehensive services act	718,390	718,390	1,041,529	323,139
Emergency medical services	29,844	29,844	-	(29,844)
Tobacco revitalization	571,401	571,401	400,410	(170,991)
Fire programs fund	30,979	30,979	31,981	1,002
Local jail block grant	100,000	100,000	84,628	(15,372)
Library grant	37,000	37,000	45,135	8,135
Part-time attorney grant	40,000	40,000	50,000	10,000
Department of forestry grant	30,000	30,000	23,490	(6,510)
Victim witness grant	18,000	18,000	21,981	3,981
Litter control grant	8,731	8,731	8,501	(230)
Sheriff's overtime grant	-	-	3,364	3,364
CVCC repairs	-	-	6,200	6,200
Juvenile and domestic electronic monitoring	-	-	2,040	2,040
Circuit court clerk grant	-	-	11,910	11,910

County of Appomattox, Virginia
 Schedule of Revenues - Budget and Actual
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 For the Year Ended June 30, 2009

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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)				
Revenue from the Commonwealth: (Continued)				
Categorical aid: (Continued)				
Other categorical aid: (Continued)				
LIDS/SSA local inmate grant	\$ -	\$ -	\$ 1,800	\$ 1,800
Byrne sheriff's department grant	-	-	621	621
PSAP Virginia wireless grant	-	-	67,120	67,120
Total other categorical aid	<u>\$ 2,063,190</u>	<u>\$ 2,063,190</u>	<u>\$ 2,303,802</u>	<u>\$ 240,612</u>
Total categorical aid	<u>\$ 4,132,919</u>	<u>\$ 4,132,919</u>	<u>\$ 4,322,406</u>	<u>\$ 189,487</u>
Total revenue from the Commonwealth	<u>\$ 5,300,398</u>	<u>\$ 5,300,398</u>	<u>\$ 5,412,926</u>	<u>\$ 112,528</u>
Revenue from the federal government:				
Noncategorical aid:				
Payments in lieu of taxes	<u>\$ 4,200</u>	<u>\$ 4,200</u>	<u>\$ 6,090</u>	<u>\$ 1,890</u>
Categorical aid:				
Public assistance and welfare administration	\$ 678,414	\$ 678,414	\$ 725,835	\$ 47,421
Transportation safety	-	-	14,248	14,248
Homeland security grant	-	-	47,200	47,200
Total categorical aid	<u>\$ 678,414</u>	<u>\$ 678,414</u>	<u>\$ 787,283</u>	<u>\$ 108,869</u>
Total revenue from the federal government	<u>\$ 682,614</u>	<u>\$ 682,614</u>	<u>\$ 793,373</u>	<u>\$ 110,759</u>
Total General Fund	<u>\$ 17,613,927</u>	<u>\$ 17,613,927</u>	<u>\$ 17,906,594</u>	<u>\$ 292,667</u>
Special Revenue Fund:				
County Special Revenue Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 1,309	\$ 1,309
Charges for services:				
Court costs- law library	\$ -	\$ -	\$ 3,491	\$ 3,491
Miscellaneous revenue:				
Jail collections	\$ -	\$ -	\$ 6,876	\$ 6,876
Forfeited assets	-	-	3,002	3,002
Other miscellaneous	-	-	458	458
Total miscellaneous revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,336</u>	<u>\$ 10,336</u>
Revenue from the Commonwealth:				
Categorical aid:				
Forfeited assets	\$ -	\$ -	\$ 3,219	\$ 3,219
Wireless grant	-	-	40,689	40,689
Comprehensive services	9,201	9,201	9,201	-
Total categorical aid	<u>\$ 9,201</u>	<u>\$ 9,201</u>	<u>\$ 53,109</u>	<u>\$ 43,908</u>
Total revenue from the Commonwealth	<u>\$ 9,201</u>	<u>\$ 9,201</u>	<u>\$ 53,109</u>	<u>\$ 43,908</u>
Total County Special Revenue Fund	<u>\$ 9,201</u>	<u>\$ 9,201</u>	<u>\$ 68,245</u>	<u>\$ 59,044</u>

County of Appomattox, Virginia
 Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2009

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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>
Capital Projects Fund:				
County Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 28,093	\$ 28,093
Total revenue from use of money and property	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,093</u>	<u>\$ 28,093</u>
Total revenue from local sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,093</u>	<u>\$ 28,093</u>
Total County Capital Projects Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,093</u>	<u>\$ 28,093</u>
Total Primary Government	<u>\$ 17,623,128</u>	<u>\$ 17,623,128</u>	<u>\$ 18,002,932</u>	<u>\$ 379,804</u>
Discretely Presented Component Unit - School Board:				
Special Revenue Funds:				
School Operating Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of property	\$ 7,000	\$ 7,000	\$ 10,545	\$ 3,545
Charges for services:				
Charges for education	\$ 9,600	\$ 9,600	\$ 80,508	\$ 70,908
Miscellaneous revenue:				
Miscellaneous	\$ 77,700	\$ 77,700	\$ 203,627	\$ 125,927
Recovered costs:				
Tuition from other counties	\$ 15,500	\$ 15,500	\$ 32,514	\$ 17,014
Total recovered costs	<u>\$ 15,500</u>	<u>\$ 15,500</u>	<u>\$ 32,514</u>	<u>\$ 17,014</u>
Total revenue from local sources	<u>\$ 109,800</u>	<u>\$ 109,800</u>	<u>\$ 327,194</u>	<u>\$ 217,394</u>
Intergovernmental revenues:				
Revenues from local governments:				
Contribution from County of Appomattox	\$ 4,401,068	\$ 4,401,068	\$ 4,199,148	\$ (201,920)
Total revenues from local governments	<u>\$ 4,401,068</u>	<u>\$ 4,401,068</u>	<u>\$ 4,199,148</u>	<u>\$ (201,920)</u>
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 2,096,641	\$ 2,096,641	\$ 1,894,727	\$ (201,914)
Basic school aid	8,830,616	8,830,616	8,519,619	(310,997)
English as a second language	-	-	886	886
Adult secondary education	3,386	3,386	3,536	150
Gifted and talented	76,667	76,667	73,565	(3,102)

County of Appomattox, 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>
Discretely Presented Component Unit - School Board: (Continued)				
Special Revenue Funds: (Continued)				
School Operating Fund: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid: (Continued)				
Remedial education	\$ 190,816	\$ 190,816	\$ 183,096	\$ (7,720)
Special education	1,003,488	1,003,488	1,145,004	141,516
Textbook payment	201,924	201,924	193,755	(8,169)
ISAEF	7,859	7,859	7,859	-
Vocational education	353,555	353,555	338,400	(15,155)
Electronic classroom	40,000	40,000	-	(40,000)
School fringes	1,071,637	1,071,637	1,028,279	(43,358)
Foster care	26,897	26,897	35,744	8,847
Occupational preparation	167,921	167,921	15,065	(152,856)
Career and technical education	29,677	29,677	-	(29,677)
Early reading intervention	41,773	41,773	34,811	(6,962)
Remedial Ed-Summer School	100,377	100,377	114,767	14,390
Homebound	18,451	18,451	15,241	(3,210)
School construction	135,068	135,068	134,758	(310)
Additional construction support	-	-	324,717	324,717
Headstart	158,574	158,574	-	(158,574)
K-3 initiative	286,995	286,995	269,309	(17,686)
VA preschool initiative payments	-	-	242,931	242,931
Enrollment loss	-	-	188,787	188,787
Lottery proceeds	405,927	405,927	-	(405,927)
At risk payments	173,856	173,856	166,811	(7,045)
Technology grant	154,000	154,000	154,000	-
Standards of Learning algebra readiness	23,705	23,705	26,025	2,320
Mentor teachers	3,785	3,785	3,232	(553)
Virtual advanced placement	-	-	702	702
Other state aid	5,745	5,745	9,998	4,253
Total categorical aid	<u>\$ 15,609,340</u>	<u>\$ 15,609,340</u>	<u>\$ 15,125,624</u>	<u>\$ (483,716)</u>
Total revenue from the Commonwealth	<u>\$ 15,609,340</u>	<u>\$ 15,609,340</u>	<u>\$ 15,125,624</u>	<u>\$ (483,716)</u>
Revenue from the federal government:				
Categorical aid:				
Title I	\$ 483,284	\$ 483,284	\$ 443,625	\$ (39,659)
Vocational education	-	-	41,096	41,096
Title II Part A	-	-	92,360	92,360
Drug free schools	10,171	10,171	6,688	(3,483)
Title VIB	437,261	437,261	453,620	16,359
Goals 2000	4,950	4,950	-	(4,950)
Class size reduction	222,164	222,164	-	(222,164)
Preschool grant	17,630	17,630	17,630	-
21st Century learning grant	20,000	20,000	221,044	201,044
Literacy challenge	2,743	2,743	-	(2,743)
Carl Perkins Grant	44,857	44,857	-	(44,857)
Innovative reading programs	5,934	5,934	-	(5,934)
Education technology	-	-	2,540	2,540
Teacher training	110,498	110,498	-	(110,498)
Total categorical aid	<u>\$ 1,359,492</u>	<u>\$ 1,359,492</u>	<u>\$ 1,278,603</u>	<u>\$ (80,889)</u>
Total revenue from the federal government	<u>\$ 1,359,492</u>	<u>\$ 1,359,492</u>	<u>\$ 1,278,603</u>	<u>\$ (80,889)</u>
Total School Operating Fund	<u>\$ 21,479,700</u>	<u>\$ 21,479,700</u>	<u>\$ 20,930,569</u>	<u>\$ (549,131)</u>

County of Appomattox, Virginia
 Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2009

<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>
Discretely Presented Component Unit - School Board: (Continued)				
School Special Revenue Funds: (Continued)				
School Special Revenue Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ 16,000	\$ 16,000	\$ 5,893	\$ (10,107)
Charges for services:				
Cafeteria sales	\$ 425,000	\$ 425,000	\$ 407,163	\$ (17,837)
Textbook fees	-	-	5,082	5,082
Total charges for services	<u>\$ 425,000</u>	<u>\$ 425,000</u>	<u>\$ 412,245</u>	<u>\$ (12,755)</u>
Miscellaneous revenue:				
Miscellaneous	\$ 2,600	\$ 2,600	-	\$ (2,600)
Total miscellaneous revenue	<u>\$ 2,600</u>	<u>\$ 2,600</u>	<u>\$ -</u>	<u>\$ (2,600)</u>
Total revenue from local sources	<u>\$ 443,600</u>	<u>\$ 443,600</u>	<u>\$ 418,138</u>	<u>\$ (25,462)</u>
Revenue from the Commonwealth:				
Categorical aid:				
School food program grant	\$ 13,163	\$ 13,163	\$ 13,548	\$ 385
Total revenue from the Commonwealth	<u>\$ 13,163</u>	<u>\$ 13,163</u>	<u>\$ 13,548</u>	<u>\$ 385</u>
Revenue from the federal government:				
Categorical aid:				
School food program grant	\$ 409,000	\$ 409,000	\$ 457,232	\$ 48,232
Commodities	-	-	65,728	65,728
Total categorical aid	<u>\$ 409,000</u>	<u>\$ 409,000</u>	<u>\$ 522,960</u>	<u>\$ 113,960</u>
Total revenue from the federal government	<u>\$ 409,000</u>	<u>\$ 409,000</u>	<u>\$ 522,960</u>	<u>\$ 113,960</u>
Total School Special Revenue Fund	<u>\$ 865,763</u>	<u>\$ 865,763</u>	<u>\$ 954,646</u>	<u>\$ 88,883</u>
Total Discretely Presented Component Unit - School Board	<u>\$ 22,345,463</u>	<u>\$ 22,345,463</u>	<u>\$ 21,885,215</u>	<u>\$ (460,248)</u>

County of Appomattox, Virginia
 Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2009

<u>Fund, Major and Minor Expenditure Source</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	\$ 209,928	\$ 185,575	\$ 170,743	\$ 14,832
General and financial administration:				
County administrator	\$ 369,306	\$ 379,583	\$ 371,735	\$ 7,848
Legal services	24,500	37,200	34,422	2,778
Commissioner of revenue	324,855	324,855	310,429	14,426
Independent auditor	48,000	34,000	31,500	2,500
Treasurer	262,281	272,756	261,913	10,843
Management information systems	141,750	141,750	80,351	61,399
Total general and financial administration	<u>\$ 1,170,692</u>	<u>\$ 1,190,144</u>	<u>\$ 1,090,350</u>	<u>\$ 99,794</u>
Board of elections:				
Electoral board and officials	\$ 48,636	\$ 51,636	\$ 46,278	\$ 5,358
Registrar	79,179	79,179	76,793	2,386
Total board of elections	<u>\$ 127,815</u>	<u>\$ 130,815</u>	<u>\$ 123,071</u>	<u>\$ 7,744</u>
Total general government administration	<u>\$ 1,508,435</u>	<u>\$ 1,506,534</u>	<u>\$ 1,384,164</u>	<u>\$ 122,370</u>
Judicial administration:				
Courts:				
Circuit court	\$ 21,360	\$ 21,360	\$ 19,460	\$ 1,900
General district court	3,006	3,006	2,933	73
Special Magistrates	850	850	795	55
Court services unit	202,532	202,532	174,501	28,031
Juvenile and domestic relations court	5,188	5,188	4,208	980
Sheriff	71,041	77,878	77,762	116
Witness advocate grant	21,359	21,398	21,299	99
VA domestic victim grant	39,810	152,832	51,421	101,411
Clerk of the circuit court	246,322	274,826	253,120	21,706
Total courts	<u>\$ 611,468</u>	<u>\$ 759,870</u>	<u>\$ 605,499</u>	<u>\$ 154,371</u>
Commonwealth's attorney:				
Commonwealth's attorney	\$ 395,381	\$ 395,591	\$ 386,464	\$ 9,127
Total commonwealth's attorney	<u>\$ 395,381</u>	<u>\$ 395,591</u>	<u>\$ 386,464</u>	<u>\$ 9,127</u>
Total judicial administration	<u>\$ 1,006,849</u>	<u>\$ 1,155,461</u>	<u>\$ 991,963</u>	<u>\$ 163,498</u>
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 2,010,857	\$ 2,069,490	\$ 1,981,577	\$ 87,913
School resource officer	94,656	94,656	91,403	3,253
DARE	2,000	2,713	2,713	-
DMV traffic control grant	-	23,881	14,687	9,194
Total law enforcement and traffic control	<u>\$ 2,107,513</u>	<u>\$ 2,190,740</u>	<u>\$ 2,090,380</u>	<u>\$ 100,360</u>
Fire and rescue services:				
Fire department	\$ 140,398	\$ 163,910	\$ 161,195	\$ 2,715
Ambulance and rescue services	27,386	27,386	38,693	(11,307)
Forestry service	11,124	11,124	8,573	2,551
Total fire and rescue services	<u>\$ 178,908</u>	<u>\$ 202,420</u>	<u>\$ 208,461</u>	<u>\$ (6,041)</u>
Correction and detention:				
Sheriff	\$ 395,526	\$ 395,982	\$ 301,910	\$ 94,072
Total correction and detention	<u>\$ 395,526</u>	<u>\$ 395,982</u>	<u>\$ 301,910</u>	<u>\$ 94,072</u>

County of Appomattox, Virginia
 Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2009

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<u>Fund, Major and Minor Expenditure Source</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	\$ 70,585	\$ 72,248	\$ 69,304	\$ 2,944
Total inspections	<u>\$ 70,585</u>	<u>\$ 72,248</u>	<u>\$ 69,304</u>	<u>\$ 2,944</u>
Other protection:				
Animal control	\$ 149,841	\$ 155,914	\$ 158,006	\$ (2,092)
Emergency services	12,440	12,440	11,304	1,136
E-911	718,387	766,777	699,765	67,012
Road viewers	300	16,405	16,105	300
Medical examiner	500	500	140	360
Total other protection	<u>\$ 881,468</u>	<u>\$ 952,036</u>	<u>\$ 885,320</u>	<u>\$ 66,716</u>
Total public safety	<u>\$ 3,634,000</u>	<u>\$ 3,813,426</u>	<u>\$ 3,555,375</u>	<u>\$ 258,051</u>
Public works:				
Sanitation and waste removal:				
Refuse disposal	\$ 721,400	\$ 722,159	\$ 628,610	\$ 93,549
Tire security	42,180	42,180	40,925	1,255
Refuse collection	247,073	248,153	196,310	51,843
Total sanitation and waste removal	<u>\$ 1,010,653</u>	<u>\$ 1,012,492</u>	<u>\$ 865,845</u>	<u>\$ 146,647</u>
Maintenance of general buildings and grounds:				
General properties	\$ 382,781	\$ 512,046	\$ 502,641	\$ 9,405
Total maintenance of general buildings and grounds	<u>\$ 382,781</u>	<u>\$ 512,046</u>	<u>\$ 502,641</u>	<u>\$ 9,405</u>
Total public works	<u>\$ 1,393,434</u>	<u>\$ 1,524,538</u>	<u>\$ 1,368,486</u>	<u>\$ 156,052</u>
Health and welfare:				
Health:				
Local health department	\$ 130,550	\$ 130,550	\$ 127,300	\$ 3,250
Total health	<u>\$ 130,550</u>	<u>\$ 130,550</u>	<u>\$ 127,300</u>	<u>\$ 3,250</u>
Mental health and mental retardation:				
Central VA Community Services	\$ 38,555	\$ 38,555	\$ 38,555	\$ -
Central VA Commission on Aging	5,768	5,768	5,768	-
Total mental health and mental retardation	<u>\$ 44,323</u>	<u>\$ 44,323</u>	<u>\$ 44,323</u>	<u>\$ -</u>
Welfare:				
Public assistance and welfare administration	\$ 1,463,037	\$ 1,648,937	\$ 1,478,770	\$ 170,167
State and local hospitalization	12,223	12,223	11,140	1,083
Comprehensive services act	1,026,174	1,518,371	1,312,027	206,344
Total welfare	<u>\$ 2,501,434</u>	<u>\$ 3,179,531</u>	<u>\$ 2,801,937</u>	<u>\$ 377,594</u>
Total health and welfare	<u>\$ 2,676,307</u>	<u>\$ 3,354,404</u>	<u>\$ 2,973,560</u>	<u>\$ 380,844</u>
Education:				
Other instructional costs:				
Contributions to Community College	\$ 376	\$ 376	\$ 376	\$ -
Contribution to County School Board	4,401,068	4,401,068	4,199,148	201,920
Total education	<u>\$ 4,401,444</u>	<u>\$ 4,401,444</u>	<u>\$ 4,199,524</u>	<u>\$ 201,920</u>
Parks, recreation, and cultural:				
Parks and recreation:				
Supervision of parks and recreation	\$ 293,569	\$ 293,569	\$ 170,118	\$ 123,451
Total parks and recreation	<u>\$ 293,569</u>	<u>\$ 293,569</u>	<u>\$ 170,118</u>	<u>\$ 123,451</u>

County of Appomattox, Virginia
 Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2009

Schedule 2
 Page 3 of 4

<u>Fund, Major and Minor Expenditure Source</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: (Continued)				
Cultural enrichment:				
Contributions	\$ 14,315	\$ 14,339	\$ 13,838	\$ 501
Total cultural enrichment	<u>\$ 14,315</u>	<u>\$ 14,339</u>	<u>\$ 13,838</u>	<u>\$ 501</u>
Library:				
Public library	\$ 185,789	\$ 201,200	\$ 196,644	\$ 4,556
Total library	<u>\$ 185,789</u>	<u>\$ 201,200</u>	<u>\$ 196,644</u>	<u>\$ 4,556</u>
Total parks, recreation, and cultural	<u>\$ 493,673</u>	<u>\$ 509,108</u>	<u>\$ 380,600</u>	<u>\$ 128,508</u>
Community development:				
Planning and community development:				
Planning and zoning	\$ 162,168	\$ 162,168	\$ 129,900	\$ 32,268
Tourism	40,000	40,000	21,623	18,377
Economic development	612,231	627,439	415,731	211,708
Total planning and community development	<u>\$ 814,399</u>	<u>\$ 829,607</u>	<u>\$ 567,254</u>	<u>\$ 262,353</u>
Environmental management:				
Contribution to soil and water conservation district	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
Erosion and sediment control	60,072	60,072	58,421	1,651
Litter control program	7,500	8,501	8,501	-
Recycling	21,300	43,951	35,900	8,051
Total environmental management	<u>\$ 98,872</u>	<u>\$ 122,524</u>	<u>\$ 112,822</u>	<u>\$ 9,702</u>
Cooperative extension program:				
Extension office	\$ 49,623	\$ 54,694	\$ 40,033	\$ 14,661
Total cooperative extension program	<u>\$ 49,623</u>	<u>\$ 54,694</u>	<u>\$ 40,033</u>	<u>\$ 14,661</u>
Total community development	<u>\$ 962,894</u>	<u>\$ 1,006,825</u>	<u>\$ 720,109</u>	<u>\$ 286,716</u>
Capital projects:				
Town/County Sewer Project	\$ 76,573	\$ 76,573	\$ 76,573	\$ -
CVCC Phase II	405,382	390,174	28,225	361,949
Waterline project	-	-	402,795	(402,795)
Regional jail	196,039	50,000	50,000	-
Landfill cell	2,126,985	2,126,985	1,128,360	998,625
Regional landfill	95,607	95,607	95,607	-
Landfill gas extraction	-	960	960	-
Total capital projects	<u>\$ 2,900,586</u>	<u>\$ 2,740,299</u>	<u>\$ 1,782,520</u>	<u>\$ 957,779</u>
Debt service:				
Principal retirement	\$ 1,594,497	\$ 1,594,497	\$ 1,591,988	\$ 2,509
Interest and other fiscal charges	568,134	739,326	863,533	(124,207)
Total debt service	<u>\$ 2,162,631</u>	<u>\$ 2,333,823</u>	<u>\$ 2,455,521</u>	<u>\$ (121,698)</u>
Total General Fund	<u>\$ 21,140,253</u>	<u>\$ 22,345,862</u>	<u>\$ 19,811,822</u>	<u>\$ 2,534,040</u>

County of Appomattox, Virginia
 Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2009

Schedule 2
 Page 4 of 4

<u>Fund, Major and Minor Expenditure Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Special Revenue Fund:				
County Special Revenue Fund:				
Public Safety:				
Sheriff:				
Asset forfeiture	\$ -	\$ -	\$ 1,751	\$ (1,751)
Total public safety	\$ -	\$ -	\$ 1,751	\$ (1,751)
Total County Special Revenue Fund	\$ -	\$ -	\$ 1,751	\$ (1,751)
Capital Projects Fund:				
County Capital Projects Fund:				
Capital projects:				
County schools	\$ -	\$ -	\$ 334,967	\$ (334,967)
Total capital projects	\$ -	\$ -	\$ 334,967	\$ (334,967)
Debt service:				
Interest and other fiscal charges	\$ -	\$ -	\$ 212,493	\$ (212,493)
Debt issuance costs	-	-	190,332	(190,332)
Total debt service	\$ -	\$ -	\$ 402,825	\$ (402,825)
Total County Capital Projects Fund	\$ -	\$ -	\$ 737,792	\$ (737,792)
Total Primary Government	\$ 21,140,253	\$ 22,345,862	\$ 20,551,365	\$ 1,794,497
Discretely Presented Component Unit - School Board:				
Special Revenue Funds:				
School Operating Fund:				
Education:				
Administration, health, and attendance	\$ 1,453,558	\$ 1,453,558	\$ 1,194,006	\$ 259,552
Instruction costs	15,783,525	15,783,525	15,390,281	393,244
Pupil transportation	1,514,012	1,514,012	1,236,397	277,615
Operation and maintenance of school plant	2,346,104	2,346,104	2,365,830	(19,726)
Total education	\$ 21,097,199	\$ 21,097,199	\$ 20,186,514	\$ 910,685
Capital projects:				
Architectural and engineering fees	\$ 20,000	\$ 20,000	\$ 11,554	\$ 8,446
Total capital projects	\$ 20,000	\$ 20,000	\$ 11,554	\$ 8,446
Debt service:				
Principal retirement	\$ 18,243	\$ 18,243	\$ 18,243	\$ -
Interest and other fiscal charges	44,258	44,258	44,258	-
Total debt service	\$ 62,501	\$ 62,501	\$ 62,501	\$ -
Total School Operating Fund	\$ 21,179,700	\$ 21,179,700	\$ 20,260,569	\$ 919,131
School Special Revenue Fund:				
Education:				
School food services	\$ 946,170	\$ 946,170	\$ 933,218	\$ 12,952
Purchase of textbooks	300,000	300,000	42,742	257,258
Contribution to Appomattox County	-	-	53,353	(53,353)
Commodities	-	-	65,728	(65,728)
Total education	\$ 1,246,170	\$ 1,246,170	\$ 1,095,041	\$ 151,129
Total School Special Revenue Fund	\$ 1,246,170	\$ 1,246,170	\$ 1,095,041	\$ 151,129
Total Discretely Presented Component Unit - School Board	\$ 22,425,870	\$ 22,425,870	\$ 21,355,610	\$ 1,070,260

OTHER STATISTICAL INFORMATION

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Table 1

County of Appomattox, Virginia
Government-Wide Expenses by Function
Last Seven Fiscal Years (1)

Fiscal Year	General Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education	Parks, Recreation, and Cultural	Community Development	Interest on Long-Term Debt	Total
2003	\$ 1,350,833	\$ 469,287	\$ 2,225,786	\$ 873,534	\$ 1,308,452	\$ 5,662,462	\$ 279,212	\$ 308,316	\$ 867,038	\$ 13,344,920
2004	828,232	532,887	2,521,928	962,971	1,505,196	4,016,627	346,118	204,635	893,530	11,812,124
2005	1,170,807	583,153	2,835,043	1,352,780	1,660,989	4,469,140	487,671	146,870	855,233	13,561,686
2006	1,339,431	815,114	2,865,601	1,666,280	1,797,968	4,359,925	247,760	446,936	986,249	14,525,264
2007	1,306,507	1,052,434	3,177,263	1,346,568	2,309,238	4,548,847	(76,008)	546,808	958,613	15,170,270
2008	1,717,318	1,059,914	3,568,696	1,854,655	2,790,885	4,778,638	377,658	285,603	862,965	17,296,332
2009	1,475,556	1,138,050	3,796,542	3,482,208	2,967,988	4,986,375	408,633	761,056	945,374	19,961,782

66 (1) Information has only been available for seven years.

Table 2

County of Appomattox, Virginia
Government-Wide Revenues
Last Seven Fiscal Years (1)

Fiscal Year	PROGRAM REVENUES				GENERAL REVENUES							Total
	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	Gain on Transfer of Capital Assets		
2003	\$ 328,181	\$ 3,099,413	\$ -	\$ 5,812,820	\$ 1,858,039	\$ 127,092	\$ 251,816	\$ 1,091,251	\$ -	\$ 12,568,612		
2004	370,207	2,973,267	-	5,900,440	1,893,037	133,187	113,922	1,132,562	-	12,516,622		
2005	415,174	3,125,215	-	6,053,467	2,034,091	217,978	124,788	1,097,634	557,600	13,068,347		
2006	361,753	3,908,749	-	6,698,006	2,340,139	448,053	130,250	1,184,428	-	15,071,378		
2007	457,380	4,511,884	-	7,958,743	2,184,586	591,753	135,756	1,182,599	-	17,022,701		
2008	448,455	4,330,058	-	8,329,989	2,241,637	516,691	140,251	1,153,964	-	17,161,045		
2009	351,290	5,162,798	-	8,900,236	2,146,757	145,117	229,763	1,149,963	-	18,085,924		

(1) Information has only been available for seven years.

Table 3

County of Appomattox, 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
2000	\$ 1,332,775	\$ 315,905	\$ 1,787,783	\$ 1,608,634	\$ 1,207,553	\$ 15,399,595	\$ 202,326	\$ 140,094	\$ 1,142,829	\$ 23,137,494
2001	1,171,267	401,435	2,003,528	812,715	1,175,006	16,957,619	380,524	413,250	1,388,851	24,704,195
2002	1,160,704	376,121	2,067,344	771,847	1,294,041	14,911,401	281,060	227,479	8,833,136	29,923,133
2003	1,324,054	422,762	2,543,582	833,480	1,296,522	15,376,358	266,705	308,316	4,356,374	26,728,153
2004	983,619	533,588	2,469,062	799,778	1,380,790	15,867,065	296,380	204,635	1,677,438	24,212,355
2005	1,120,819	633,237	2,897,984	1,252,657	1,615,123	17,502,540	369,805	146,870	2,043,195	27,582,230
2006	1,167,158	669,675	3,101,684	1,336,192	1,780,349	18,194,723	326,808	475,711	2,440,045	29,492,345
2007	1,268,483	906,995	3,427,456	1,382,337	2,282,361	19,561,871	374,171	739,616	2,022,901	31,966,191
2008	1,568,371	930,864	3,543,957	1,456,118	2,772,020	20,243,682	380,070	267,413	2,542,673	33,705,168
2009	1,384,164	991,963	3,557,126	1,368,486	2,973,560	21,228,578	380,600	720,109	2,518,022	35,122,608

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

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

(3) Excludes Capital Projects funds.

Table 4

County of Appomattox, 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
2000	\$ 4,974,803	\$ 1,484,673	\$ 34,338	\$ 10,670	\$ 333,674	\$ 682,091	\$ 101,273	\$ 200,270	\$ 13,672,139	\$ 21,493,931
2001	5,710,235	1,554,489	46,206	7,229	320,906	713,244	219,976	234,550	14,630,281	23,437,116
2002	5,704,222	1,559,328	53,724	13,497	183,208	888,633	106,652	157,710	15,108,315	23,775,289
2003	5,748,379	1,858,039	55,742	38,471	108,170	683,363	339,138	175,021	15,830,082	24,836,405
2004	5,869,017	1,893,037	71,729	26,734	137,106	718,925	166,892	151,772	16,175,565	25,210,777
2005	6,130,568	2,034,091	72,227	49,260	203,383	762,336	253,940	101,006	17,507,953	27,114,764
2006	6,368,207	2,340,139	89,291	20,577	331,075	700,935	318,742	139,128	19,185,569	29,493,663
2007	8,034,012	2,184,586	146,111	27,627	469,715	850,405	252,284	86,399	21,118,177	33,169,316
2008	8,360,316	2,241,637	145,356	27,689	423,312	902,716	354,902	146,311	21,156,951	33,759,190
2009	8,739,210	2,146,757	159,932	19,785	133,462	664,326	433,390	110,548	23,200,143	35,607,553

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

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

(3) Excludes Capital Projects funds.

Table 5

County of Appomattox, 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
2000	\$ 5,283,326	\$ 5,092,926	96.40%	\$ 80,559	\$ 5,173,485	97.92%	\$ 287,088	5.43%
2001	6,307,199	6,082,308	96.43%	95,552	6,177,860	97.95%	364,844	5.78%
2002	6,587,539	6,414,531	97.37%	103,702	6,518,233	98.95%	425,622	6.46%
2003	6,648,457	6,421,520	96.59%	149,328	6,570,848	98.83%	503,939	7.58%
2004	6,847,001	6,654,480	97.19%	53,039	6,707,519	97.96%	561,276	8.20%
2005	7,075,747	6,841,320	96.69%	133,161	6,974,481	98.57%	591,500	8.36%
2006	7,646,351	7,104,961	92.92%	201,541	7,306,502	95.56%	901,390	11.79%
2007	8,879,016	8,701,949	98.01%	223,258	8,925,207	100.52%	1,033,820	11.64%
2008	9,337,425	9,061,026	97.04%	213,449	9,274,475	99.33%	1,026,411	10.99%
2009	9,883,252	9,473,285	95.85%	166,644	9,639,929	97.54%	1,403,813	14.20%

(1) Exclusive of penalties and interest. Does not include land redemptions.

(2) Includes three most current delinquent tax years and first half of current tax year.

Table 6

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

Fiscal Year	Real Estate (1)	Mobile Homes	Personal Property (1)	Machinery and Tools	Merchant's Capital	Public Utility (2)		Total
						Real Estate	Personal Property	
2000	\$ 476,051,032	\$ 9,507,755	\$ 44,385,985	\$ 4,920,230	\$ 6,271,730	\$ 39,698,500	\$ 221,630	\$ 581,056,862
2001	495,314,498	10,076,970	47,165,288	4,579,820	6,233,960	47,857,895	222,425	611,450,856
2002	557,240,097	10,854,922	52,630,120	5,216,380	6,583,162	49,653,959	179,154	682,357,794
2003	617,395,027	10,197,033	53,190,247	5,336,991	7,059,627	56,874,036	335,991	750,388,952
2004	632,023,124	10,513,918	56,455,559	6,001,429	7,392,798	53,105,336	306,743	765,798,907
2005	644,164,177	10,044,582	56,273,912	6,204,367	7,845,555	43,841,289	260,634	768,634,516
2006	666,911,618	10,069,168	61,162,572	6,326,572	7,956,118	47,957,589	358,642	800,742,279
2007	686,406,667	9,902,270	64,423,605	6,270,659	8,138,852	48,261,121	242,610	823,645,784
2008	982,560,682	9,774,752	65,524,137	6,593,214	8,205,633	48,091,865	273,006	1,121,023,289
2009	1,253,862,991	9,171,318	70,408,129	7,879,731	9,520,696	78,282,888	572,286	1,429,698,039

(1) Real estate and personal property are assessed at 100% of fair market value.

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

Table 7

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

Fiscal Year	Real Estate	Mobile Homes	Personal Property	Machinery and Tools	Merchant's Capital
2000	0.55/0.80 \$	0.55 \$	3.50 \$	3.50 \$	1.00
2001	0.80	0.80	3.50	3.50	1.00
2002	0.66/0.80	0.80	3.50	3.50	1.00
2003	0.66	0.66	3.50	3.50	1.00
2004	0.66	0.66	3.50	3.50	1.00
2005	0.66/0.72	0.66	3.50	3.50	1.00
2006	0.72	0.72	3.50	3.50	1.00
2007	0.72/0.77	0.72	4.60	4.60	1.00
2008	0.77/0.44	0.77	4.60	4.60	1.00
2009	0.44/0.48	0.44	4.60	4.60	1.00

(1) Per \$100 of assessed value.

Table 8

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

Fiscal Year	Population (1)	Assessed Value (2)	Gross Bonded Debt (3)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2000	12,298	\$ 581,056,862	\$ 5,335,889	\$ 5,335,889	0.92%	434
2001	13,705	611,450,856	4,753,819	4,753,819	0.78%	347
2002	13,705	682,357,794	12,515,608	12,515,608	1.83%	913
2003	13,705	750,388,952	11,802,239	11,802,239	1.57%	861
2004	13,705	765,798,907	11,113,342	11,113,342	1.45%	811
2005	13,705	768,634,516	10,431,245	10,431,245	1.36%	761
2006	13,705	800,742,279	9,756,085	9,756,085	1.22%	712
2007	13,705	823,645,784	9,384,347	9,384,347	1.14%	685
2008	13,705	1,121,023,289	8,696,470	8,696,470	0.78%	635
2009	13,705	1,429,698,039	7,985,636	7,985,636	0.56%	583

(1) Center of Government at the University of Virginia for 1990 census and Weldon Cooper Center for Public Service for 2000 census.

(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 SECTION

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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 Appomattox
Appomattox, Virginia

We have audited the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Appomattox, Virginia, as of and for the year ended June 30, 2009, which collectively comprise the County of Appomattox, Virginia's basic financial statements and have issued our report thereon dated December 23, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County of Appomattox, 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 Appomattox, Virginia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County of Appomattox, Virginia's internal control over financial reporting.

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

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

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

Compliance and Other Matters

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

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.

Robbin, Fann, Cox Associate

Richmond, Virginia
December 23, 2009

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

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

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

Compliance

We have audited the compliance of the County of Appomattox, Virginia with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The County of Appomattox, 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 Appomattox, Virginia's management. Our responsibility is to express an opinion on the County of Appomattox, 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 Appomattox, 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 Appomattox, Virginia's compliance with those requirements.

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

Internal Control Over Compliance

The management of the County of Appomattox, 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 Appomattox, Virginia's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County of Appomattox, Virginia's internal control over compliance.

Internal Control Over Compliance(Continued)

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

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

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

This report is intended solely for the information and use of 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.

Robyn, Farn, Cox Associates

Richmond, Virginia
December 23, 2009

County of Appomattox, Virginia
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/State Pass - Through Grantor/ Program Title (Pass - Through Grantor's Number)	Federal Catalog Number	Expenditures
Department of Health and Human Services:		
Pass Through Payments:		
Department of Social Services:		
Promoting Safe and Stable Families	93.556	\$ 16,659
Temporary Assistance for Needy Families (TANF)	93.558	146,875
Refugee and Entrant Assistance - State administered programs	93.566	254
Low Income Home Energy Assistance	93.568	7,492
Child Care and Development Block Grants	93.575	63,477
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	55,384
Chafee Education and Training Vouchers Program	93.599	4,000
Child Welfare Services - State Grants	93.645	920
Foster Care - Title IV-E	93.658	111,814
ARRA - Foster Care - Title IV-E	93.658	5,959
Adoption Assistance	93.659	4,347
Social Services Block Grant	93.667	54,462
Chafee Foster Care Independence Program	93.674	16,498
ARRA - Child Care and Development Block Grant	93.713	846
Children's Health Insurance Program	93.767	10,244
Medical Assistance Program	93.778	89,782
		<u>589,013</u>
Total Department of Health and Human Services		<u>\$ 589,013</u>
Department of Agriculture:		
Pass Through Payments:		
Department of Agriculture:		
Food Distribution - School	10.555	\$ 65,728
Department of Education:		
National school breakfast program	10.553	99,491
National school lunch program	10.555	357,741
Department of Social Services:		
State Admin Matching Grants for Supplemental Nutrition Assistance Program	10.561	136,822
		<u>659,782</u>
Total Department of Agriculture		<u>\$ 659,782</u>
Department of the Interior:		
Direct payments:		
Bureau of Land Management:		
Payments in lieu of taxes-public law 95-561	15.226	\$ 6,090
		<u>6,090</u>
Total Department of the Interior		<u>\$ 6,090</u>

County of Appomattox, Virginia
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2009

Federal Grantor/State Pass - Through Grantor/ Program Title (Pass - Through Grantor's Number)	Federal Catalog Number	Expenditures
Department of Transportation:		
Pass Through Payments:		
Department of Motor Vehicles:		
Alcohol impaired driving countermeasures incentive grants	20.601	\$ 14,248
Total Department of Transportation		<u>\$ 14,248</u>
Department of Homeland Security:		
Pass Through Payments:		
Department of Emergency Services:		
State domestic preparedness equipment support program	97.004	\$ 47,200
Department of Education:		
Pass Through Payments:		
Department of Education:		
Title I: Grants to local educational agencies	84.010	\$ 443,625
Special Education grants to states	84.027	453,620
Career and Technical Education: Basic grants to states	84.048	41,096
Special education preschool grants	84.173	17,630
Safe and Drug free schools and communities	84.186	6,688
Improving Teacher Quality State Grants	84.367	92,360
21st Century Community Learning Centers	84.287	221,044
Education technology	84.352	2,540
Total Department of Education		<u>\$ 1,278,603</u>
Total Federal Assistance		<u>\$ 2,594,936</u>

County of Appomattox, Virginia

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

Note 1 - General

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

Note 2 - Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the County's basic financial statements.

Note 3 - Relationship to Financial Statements

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

Intergovernmental federal revenues per the basic financial statements:	
Primary government:	
General Fund	\$ 793,373
Total primary government	\$ <u>793,373</u>
Component Unit Public Schools:	
School Operating Fund	\$ 1,278,603
School Cafeteria Fund	522,960
Total component unit public schools	\$ <u>1,801,563</u>
Total federal expenditures per basic financial statements	\$ <u>2,594,936</u>
Total federal expenditures per the Schedule of Expenditures of Federal Awards	\$ <u><u>2,594,936</u></u>

County of Appomattox, Virginia
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009

Section I-Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unqualified

Internal control over financial reporting:

a. Material weaknesses identified? ___ yes X no

b. Significant deficiencies identified that are not considered to be material weaknesses? ___ yes X no

Noncompliance material to financial statements noted? ___ yes X no

Federal Awards

Internal control over major programs:

a. Material weaknesses identified? ___ yes X no

b. Significant deficiencies identified that are not considered to be material weaknesses? ___ yes X no

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

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

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.553/10.555	Child Nutrition Cluster
84.010	Title I
93.658	Foster Care - Title IV-E/ARRA

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

Auditee qualified as low-risk auditee? X yes ___ no

Section II-Financial Statement Findings

None

Section III-Federal Award Findings and Questioned Costs

None

County of Appomattox, Virginia
Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2009

There were no findings or questioned costs.

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