



COUNTY OF MADISON, VIRGINIA
FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2009

COUNTY OF MADISON, VIRGINIA

Financial Report
Year Ended June 30, 2009

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COUNTY OF MADISON, VIRGINIA
DIRECTORY OF PRINCIPAL OFFICIALS
FISCAL YEAR ENDED JUNE 30, 2009

BOARD OF SUPERVISORS

Eddie Dean, Chairman
James L. Arrington, Vice-Chairman

William L. Crigler
Clark Powers

Bob Miller

DEPARTMENT OF SOCIAL SERVICES BOARD

Lisa Robertson, Chairman
Barbara A. Breeding, Vice-Chairman

James L. Arrington
William H. Craig

Michael D. Hale

MADISON COUNTY SCHOOL BOARD

Jeffrey C. Early, Chairman
James L. Nelson, Jr., Vice-Chairman

C. Douglas "Doug" Farmer

Tanya Taylor

Doreen G. Jenkins

OTHER OFFICIALS

Daniel R. Bouton..... Judge of the Circuit Court
Linda ParrishClerk of the Circuit Court
Roger L. Morton..... Judge of the General District Court
Edward DeJ. Berry Judge of the Juvenile & Domestic Relations Court
Susan Whitlock Judge of the Juvenile & Domestic Relations Court
George S. Webb, III Commonwealth's Attorney
Gale L. Harris Commissioner of the Revenue
Stephanie Murray Treasurer
Erik Weaver Sheriff
Brenda Tanner Superintendent of Schools
Elizabeth PattersonClerk of the School Board
Nancy B. Coppedge Director of Social Services
Lisa Robertson County Administrator

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

INDEPENDENT AUDITORS' REPORT

TO THE HONORABLE MEMBERS OF THE BOARD OF SUPERVISORS COUNTY OF MADISON, VIRGINIA

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Madison, 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 Madison, 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 Commonwealth of Virginia, Office of the Auditor of Public Accounts. 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 unit, each major fund, and the aggregate remaining fund information of the County of Madison, Virginia, as of June 30, 2009, and the respective changes in financial position, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated January 4, 2010, on our consideration of the County of Madison, 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 is not a required part of the basic financial statements but is supplementary information required by the accounting principles generally accepted in the United States of America. The County of Madison, Virginia has not presented the Management's Discussion and Analysis. The general fund budgetary comparison information and schedule of pension funding progress 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 consist 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 Madison, Virginia's, basic financial statements. The introductory section, other supplementary information, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by 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 Madison, Virginia. The other supplementary information and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Robinson, Fermer, Co. Associates

Charlottesville, Virginia
January 4, 2010

BASIC FINANCIAL STATEMENTS

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Government-wide Financial Statements

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Statement of Net Assets
At June 30, 2009

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>School Board</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 9,223,944	\$ 1,902,402
Receivables (net of allowance for uncollectibles):		
Property taxes	938,684	-
Accounts receivable	148,406	49,508
Note receivable	21,467	-
Due from other governments	559,725	475,079
Due from Component Unit	469,359	-
Total Current Assets	<u>\$ 11,361,585</u>	<u>\$ 2,426,989</u>
Noncurrent Assets:		
Capital assets:		
Land and construction in progress	\$ 6,833,167	\$ 109,803
Buildings and equipment, net of depreciation	8,560,588	4,526,299
Total Noncurrent Assets	<u>\$ 15,393,755</u>	<u>\$ 4,636,102</u>
Total Assets	<u>\$ 26,755,340</u>	<u>\$ 7,063,091</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 979,907	\$ 55,228
Accrued liabilities	-	1,774,412
Due to Primary Government	-	469,359
Accrued interest payable	78,338	-
Deferred revenue	77,600	-
Current portion of long-term obligations	1,622,767	30,938
Total Current Liabilities	<u>\$ 2,758,612</u>	<u>\$ 2,329,937</u>
Noncurrent Liabilities:		
Noncurrent portion of long-term obligations	<u>7,077,749</u>	<u>278,439</u>
Total Liabilities	<u>\$ 9,836,361</u>	<u>\$ 2,608,376</u>
NET ASSETS		
Invested in capital assets, net of related debt	\$ 7,793,757	\$ 4,636,102
Unrestricted assets	<u>9,125,222</u>	<u>(181,387)</u>
Total Net Assets	<u>\$ 16,918,979</u>	<u>\$ 4,454,715</u>
Total Liabilities and Net Assets	<u>\$ 26,755,340</u>	<u>\$ 7,063,091</u>

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

Statement of Activities
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 Government	Component Unit
					Governmental Activities	School Board
PRIMARY GOVERNMENT:						
Governmental activities:						
General government						
administration	\$ 1,274,260	\$ -	\$ 351,321	\$ -	\$ (922,939)	\$ -
Judicial administration	816,078	175,459	350,570	-	(290,049)	-
Public safety	4,279,844	232,347	1,013,721	-	(3,033,776)	-
Public works	1,432,619	184,672	124,878	-	(1,123,069)	-
Health and welfare	2,652,806	-	1,629,908	-	(1,022,898)	-
Education	7,455,744	-	-	-	(7,455,744)	-
Parks, recreation, and cultural	354,226	107,383	1,000	-	(245,843)	-
Community development	435,164	418	-	95,724	(339,022)	-
Interest on long-term debt	206,551	-	-	-	(206,551)	-
Total governmental activities	\$ 18,907,292	\$ 700,279	\$ 3,471,398	\$ 95,724	\$ (14,639,891)	\$ -
COMPONENT UNIT:						
School Board	\$ 18,108,653	\$ 485,019	\$ 10,309,414	\$ -	\$ -	\$ (7,314,220)
General revenues:						
General property taxes				\$ 16,597,542	\$ -	\$ -
Local sales and use tax				871,669	-	-
Communication taxes				605,598	-	-
Consumers' utility taxes				323,111	-	-
Motor vehicle licenses				11,395	-	-
Restaurant food taxes				328,782	-	-
Other local taxes				274,476	-	-
Unrestricted revenues from use of money and property				150,953		30,032
Miscellaneous				249,562		166,572
Grants and contributions not restricted to specific programs				1,089,378		-
County contribution to School Board				-		7,339,286
Change in net assets				\$ 5,862,575	\$ 221,670	\$ -
Net assets - beginning, as restated				11,056,404	4,233,045	-
Net assets - ending				\$ 16,918,979	\$ 4,454,715	\$ -

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

Fund Financial Statements

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Balance Sheet - Governmental Funds
At June 30, 2009

ASSETS	General Fund	Capital Improvement Fund	Total
Cash and cash equivalents	\$ 9,223,944	\$ -	\$ 9,223,944
Receivables (Net of allowance for uncollectibles):			
Taxes, including penalties	938,684	-	938,684
Accounts receivable	148,406	-	148,406
Note receivable	21,467	-	21,467
Due from component unit	469,359	-	469,359
Due from other funds	-	725,567	725,567
Due from other governmental units	559,725	-	559,725
Total assets	<u>\$ 11,361,585</u>	<u>\$ 725,567</u>	<u>\$ 12,087,152</u>
LIABILITIES			
Accounts payable	\$ 254,340	\$ 725,567	\$ 979,907
Due to other funds	725,567	-	725,567
Deferred revenue	850,076	-	850,076
Total liabilities	<u>\$ 1,829,983</u>	<u>\$ 725,567</u>	<u>\$ 2,555,550</u>
FUND BALANCES			
Unreserved, undesignated	\$ 9,531,602	\$ -	\$ 9,531,602
Total fund balances	<u>\$ 9,531,602</u>	<u>\$ -</u>	<u>\$ 9,531,602</u>
Total liabilities and fund balances	<u>\$ 11,361,585</u>	<u>\$ 725,567</u>	

Detailed explanation of adjustments from fund statements to government-wide statement of net assets:

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

15,393,755

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

(78,338)

Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example, receivables) are offset by deferred revenues in the governmental funds and thus are not included in the fund balance.

772,476

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

(8,700,516)

Net assets of general government activities

\$ 16,918,979

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

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

	<u>General</u>	<u>Capital Improvement</u>	<u>Total</u>
Revenues:			
General property taxes	\$ 16,255,821	\$ -	\$ 16,255,821
Other local taxes	2,415,031	-	2,415,031
Permits, privilege fees and regulatory licenses	213,156	-	213,156
Fines and forfeitures	127,581	-	127,581
Revenue from use of money and property	150,953	-	150,953
Charges for services	359,542	-	359,542
Miscellaneous	249,562	-	249,562
Intergovernmental:			
Commonwealth	3,728,649	-	3,728,649
Federal	927,851	-	927,851
Total revenues	\$ 24,428,146	\$ -	\$ 24,428,146
Expenditures:			
Current:			
General government administration	\$ 1,066,321	\$ -	\$ 1,066,321
Judicial administration	779,987	-	779,987
Public safety	4,095,111	-	4,095,111
Public works	1,384,744	-	1,384,744
Health and welfare	2,637,754	-	2,637,754
Education	6,922,994	-	6,922,994
Parks, recreation, and cultural	283,468	-	283,468
Community development	434,648	-	434,648
Nondepartmental	141,418	-	141,418
Capital projects	-	3,580,242	3,580,242
Debt service:			
Principal retirement	584,041	-	584,041
Interest and other fiscal charges	201,523	14,623	216,146
Total expenditures	\$ 18,532,009	\$ 3,594,865	\$ 22,126,874
Excess (deficiency) of revenues over expenditures	\$ 5,896,137	\$ (3,594,865)	\$ 2,301,272
Other Financing Sources (uses):			
Issuance of long-term debt	\$ 3,010,000	\$ -	\$ 3,010,000
Transfers in	-	3,594,865	3,594,865
Transfers (out)	(3,594,865)	-	(3,594,865)
Total other financing sources (uses)	\$ (584,865)	\$ 3,594,865	\$ 3,010,000
Net change in fund balances	\$ 5,311,272	\$ -	\$ 5,311,272
Fund balances at beginning of year, as restated	4,220,330	-	4,220,330
Fund balances at end of year	\$ 9,531,602	\$ -	\$ 9,531,602

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

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

		<u>Primary Government Governmental Funds</u>
Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	\$	5,311,272
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period. The following details support this adjustment:		
Capital outlay	\$ 3,660,440	
Depreciation expense	<u>(520,142)</u>	3,140,298
Transfer of joint tenancy assets from Primary Government to the Component Unit		(418,000)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Details of this item consist of deferred taxes.		341,721
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. A summary of items supporting this adjustment is as follows:		
Principal retired on general obligation bonds	\$ 274,041	
Issuance of long-term debt	(3,010,000)	
Principal retired on state literary fund loans	<u>310,000</u>	(2,425,959)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds. The following is a summary of items supporting this adjustment:		
Change in accrued leave	\$ (96,352)	
Change in interest payable	<u>9,595</u>	<u>(86,757)</u>
Change in net assets of governmental activities	\$	<u>5,862,575</u>

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

Statement of Fiduciary Net Assets
At June 30, 2009

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 39,266
Accounts receivable	<u>778</u>
Total assets	\$ <u><u>40,044</u></u>
LIABILITIES	
Amounts held for others	\$ <u>40,044</u>
Total liabilities	\$ <u><u>40,044</u></u>

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

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The County of Madison, Virginia was formed in 1792 and is governed by an elected five member Board of Supervisors. The Board of Supervisors is responsible for appointing the County Administrator. The County provides a full range of services for its citizens. These services include police and volunteer fire protection, sanitation services, recreational activities, cultural events, education, and social services.

The financial statements of the County of Madison, 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.

Government-wide and Fund Financial Statements:

Government-wide Financial Statements:

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

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

Statement of Net Assets:

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

Statement of Activities:

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Fund Financial Statements:

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

Budgetary Comparison Schedules:

Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments, and have a keen interest in following the actual financial progress of their government over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Under the GASB 34 reporting model, governments provide budgetary comparison information in their annual reports including the original budget, final budget and actual results.

A. Financial Reporting Entity

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

B. Individual Component Unit Disclosures

Blended Component Units: The County has no blended component units to be included for the fiscal year ended June 30, 2009.

Discretely Presented Component Unit: The School Board operates the County Public School System. Members are currently elected by popular vote. 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.

C. Other Related Organizations

Included in the County's Financial Statements: None

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

D. Other Related Organizations

Excluded from the County's Financial Statements:

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

Rappahannock-Rapidan Community Services Board, Central Virginia Regional Jail, Rappahannock Juvenile Detention Center, and the Rapidan Service Authority: The County, in conjunction with other localities, has created the Rappahannock-Rapidan Community Services Board, Central Virginia Regional Jail, Rappahannock Juvenile Detention Center, and the Rapidan Service Authority. The governing bodies of these organizations are appointed by the respective governing bodies of the participating jurisdictions.

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.

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.

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

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

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

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

1. Governmental Funds:

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

a. General Fund

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

b. Capital Improvement Fund

The Capital Improvement Fund accounts for all financial resources used for the acquisition or construction of major capital facilities.

2. Fiduciary Funds (Trust and Agency Funds):

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

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

E. Budgets and Budgetary Accounting

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

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

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within 3 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.

Investments for the government, as well as for its component unit, are reported at fair value.

G. Receivables and Payables

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

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

G. Receivables and Payables: (Continued)

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 \$129,268 at June 30, 2009 and is comprised solely of property taxes.

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

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, road registered vehicles, and equipment with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Interest attributable to capitalized assets as of June 30, 2009 was immaterial.

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	20 to 40
Vehicles	3 to 5
Office and computer equipment	5
Buses	12

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

I. Compensated Absences

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

J. 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. Bonds payable are reported net of the applicable bond premium or discount.

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

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 amounts and disclosures. Accordingly, actual results could differ from those estimates.

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.

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 2 - DEPOSITS AND INVESTMENTS:

Deposits

All cash of the County and Component Unit School Board 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 and Component Unit School Board 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 does not have a policy related to credit risk of debt securities.

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

<u>Locality's Rated Debt Investments' Values</u>	
	<u>Fair Quality Ratings</u>
<u>Rated Debt Investments</u>	<u>AAA</u>
U.S. Government Securities	\$ 53,980
Local Government Investment Pool	1,003,607
First American Prime Money Market	<u>1,848,436</u>
Total	<u>\$ 2,906,023</u>

External Investment Pool:

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

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 2 - DEPOSITS AND INVESTMENTS:

Interest Rate Risk:

The County does not have a policy related to interest rate risk.

Investment Maturities (in years)		
Investment Type	Fair Value	Greater than 10 years
U.S. Government Securities	\$ <u>53,980</u>	\$ <u>53,980</u>

NOTE 3 - DUE FROM OTHER GOVERNMENTAL UNITS:

	Primary Government	Component Unit School Board
Commonwealth of Virginia:		
Local sales tax	\$ 138,498	\$ -
Public assistance and welfare administration	31,823	-
State sales tax	-	287,568
Comprehensive services	102,729	-
Recordation tax	11,081	-
Communications tax	87,895	-
Shared expenses	102,885	-
Criminal justice	3,843	-
Other state funds	11,621	4,279
Federal Government:		
School funds	-	183,232
Transportation enhancement program	2,500	-
Watershed grant	17,500	-
Public assistance and welfare administration	49,350	-
Totals	\$ <u>559,725</u>	\$ <u>475,079</u>

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 4 - CAPITAL ASSETS:

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

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
Primary Government:				
Capital assets not being depreciated:				
Land	\$ 1,419,418	\$ -	\$ -	\$ 1,419,418
Construction in progress	2,902,743	3,570,683	1,059,677	5,413,749
Total capital assets not being depreciated	<u>\$ 4,322,161</u>	<u>\$ 3,570,683</u>	<u>\$ 1,059,677</u>	<u>\$ 6,833,167</u>
Capital assets being depreciated:				
Buildings	\$ 5,432,886	\$ 1,059,677	\$ -	\$ 6,492,563
Equipment (including vehicles)	2,073,161	100,547	75,481	2,098,227
Jointly owned assets	5,174,039	-	584,041	4,589,998
Total capital assets being depreciated	<u>\$ 12,680,086</u>	<u>\$ 1,160,224</u>	<u>\$ 659,522</u>	<u>\$ 13,180,788</u>
Less accumulated depreciation:				
Buildings	\$ (1,688,104)	\$ (212,926)	\$ -	\$ (1,901,030)
Equipment (including vehicles)	(1,432,059)	(192,466)	(64,691)	(1,559,834)
Jointly owned assets	(1,210,627)	(114,750)	(166,041)	(1,159,336)
Total accumulated depreciation	<u>\$ (4,330,790)</u>	<u>\$ (520,142)</u>	<u>\$ (230,732)</u>	<u>\$ (4,620,200)</u>
Net capital assets being depreciated	<u>\$ 8,349,296</u>	<u>\$ 640,082</u>	<u>\$ 428,790</u>	<u>\$ 8,560,588</u>
Net capital assets	<u>\$ 12,671,457</u>	<u>\$ 4,210,765</u>	<u>\$ 1,488,467</u>	<u>\$ 15,393,755</u>
	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
Component Unit - School Board:				
Capital assets not being depreciated:				
Land	\$ 109,803	\$ -	\$ -	\$ 109,803
Total capital assets not being depreciated	<u>\$ 109,803</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 109,803</u>
Capital assets being depreciated:				
Buildings	\$ 4,690,740	\$ -	\$ -	\$ 4,690,740
Equipment (including vehicles)	2,618,891	84,645	21,000	2,682,536
Jointly owned assets	3,366,850	584,041	-	3,950,891
Total capital assets being depreciated	<u>\$ 10,676,481</u>	<u>\$ 668,686</u>	<u>\$ 21,000</u>	<u>\$ 11,324,167</u>
Less accumulated depreciation:				
Buildings	\$ (4,291,402)	\$ (363,268)	\$ -	\$ (4,654,670)
Equipment (including vehicles)	(1,969,966)	(194,232)	(21,000)	(2,143,198)
Total accumulated depreciation	<u>\$ (6,261,368)</u>	<u>\$ (557,500)</u>	<u>\$ (21,000)</u>	<u>\$ (6,797,868)</u>
Net capital assets being depreciated	<u>\$ 4,415,113</u>	<u>\$ 111,186</u>	<u>\$ -</u>	<u>\$ 4,526,299</u>
Net capital assets	<u>\$ 4,524,916</u>	<u>\$ 111,186</u>	<u>\$ -</u>	<u>\$ 4,636,102</u>

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 4 - CAPITAL ASSETS: (CONTINUED)

Depreciation expense was charged to functions/programs of the primary government and Component Unit School Board as follows:

Governmental activities:		
General government administration	\$	59,258
Judicial administration		26,916
Public safety		180,545
Public works		45,118
Health and welfare		23,394
Education		114,750
Parks, recreation and cultural		70,161
Total	\$	<u>520,142</u>
Component Unit School Board	\$	<u>391,459</u>
Depreciation Expense	\$	391,459
Joint tenancy transfer of accumulated depreciation		<u>166,041</u>
Total accumulated depreciation, previous page	\$	<u>557,500</u>

NOTE 5 - COMPENSATED ABSENCES:

In accordance with GASB Statement No. 16, *Accounting and Financial Reporting Principal for Claims, Judgments and Compensated Absences*, the County has accrued the liability arising from outstanding claims, judgments and compensated absences.

County employees earn vacation and sick leave at various rates. No benefits or pay is received for unused sick leave upon termination. The County had outstanding accrued vacation pay as follows:

Primary Government	\$	<u>308,368</u>
Component Unit School Board	\$	<u>309,377</u>

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 6 - INTERFUND TRANSFERS DUE FROM/TO OTHER FUNDS/PRIMARY GOVERNMENT/COMPONENT UNITS:

Fund	Due from Other Funds	Due to Other Funds
General	\$ -	\$ 725,567
Capital Improvement	725,567	-
Total	\$ 725,567	\$ 725,567

Fund	Due from Component Unit	Due to Primary Government
General	\$ 469,359	\$ -
School	-	469,359
Total	\$ 469,359	\$ 469,359

Fund	Transfers In	Transfers Out
General	\$ -	\$ 3,594,865
Capital Improvement	3,594,865	-
Total	\$ 3,594,865	\$ 3,594,865

NOTE 7 - DEFINED BENEFIT PENSION PLAN:

A. Plan Description:

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

All full-time, salaried permanent 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 1.7% of their average final compensation (AFC) for each year of credited service (1.85% for sheriffs and if the employer elects, for other employees in hazardous duty positions receiving enhanced benefits). Benefits are actuarially reduced for retirees who retire prior to becoming eligible for full retirement benefits. In addition, retirees qualify for annual cost-of-living adjustment (COLA) beginning in their second year of retirement. The COLA is limited to 5.00% 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.

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLAN: (CONTINUED)

B. Plan Description: (continued)

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.

C. 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 its participation in the VRS using the actuarial basis specified by the Code of Virginia and approved by the VRS Board of Trustees. The County's and School's non-professional employee contribution rates for the fiscal year ended 2009 were 8.05% and 3.70% of annual covered payroll, respectively.

The School Board's contributions for professional employees were \$829,394, \$947,515, and \$809,824 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.

D. Annual Pension Cost:

For fiscal year 2009, the County's annual pension cost of \$294,642 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 \$27,164 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	\$ 294,642	100%	\$ -
June 30, 2008	241,146	100%	-
June 30, 2007	186,412	100%	-
School Board			
Non-Professional:			
June 30, 2009	\$ 27,164	100%	-
June 30, 2008	22,068	100%	-
June 30, 2007	20,795	100%	-

(1) Employer portion only

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLAN: (CONTINUED)

D. Annual Pension Cost:

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

E. Funded Status and Funding Progress

As of June 30, 2008, the most recent actuarial valuation date, the County's plan was 96.16% funded. The actuarial accrued liability for benefits was \$10,511,099, and the actuarial value of assets was \$10,106,992, resulting in an unfunded actuarial accrued liability (UAAL) of \$404,107. The covered payroll (annual payroll of active employees covered by the plan) was \$3,608,233, and ratio of the UAAL to the covered payroll was 11.20%.

As of June 30, 2008, the most recent actuarial valuation date, the County School Board's plan was 105.79% funded. The actuarial accrued liability for benefits was \$2,893,283, and the actuarial value of assets was \$3,060,786, resulting in an unfunded actuarial accrued liability (UAAL) of (\$167,503). The covered payroll (annual payroll of active employees covered by the plan) was \$750,046, and ratio of UAAL to the covered payroll was (22.33%).

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 MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 8 - LONG-TERM OBLIGATIONS:

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

Year Ending June 30,	General Obligation Bonds		Literary Fund Loans		VACO/VML Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 281,930	\$ 48,116	\$ 310,000	\$ 111,600	\$ 1,000,000	\$ 88,764
2011	289,820	29,248	310,000	102,300	1,010,000	71,152
2012	298,248	9,842	310,000	93,000	1,000,000	53,364
2013	-	-	310,000	83,700	-	-
2014	-	-	310,000	74,400	-	-
2015	-	-	310,000	65,100	-	-
2016	-	-	310,000	55,800	-	-
2017	-	-	310,000	46,500	-	-
2018	-	-	310,000	37,200	-	-
2019	-	-	310,000	27,900	-	-
2020	-	-	310,000	18,600	-	-
2021	-	-	310,000	9,300	-	-
Total	\$ 869,998	\$ 87,206	\$ 3,720,000	\$ 725,400	\$ 3,010,000	\$ 213,280

Changes in Long-Term Obligations:

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

	Amounts Payable at July 1, 2008	Increases	Decreases	Amounts Payable at June 30, 2009	Amounts Due Within One Year
Governmental Funds:					
School general obligation bonds	\$ 1,144,039	\$ -	\$ 274,041	\$ 869,998	\$ 281,930
Landfill closure liability	792,150	-	-	792,150	-
Literary fund loans	4,030,000	-	310,000	3,720,000	310,000
VACO/VML loan	-	3,010,000	-	3,010,000	1,000,000
Compensated absences	212,016	117,554	21,202	308,368	30,837
Total governmental funds	\$ 6,178,205	\$ 3,127,554	\$ 605,243	\$ 8,700,516	\$ 1,622,767

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 8 - LONG-TERM OBLIGATIONS: (CONTINUED)

Details of Long-Term Obligations:

	<u>Amount Outstanding</u>	<u>Amounts Due Within One Year</u>
<i>School General Obligation Bonds:</i>		
\$4,809,082 School Bonds, 1991B, issued July 15, 1991, maturing annually through July 15, 2011, interest at 4.85% to 6.60% payable semiannually	\$ <u>869,998</u>	\$ <u>281,930</u>
<i>State Literary Fund Loans:</i>		
\$6,200,000, issued December 1, 2000 due in varying installments through December 1, 2020, interest at 3%	\$ <u>3,720,000</u>	\$ <u>310,000</u>
<i>VACO/VML Loans:</i>		
\$5,040,000 loan issued November 19, 2008 due in varying installments through November 2013. Interest is payable monthly at the bank's prime rate plus 1.5%. The amount drawn on the loan at June 30, 2009 was \$3,010,000.	\$ <u>3,010,000</u>	\$ <u>1,000,000</u>
Landfill closure liability	\$ <u>792,150</u>	\$ <u>-</u>
Compensated absences	\$ <u>308,368</u>	\$ <u>30,837</u>
Total	\$ <u><u>8,700,516</u></u>	\$ <u><u>1,622,767</u></u>

Component Unit School Board:

The following is a summary of long-term obligation transactions 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>
Compensated absences payable	\$ <u>311,710</u>	\$ <u>28,838</u>	\$ <u>31,171</u>	\$ <u>309,377</u>	\$ <u>30,938</u>
Total	\$ <u><u>311,710</u></u>	\$ <u><u>28,838</u></u>	\$ <u><u>31,171</u></u>	\$ <u><u>309,377</u></u>	\$ <u><u>30,938</u></u>

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 9 - 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 \$850,076 for the primary government is comprised of the following:

- A. Deferred Property Tax Revenue: Deferred revenue representing uncollected tax billings not available for funding of current expenditures totaled \$772,476 at June 30, 2009.
- B. Prepaid Property Taxes: Property tax due subsequent to June 30, 2009 but paid in advance by the taxpayers totaled \$77,600 at June 30, 2009.

NOTE 10 - CONTINGENT LIABILITIES:

Federal programs in which the County and its component unit participate were audited in accordance with the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and 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 disallowances of current grant program expenditures, if any, would be immaterial.

NOTE 11 - SURETY BONDS:

	<u>Amount</u>
Virginia Department of Risk Management - Surety	
Stephanie Murray, Treasurer	\$ 400,000
Linda Parrish, Clerk of the Circuit Court	25,000
Gale L. Harris, Commissioner of the Revenue	3,000
Erik Weaver, Sheriff	30,000
Above constitutional officers' employees - blanket bond	50,000
Madison County Department of Social Services employee blanket bond	100,000
Virginia Local Government Risk Management Plan	
Madison County School Board Public Officials Liability	1,000,000
Madison County Public Officials Liability	250,000

NOTE 12 - RISK MANAGEMENT:

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

COUNTY OF MADISON, VIRGINIA

Notes to Financial Statements
At June 30, 2009 (Continued)

NOTE 12 - RISK MANAGEMENT: (CONTINUED)

The County is insured by the Virginia Association of Counties (VACO) for all risks of losses. Settled claims from these risks have not exceeded commercial coverage in any of the past three fiscal years. Worker's Compensation is also carried through VACO.

NOTE 13 - LANDFILL CLOSURE AND POSTCLOSURE CARE COST:

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste which occurred in fiscal year 2005 and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The \$792,150 reported as landfill closure and postclosure care liability at June 30, 2009, represents the cumulative amount reported based on the use of 100 percent of the estimated capacity of the landfill. 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 intends to fund these costs from any funds accumulated for this purpose in the General Fund.

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

The County plans to meet all federal laws, regulations and tests of financial assurance related to the financing of closure and postclosure care when they become effective.

NOTE 14 - RESTATEMENT OF FUND BALANCE/NET ASSETS:

Fund balance and Net Assets were restated at June 30, 2008 as follows:

	<u>General Fund</u>	<u>Governmental Activities</u>
Fund Balance/Net Assets as previously reported	\$ 4,146,886	\$ 10,982,960
School prepaid expenses not recorded	<u>73,444</u>	<u>73,444</u>
Fund Balance/Net Assets as restated	<u>\$ 4,220,330</u>	<u>\$ 11,056,404</u>

NOTE 15 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS:

The County offers post-employment medical coverage to its retired employees. The County has elected not to obtain an actuarial valuation to determine liability for this benefit in accordance with the financial reporting requirements of GASB 45 and believes there is no material affect on the County's financial position.

REQUIRED SUPPLEMENTARY INFORMATION

Note to Required Supplementary Information:

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

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

	Original Budget	Budget As Amended	Actual	Variance With Amended Budget Positive (Negative)
Revenues:				
General property taxes	\$ 12,111,576	\$ 12,111,576	\$ 16,255,821	\$ 4,144,245
Other local taxes	2,835,013	2,835,013	2,415,031	(419,982)
Permits, privilege fees and regulatory licenses	208,500	208,500	213,156	4,656
Fines and forfeitures	88,360	88,360	127,581	39,221
Revenue from use of money and property	224,702	224,702	150,953	(73,749)
Charges for services	374,702	374,702	359,542	(15,160)
Miscellaneous	93,017	93,017	249,562	156,545
Intergovernmental:				
Commonwealth	3,690,959	3,690,959	3,728,649	37,690
Federal	1,079,064	1,079,064	927,851	(151,213)
Total revenues	<u>\$ 20,705,893</u>	<u>\$ 20,705,893</u>	<u>\$ 24,428,146</u>	<u>\$ 3,722,253</u>
Expenditures:				
Current:				
General government administration	\$ 1,223,855	\$ 1,216,607	\$ 1,066,321	\$ 150,286
Judicial administration	745,937	872,185	779,987	92,198
Public safety	4,525,534	4,603,767	4,095,111	508,656
Public works	1,608,148	1,668,613	1,384,744	283,869
Health and welfare	2,673,714	2,673,714	2,637,754	35,960
Education	8,227,648	7,463,225	6,922,994	540,231
Parks, recreation, and cultural	216,638	429,504	283,468	146,036
Community development	820,030	867,385	434,648	432,737
Nondepartmental	1,138,496	1,177,967	141,418	1,036,549
Debt service:				
Principal retirement	-	584,041	584,041	-
Interest and other fiscal charges	-	201,523	201,523	-
Total expenditures	<u>\$ 21,180,000</u>	<u>\$ 21,758,531</u>	<u>\$ 18,532,009</u>	<u>\$ 3,226,522</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (474,107)</u>	<u>\$ (1,052,638)</u>	<u>\$ 5,896,137</u>	<u>\$ 6,948,775</u>
Other Financing Sources (uses):				
Issuance of long-term debt	\$ 5,000,000	\$ 5,000,000	\$ 3,010,000	\$ (1,990,000)
Transfers (out)	(5,410,000)	(5,410,000)	(3,594,865)	1,815,135
Total other financing sources (uses)	<u>\$ (410,000)</u>	<u>\$ (410,000)</u>	<u>\$ (584,865)</u>	<u>\$ (174,865)</u>
Net change in fund balances	<u>\$ (884,107)</u>	<u>\$ (1,462,638)</u>	<u>\$ 5,311,272</u>	<u>\$ 6,773,910</u>
Fund balances at beginning of year, as restated	<u>884,107</u>	<u>1,462,638</u>	<u>4,220,330</u>	<u>2,757,692</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 9,531,602</u></u>	<u><u>\$ 9,531,602</u></u>

Schedule of Pension Funding Progress for the Virginia Retirement System
Last Three Fiscal Years

County:

Valuation as of (1)	Actuarial Value of Assets (AVA) (2)	Actuarial Accrued Liability (AAL) (3)	Unfunded AAL (UAAL) (3)-(2) (4)	Funded Ratio Assets at % of AAL (2) (3) (5)	Annual Covered Payroll (6)	UAAL as % of Covered Payroll (4)/(6) (7)
6/30/2008	\$ 10,106,992	\$ 10,511,099	\$ 404,107	96.16%	\$ 3,608,233	11.20%
6/30/2007	9,115,303	9,459,860	344,557	96.36%	3,427,981	10.05%
6/30/2006	8,033,271	8,656,257	622,986	92.80%	2,933,526	21.24%

School Board Non-Professional:

Valuation as of (1)	Actuarial Value of Assets (AVA) (2)	Actuarial Accrued Liability (AAL) (3)	Unfunded AAL (UAAL) (3)-(2) (4)	Funded Ratio Assets at % of AAL (2) (3) (5)	Annual Covered Payroll (6)	UAAL as % of Covered Payroll (4)/(6) (7)
6/30/2008	\$ 3,060,786	\$ 2,893,283	\$ (167,503)	105.79%	\$ 750,046	-22.33%
6/30/2007	2,808,756	2,693,123	(115,633)	104.29%	672,637	-17.19%
6/30/2006	2,541,591	2,397,064	(144,527)	106.03%	672,890	-21.48%

OTHER SUPPLEMENTARY INFORMATION

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Combining and Individual Fund Statements and Schedules

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Capital Improvement 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		
EXPENDITURES				
Capital projects	\$ 5,410,000	\$ 5,410,000	\$ 3,580,242	\$ 1,829,758
Debt service:				
Interest and other fiscal charges	-	-	14,623	(14,623)
Total expenditures	\$ 5,410,000	\$ 5,410,000	\$ 3,594,865	\$ 1,815,135
Excess (deficiency) of revenues over (under) expenditures	\$ (5,410,000)	\$ (5,410,000)	\$ (3,594,865)	\$ (1,815,135)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 5,410,000	\$ 5,410,000	\$ 3,594,865	\$ (1,815,135)
Total other financing sources and (uses)	\$ 5,410,000	\$ 5,410,000	\$ 3,594,865	\$ (1,815,135)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -

Agency Funds
 Schedule of Changes in Assets and Liabilities
 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	\$ 28,072	\$ 28,636	\$ 17,442	\$ 39,266
Accounts receivable	<u>-</u>	<u>778</u>	<u>-</u>	<u>778</u>
Total assets	<u>\$ 28,072</u>	<u>\$ 29,414</u>	<u>\$ 17,442</u>	<u>\$ 40,044</u>
Liabilities:				
Amounts held for others	<u>\$ 28,072</u>	<u>\$ 29,414</u>	<u>\$ 17,442</u>	<u>\$ 40,044</u>
Total liabilities	<u>\$ 28,072</u>	<u>\$ 29,414</u>	<u>\$ 17,442</u>	<u>\$ 40,044</u>

Combining Balance Sheet - Discretely Presented Component Unit - School Board
 At June 30, 2009

	School Operating Fund	School Cafeteria Fund	Total
ASSETS			
Cash and cash equivalents	\$ 1,730,814	\$ 171,588	\$ 1,902,402
Accounts receivable	49,508	-	49,508
Due from other governmental units	475,079	-	475,079
Total assets	<u>\$ 2,255,401</u>	<u>\$ 171,588</u>	<u>\$ 2,426,989</u>
LIABILITIES			
Accounts payable	\$ 55,228	\$ -	\$ 55,228
Accrued liabilities	1,729,814	44,598	1,774,412
Due to Primary Government	469,359	-	469,359
Total liabilities	<u>\$ 2,254,401</u>	<u>\$ 44,598</u>	<u>\$ 2,298,999</u>
FUND BALANCES			
Unreserved	\$ 1,000	\$ 126,990	\$ 127,990
Total fund balances	<u>\$ 1,000</u>	<u>\$ 126,990</u>	<u>\$ 127,990</u>
Total liabilities and fund balances	<u>\$ 2,255,401</u>	<u>\$ 171,588</u>	

Detailed explanation of adjustments from fund statements to government-wide statement of net assets:

When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the School Board as a whole.	4,636,102
Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities--both current and long-term--are reported in the statement of net assets.	<u>(309,377)</u>
Net assets of General Government Activities	<u>\$ 4,454,715</u>

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

	School Operating Fund	School Cafeteria Fund	Total
Revenues:			
Revenue from use of money and property	\$ 30,032	\$ -	\$ 30,032
Charges for services	14,511	470,508	485,019
Miscellaneous	166,522	50	166,572
Intergovernmental:			
County contribution to School Board	6,921,286	-	6,921,286
Commonwealth	9,221,265	16,413	9,237,678
Federal	792,674	279,062	1,071,736
 Total revenues	 \$ 17,146,290	 \$ 766,033	 \$ 17,912,323
Expenditures:			
Current:			
Education	\$ 17,145,790	\$ 658,382	\$ 17,804,172
 Total expenditures	 \$ 17,145,790	 \$ 658,382	 \$ 17,804,172
 Changes in fund balances	 \$ 500	 \$ 107,651	 \$ 108,151
 Fund balances at beginning of year	 500	 19,339	 19,839
 Fund balances at end of year	 \$ 1,000	 \$ 126,990	 \$ 127,990

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

		Component Unit School Board
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
Net change in fund balances - total governmental funds	\$	108,151
<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 computed as follows:</p>		
Capital additions	\$	84,645
Depreciation expense		(306,814)
		(391,459)
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. This amount reflects the change in accrued leave.		2,333
Transfer of joint tenancy assets from Primary Government to the Component Unit		418,000
Change in net assets of governmental activities	\$	221,670

COUNTY OF MADISON, VIRGINIA

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

	School Operating Fund			Variance From Amended Budget Positive (Negative)
	Original Budget	Budget As Amended	Actual	
Revenues:				
Revenue from use of money and property	\$ 20,985	\$ 20,985	\$ 30,032	\$ 9,047
Charges for services	15,000	15,000	14,511	(489)
Miscellaneous	53,737	53,737	166,522	112,785
Intergovernmental:				
County contribution to School Board	7,461,516	7,461,516	6,921,286	(540,230)
Commonwealth	9,543,784	9,543,784	9,221,265	(322,519)
Federal	858,193	858,193	792,674	(65,519)
Total revenues	<u>\$ 17,953,215</u>	<u>\$ 17,953,215</u>	<u>\$ 17,146,290</u>	<u>\$ (806,925)</u>
Expenditures:				
Current:				
Education	\$ 17,953,215	\$ 17,953,215	\$ 17,145,790	\$ 807,425
Total expenditures	\$ 17,953,215	\$ 17,953,215	\$ 17,145,790	\$ 807,425
Changes in fund balances	\$ -	\$ -	\$ 500	\$ 500
Fund balances at beginning of year	-	-	500	500
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>

Exhibit 14

School Cafeteria Fund			
Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -
433,250	433,250	470,508	37,258
10,000	10,000	50	(9,950)
-	-	-	-
9,500	9,500	16,413	6,913
182,500	182,500	279,062	96,562
<u>\$ 635,250</u>	<u>\$ 635,250</u>	<u>\$ 766,033</u>	<u>\$ 130,783</u>
<u>\$ 635,250</u>	<u>\$ 635,250</u>	<u>\$ 658,382</u>	<u>\$ (23,132)</u>
\$ 635,250	\$ 635,250	\$ 658,382	\$ (23,132)
\$ -	\$ -	\$ 107,651	\$ 107,651
-	-	19,339	19,339
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,990</u>	<u>\$ 126,990</u>

Statement of Fiduciary Net Assets
 Component Unit - School Board
 At June 30, 2009

	<u>Scholarship Private- Purpose Trust Fund</u>
ASSETS	
Cash and cash equivalents	\$ <u>91,199</u>
Total assets	\$ <u><u>91,199</u></u>
NET ASSETS	
Reserved for scholarships	\$ <u>91,199</u>
Total net assets	\$ <u><u>91,199</u></u>
Total liabilities and net assets	\$ <u><u>91,199</u></u>

Statement of Changes in Fiduciary Net Assets
 Component Unit - School Board
 Year Ended June 30, 2009

	Scholarship Private- Purpose Trust Fund
	<u> </u>
Additions:	
Interest income	\$ (1,939)
Total additions	\$ <u>(1,939)</u>
Deductions:	
Scholarships awarded	\$ 5,000
Total deductions	\$ <u>5,000</u>
Change in net assets	\$ (6,939)
Net assets - beginning of year	<u>98,138</u>
Net assets - end of year	<u><u>\$ 91,199</u></u>

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Supporting Schedules

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Governmental Funds -
Schedule of Revenues -- Budget and Actual
Year Ended June 30, 2009

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government:				
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 8,601,296	\$ 8,601,296	\$ 12,627,046	\$ 4,025,750
Real and personal public service corporation property taxes	140,500	140,500	163,723	23,223
Personal property taxes	2,979,953	2,979,953	2,912,700	(67,253)
Mobile home taxes	7,342	7,342	5,771	(1,571)
Machinery and tools taxes	77,219	77,219	81,977	4,758
Merchants capital taxes	180,266	180,266	230,885	50,619
Penalties	72,000	72,000	168,589	96,589
Interest	53,000	53,000	65,130	12,130
Total general property taxes	\$ 12,111,576	\$ 12,111,576	\$ 16,255,821	\$ 4,144,245
Other local taxes:				
Local sales and use taxes	\$ 939,818	\$ 939,818	\$ 871,669	\$ (68,149)
Communication taxes	600,000	600,000	605,598	5,598
Consumers' utility taxes	336,452	336,452	323,111	(13,341)
Local consumption tax	38,743	38,743	40,852	2,109
Restaurant food taxes	310,000	310,000	328,782	18,782
Gross receipts taxes	30,000	30,000	29,108	(892)
Bank stock taxes	50,000	50,000	61,494	11,494
Motor vehicle licenses	350,000	350,000	11,395	(338,605)
Taxes on recordation and wills	180,000	180,000	143,022	(36,978)
Total other local taxes	\$ 2,835,013	\$ 2,835,013	\$ 2,415,031	\$ (419,982)
Permits, privilege fees and regulatory licenses:				
Animal licenses	\$ 7,000	\$ 7,000	\$ 13,052	\$ 6,052
Building and related permits	185,000	185,000	176,775	(8,225)
Land transfer fees	500	500	379	(121)
Land use application fees	16,000	16,000	22,950	6,950
Total permits, privilege fees and regulatory licenses	\$ 208,500	\$ 208,500	\$ 213,156	\$ 4,656
Fines and Forfeitures:				
Court fines and forfeitures	\$ 88,360	\$ 88,360	\$ 127,581	\$ 39,221
Total fines and forfeitures	\$ 88,360	\$ 88,360	\$ 127,581	\$ 39,221
Revenue from use of money and property:				
Revenue from use of money	\$ 150,000	\$ 150,000	\$ 71,481	\$ (78,519)
Revenue from use of property	74,702	74,702	79,472	4,770
Total revenue from use of money and property	\$ 224,702	\$ 224,702	\$ 150,953	\$ (73,749)

Governmental Funds -
Schedule of Revenues -- Budget and Actual
Year Ended June 30, 2009 (continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government: (Continued)				
General Fund: (Continued)				
Revenue from local sources: (continued)				
Charges for services:				
Sheriff's fees	\$ 2,000	\$ 2,000	\$ 344	\$ (1,656)
Commonwealth attorney fees	375	375	375	-
Courthouse maintenance fees	10,000	10,000	8,059	(1,941)
Courtroom security fees	39,444	39,444	39,444	-
Other charges for services	5,000	5,000	18,847	13,847
Waste collection and disposal charges	210,000	210,000	184,672	(25,328)
Sale of maps and ordinances	500	500	418	(82)
Recreation fees	107,383	107,383	107,383	-
Total charges for services	<u>\$ 374,702</u>	<u>\$ 374,702</u>	<u>\$ 359,542</u>	<u>\$ (15,160)</u>
Miscellaneous revenue:				
Expenditure refunds	\$ 10,000	\$ 10,000	\$ 58,028	\$ 48,028
CSA	-	-	19,838	19,838
Miscellaneous	83,017	83,017	171,696	88,679
Total miscellaneous revenue	<u>\$ 93,017</u>	<u>\$ 93,017</u>	<u>\$ 249,562</u>	<u>\$ 156,545</u>
Total revenue from local sources	<u>\$ 15,935,870</u>	<u>\$ 15,935,870</u>	<u>\$ 19,771,646</u>	<u>\$ 3,835,776</u>
Revenue from the Commonwealth:				
Noncategorical aid:				
Rental tax - DMV	\$ 425	\$ 425	\$ 795	\$ 370
Mobile home titling taxes	5,000	5,000	11,087	6,087
PPTRA	1,048,854	1,048,854	1,029,053	(19,801)
Motor vehicle carrier's tax	600	600	434	(166)
Recordation tax	40,429	40,429	48,009	7,580
Total noncategorical aid	<u>\$ 1,095,308</u>	<u>\$ 1,095,308</u>	<u>\$ 1,089,378</u>	<u>\$ (5,930)</u>
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 174,909	\$ 174,909	\$ 172,136	\$ (2,773)
Sheriff	753,556	753,556	734,881	(18,675)
Commissioner of the Revenue	89,071	89,071	88,088	(983)
Treasurer	99,235	99,235	97,412	(1,823)
Medical examiner	1,000	1,000	-	(1,000)
Registrar/electoral board	53,229	53,229	47,970	(5,259)
Clerk of the Circuit Court	203,242	203,242	178,434	(24,808)
Total shared expenses	<u>\$ 1,374,242</u>	<u>\$ 1,374,242</u>	<u>\$ 1,318,921</u>	<u>\$ (55,321)</u>

Governmental Funds -
Schedule of Revenues -- Budget and Actual
Year Ended June 30, 2009 (continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government: (Continued)				
General Fund: (Continued)				
Revenue from the Commonwealth: (continued)				
Other categorical aid:				
Fire programs	\$ 35,000	\$ 35,000	\$ 33,499	\$ (1,501)
Litter Control	9,467	9,467	9,100	(367)
Four for life	14,246	14,246	14,246	-
Revenue sharing	-	-	98,278	98,278
Domestic Violence	39,992	39,992	39,992	-
LOD Insurance	11,052	11,052	11,607	555
Victim witness	21,520	21,520	19,734	(1,786)
Department of Juvenile Justice	8,974	8,974	8,974	-
E-911	28,000	28,000	41,237	13,237
Comprehensive Services Act	648,583	648,583	554,790	(93,793)
Sheriff -asset forfeiture	-	-	1,006	1,006
Public assistance and welfare	294,460	294,460	393,454	98,994
Other state grants	110,115	110,115	94,433	(15,682)
Total other categorical aid	<u>\$ 1,221,409</u>	<u>\$ 1,221,409</u>	<u>\$ 1,320,350</u>	<u>\$ 98,941</u>
Total categorical aid	<u>\$ 2,595,651</u>	<u>\$ 2,595,651</u>	<u>\$ 2,639,271</u>	<u>\$ 43,620</u>
Total revenue from the Commonwealth	<u>\$ 3,690,959</u>	<u>\$ 3,690,959</u>	<u>\$ 3,728,649</u>	<u>\$ 37,690</u>
Revenue from the Federal Government:				
Payments in lieu of taxes	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 106,244</u>	<u>\$ 66,244</u>
Categorical aid:				
Public assistance and welfare	\$ 684,475	\$ 684,475	\$ 668,162	\$ (16,313)
Public assistance and welfare - ARRA	-	-	13,502	13,502
Community development block grant	-	-	95,724	95,724
Transportation enhancement program	350,000	350,000	-	(350,000)
Foetry grant	1,000	1,000	1,000	-
Homeland Security	-	-	22,500	22,500
Criminal justice grant	1,061	1,061	1,061	-
Ground Safety Transportation	2,528	2,528	19,658	17,130
Total categorical aid	<u>\$ 1,039,064</u>	<u>\$ 1,039,064</u>	<u>\$ 821,607</u>	<u>\$ (217,457)</u>
Total revenue from the Federal Government	<u>\$ 1,079,064</u>	<u>\$ 1,079,064</u>	<u>\$ 927,851</u>	<u>\$ (151,213)</u>
Total General Fund	<u><u>\$ 20,705,893</u></u>	<u><u>\$ 20,705,893</u></u>	<u><u>\$ 24,428,146</u></u>	<u><u>\$ 3,722,253</u></u>

Governmental Funds -
Schedule of Revenues -- Budget and Actual
Year Ended June 30, 2009 (continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Component Unit -- School Board:				
Special Revenue Funds:				
School Operating Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of money	\$ 20,985	\$ 20,985	\$ 30,032	\$ 9,047
Charges for services:				
Charges for education	\$ 15,000	\$ 15,000	\$ 14,511	\$ (489)
Total charges for services	\$ 15,000	\$ 15,000	\$ 14,511	\$ (489)
Miscellaneous revenue:				
Rebates and refunds	\$ 25,000	\$ 25,000	\$ 143,288	\$ 118,288
Sale of surplus property	-	-	1,357	1,357
Miscellaneous	28,737	28,737	21,877	(6,860)
Total miscellaneous revenue	53,737	53,737	166,522	112,785
Total revenue from local sources	\$ 89,722	\$ 89,722	\$ 211,065	\$ 121,343
Intergovernmental revenue:				
County contribution to School Board	\$ 7,461,516	\$ 7,461,516	\$ 6,921,286	\$ (540,230)
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 1,948,215	\$ 1,948,215	\$ 1,757,225	\$ (190,990)
Basic school aid	5,118,284	5,118,284	5,068,035	(50,249)
Special ed SOQ	684,109	684,109	670,570	(13,539)
Vocational SOQ	168,658	168,658	165,321	(3,337)
Lottery	225,756	225,756	184,481	(41,275)
Technology	154,000	154,000	154,000	-
Construction	119,480	119,480	119,450	(30)
Textbook payments	112,300	112,300	110,077	(2,223)
Fringe benefits	619,677	619,677	607,414	(12,263)
Other state funds	393,305	393,305	384,692	(8,613)
Total categorical aid	\$ 9,543,784	\$ 9,543,784	\$ 9,221,265	\$ (322,519)
Total revenue from the Commonwealth	\$ 9,543,784	\$ 9,543,784	\$ 9,221,265	\$ (322,519)
Revenue from the federal government:				
Categorical aid:				
Title I	\$ 305,606	\$ 305,606	\$ 298,880	\$ (6,726)
Title III	3,079	3,079	3,026	(53)
Title VI - B Special Education	405,803	405,803	365,137	(40,666)
Drug free schools	7,325	7,325	9,259	1,934

Governmental Funds -
Schedule of Revenues -- Budget and Actual
Year Ended June 30, 2009 (continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Component Unit -- School Board: (Continued)				
Special Revenue Funds: (Continued)				
School Operating Fund: (Continued)				
Revenue from the federal government: (continued)				
Categorical aid: (continued)				
Education technology	\$ 3,369	\$ 3,369	\$ 5,033	\$ 1,664
American History Grant	2,762	2,762	15,722	12,960
Vocational education	30,320	30,320	29,618	(702)
Preschool	-	-	12,647	12,647
Title II	95,044	95,044	47,599	(47,445)
Title V	4,885	4,885	5,753	868
Total categorical aid	<u>\$ 858,193</u>	<u>\$ 858,193</u>	<u>\$ 792,674</u>	<u>\$ (65,519)</u>
Total revenue from the federal government	<u>\$ 858,193</u>	<u>\$ 858,193</u>	<u>\$ 792,674</u>	<u>\$ (65,519)</u>
Total School Operating Fund	<u>\$ 17,953,215</u>	<u>\$ 17,953,215</u>	<u>\$ 17,146,290</u>	<u>\$ (806,925)</u>
School Cafeteria Fund:				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	<u>\$ 433,250</u>	<u>\$ 433,250</u>	<u>\$ 470,508</u>	<u>\$ 37,258</u>
Total charges for services	<u>\$ 433,250</u>	<u>\$ 433,250</u>	<u>\$ 470,508</u>	<u>\$ 37,258</u>
Miscellaneous revenue:				
Miscellaneous	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 50</u>	<u>\$ (9,950)</u>
Total revenue from local sources	<u>\$ 443,250</u>	<u>\$ 443,250</u>	<u>\$ 470,558</u>	<u>\$ 27,308</u>
Revenue from the Commonwealth:				
Categorical aid:				
School food grant	<u>\$ 9,500</u>	<u>\$ 9,500</u>	<u>\$ 16,413</u>	<u>\$ 6,913</u>
Revenue from the federal government:				
Categorical aid:				
School food grant	<u>\$ 182,500</u>	<u>\$ 182,500</u>	<u>\$ 279,062</u>	<u>\$ 96,562</u>
Total School Cafeteria Fund	<u>\$ 635,250</u>	<u>\$ 635,250</u>	<u>\$ 766,033</u>	<u>\$ 130,783</u>
Grand Total Revenues -- Component Unit -- School Board	<u>\$ 18,588,465</u>	<u>\$ 18,588,465</u>	<u>\$ 17,912,323</u>	<u>\$ (676,142)</u>

Governmental Funds -
Schedule of Expenditures - Budget and Actual
Year Ended June 30, 2009

Fund, Function, Activities and Elements	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Favorable (Unfavor.)
Primary Government:				
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 59,019	\$ 59,019	\$ 56,570	\$ 2,449
General and financial administration:				
County administrator	\$ 246,256	\$ 217,841	\$ 192,742	\$ 25,099
Legal services	63,476	63,476	51,143	12,333
Independent Auditor	35,000	49,915	49,915	-
Commissioner of the revenue	200,044	200,044	177,638	22,406
Personal property	5,870	5,870	5,143	727
Data Processing	35,000	35,000	25,768	9,232
Land use	2,420	2,420	1,198	1,222
Assessor	9,250	9,250	5,000	4,250
Finance Department	163,555	168,166	159,215	8,951
Treasurer	262,309	257,698	227,754	29,944
Total general and financial administration	\$ 1,023,180	\$ 1,009,680	\$ 895,516	\$ 114,164
Board of Elections:				
Electoral board and officials	\$ 51,400	\$ 57,652	\$ 39,919	\$ 17,733
Registrar	90,256	90,256	74,316	15,940
Total board of elections	\$ 141,656	\$ 147,908	\$ 114,235	\$ 33,673
Total general government administration	\$ 1,223,855	\$ 1,216,607	\$ 1,066,321	\$ 150,286
Judicial administration:				
Courts:				
Circuit court	\$ 29,300	\$ 31,340	\$ 31,340	\$ -
Combined court	11,700	11,700	10,515	1,185
Clerk of the circuit court	332,101	330,061	269,748	60,313
Sheriff - court security	73,894	179,884	166,111	13,773
Magistrates	1,175	1,175	432	743
Rappahannock legal services	2,576	2,576	2,576	-
Victim witness program	23,413	23,413	21,207	2,206
Commissioner of accounts	920	920	920	-
Total courts	\$ 475,079	\$ 581,069	\$ 502,849	\$ 78,220
Commonwealth's attorney:				
Commonwealth's attorney	\$ 270,858	\$ 291,116	\$ 277,138	\$ 13,978
Total judicial administration	\$ 745,937	\$ 872,185	\$ 779,987	\$ 92,198
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 1,876,115	\$ 1,855,186	\$ 1,629,027	\$ 226,159
Public safety	63,679	63,679	54,725	8,954
Asset forfeiture	-	12,961	31,487	(18,526)
E-911 system	531,093	608,535	552,161	56,374
Total law enforcement and traffic control	\$ 2,470,887	\$ 2,540,361	\$ 2,267,400	\$ 272,961

Governmental Funds -
Schedule of Expenditures - Budget and Actual
Year Ended June 30, 2009 (continued)

Fund, Function, Activities and Elements	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Favorable (Unfavor.)
Primary Government: (Continued)				
General Fund: (Continued)				
Public safety: (Continued)				
Fire and rescue services:				
Volunteer fire department	\$ 130,000	\$ 130,000	\$ 128,499	\$ 1,501
Ambulance and rescue service	109,000	109,246	109,246	-
Emergency medical services	967,408	967,408	864,076	103,332
Total fire and rescue services	<u>\$ 1,206,408</u>	<u>\$ 1,206,654</u>	<u>\$ 1,101,821</u>	<u>\$ 104,833</u>
Correction and detention:				
Confinement of prisoners	\$ 3,000	\$ 3,000	\$ 139	\$ 2,861
Regional jail	113,664	113,664	109,326	4,338
Juvenile detention	110,017	111,543	65,644	45,899
Probation office	23,363	30,260	26,269	3,991
Total correction and detention	<u>\$ 250,044</u>	<u>\$ 258,467</u>	<u>\$ 201,378</u>	<u>\$ 57,089</u>
Inspections:				
Building	\$ 261,349	\$ 261,349	\$ 245,636	\$ 15,713
Total inspections	<u>\$ 261,349</u>	<u>\$ 261,349</u>	<u>\$ 245,636</u>	<u>\$ 15,713</u>
Other protection:				
Animal control and shelter facility	\$ 332,446	\$ 332,536	\$ 275,396	\$ 57,140
Services to abused families	3,400	3,400	3,400	-
Medical examiner (coroner)	1,000	1,000	80	920
Total other protection	<u>\$ 336,846</u>	<u>\$ 336,936</u>	<u>\$ 278,876</u>	<u>\$ 58,060</u>
Total public safety	<u>\$ 4,525,534</u>	<u>\$ 4,603,767</u>	<u>\$ 4,095,111</u>	<u>\$ 508,656</u>
Public works:				
Maintenance of highways, streets, bridges				
Road construction	\$ -	\$ 60,465	\$ 60,465	\$ -
Total Maintenance of highways, streets, bridges	<u>\$ -</u>	<u>\$ 60,465</u>	<u>\$ 60,465</u>	<u>\$ -</u>
Sanitation and waste removal:				
County landfill	\$ 900,092	\$ 900,092	\$ 731,756	\$ 168,336
Total sanitation and waste removal	<u>\$ 900,092</u>	<u>\$ 900,092</u>	<u>\$ 731,756</u>	<u>\$ 168,336</u>
Maintenance of general buildings and grounds:				
General properties	\$ 708,056	\$ 708,056	\$ 592,523	\$ 115,533
Total maintenance of general buildings and grounds	<u>\$ 708,056</u>	<u>\$ 708,056</u>	<u>\$ 592,523</u>	<u>\$ 115,533</u>
Total public works	<u>\$ 1,608,148</u>	<u>\$ 1,668,613</u>	<u>\$ 1,384,744</u>	<u>\$ 283,869</u>

Governmental Funds -
Schedule of Expenditures - Budget and Actual
Year Ended June 30, 2009 (continued)

Fund, Function, Activities and Elements	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Favorable (Unfavor.)
Primary Government: (Continued)				
General Fund: (Continued)				
Health and welfare:				
Health:				
Supplement of local health department	\$ 168,162	\$ 168,162	\$ 168,162	\$ -
Total health	<u>\$ 168,162</u>	<u>\$ 168,162</u>	<u>\$ 168,162</u>	<u>\$ -</u>
Mental health and mental retardation:				
Chapter X board	\$ 69,417	\$ 69,417	\$ 69,417	\$ -
Total mental health and mental retardation	<u>\$ 69,417</u>	<u>\$ 69,417</u>	<u>\$ 69,417</u>	<u>\$ -</u>
Welfare:				
Administration	\$ 1,349,635	\$ 1,349,635	\$ 1,441,824	\$ (92,189)
Hospice of the Rapidan	2,000	2,000	2,000	-
Madison free clinic	1,500	1,500	1,500	-
Rapp-Rapidan medical reserve corporation	500	500	500	-
CSA - at risk youth	1,082,500	1,082,500	954,351	128,149
Total welfare	<u>\$ 2,436,135</u>	<u>\$ 2,436,135</u>	<u>\$ 2,400,175</u>	<u>\$ 35,960</u>
Total health and welfare	<u>\$ 2,673,714</u>	<u>\$ 2,673,714</u>	<u>\$ 2,637,754</u>	<u>\$ 35,960</u>
Education:				
Contributions to community colleges	\$ 1,708	\$ 1,708	\$ 1,708	\$ -
Contributions to component unit school board	8,225,940	7,461,517	6,921,286	540,231
Total education	<u>\$ 8,227,648</u>	<u>\$ 7,463,225</u>	<u>\$ 6,922,994</u>	<u>\$ 540,231</u>
Parks, recreation and cultural:				
Parks and recreation:				
Recreation director	\$ 120,210	\$ 333,076	\$ 187,040	\$ 146,036
Total parks and recreation	<u>\$ 120,210</u>	<u>\$ 333,076</u>	<u>\$ 187,040</u>	<u>\$ 146,036</u>
Cultural enrichment:				
Public TV	\$ 1,200	\$ 1,200	\$ 1,200	\$ -
Total cultural enrichment	<u>\$ 1,200</u>	<u>\$ 1,200</u>	<u>\$ 1,200</u>	<u>\$ -</u>
Library:				
County library	\$ 95,228	\$ 95,228	\$ 95,228	\$ -
Total parks, recreation and cultural	<u>\$ 216,638</u>	<u>\$ 429,504</u>	<u>\$ 283,468</u>	<u>\$ 146,036</u>

Governmental Funds -
Schedule of Expenditures - Budget and Actual
Year Ended June 30, 2009 (continued)

Fund, Function, Activities and Elements	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Favorable (Unfavor.)
Primary Government: (Continued)				
General Fund: (Continued)				
Community development:				
Planning and community development:				
Planning commission	\$ 16,145	\$ 16,145	\$ 14,295	\$ 1,850
Zoning and planning	167,463	167,463	122,717	44,746
Main street project	370,000	370,000	35	369,965
Rapidan Better Housing Corp.	7,000	7,000	7,000	-
Aging together	9,250	9,250	9,250	-
Board of zoning appeals	5,080	5,080	2,390	2,690
Board of building code appeals	700	700	-	700
Planning district commission	10,755	31,505	31,505	-
Chamber of commerce	56,691	56,691	56,691	-
Updating tax maps	20,000	20,000	16,509	3,491
Piedmont workforce network	500	500	500	-
Habitat for humanity	500	500	500	-
Skyline CAP	27,980	27,980	27,980	-
Total planning and community development	<u>\$ 692,064</u>	<u>\$ 712,814</u>	<u>\$ 289,372</u>	<u>\$ 423,442</u>
Environmental management:				
Soil and water conservation district	\$ 31,735	\$ 31,735	\$ 31,735	-
Forestry service	10,000	10,000	5,360	4,640
Water quality management	-	24,432	24,432	-
Total environmental management	<u>\$ 41,735</u>	<u>\$ 66,167</u>	<u>\$ 61,527</u>	<u>\$ 4,640</u>
Cooperative extension program:				
VPI extension	\$ 85,731	\$ 87,904	\$ 83,249	\$ 4,655
Northern VA 4-H center	500	500	500	-
Total cooperative extension program	<u>\$ 86,231</u>	<u>\$ 88,404</u>	<u>\$ 83,749</u>	<u>\$ 4,655</u>
Total community development	<u>\$ 820,030</u>	<u>\$ 867,385</u>	<u>\$ 434,648</u>	<u>\$ 432,737</u>
Nondepartmental:				
Miscellaneous	\$ 1,138,496	\$ 1,177,967	\$ 141,418	\$ 1,036,549
Total nondepartmental	<u>\$ 1,138,496</u>	<u>\$ 1,177,967</u>	<u>\$ 141,418</u>	<u>\$ 1,036,549</u>
Debt service:				
Principal retirement	\$ -	\$ 584,041	\$ 584,041	-
Interest and fiscal charges	-	201,523	201,523	-
Total debt service	<u>\$ -</u>	<u>\$ 785,564</u>	<u>\$ 785,564</u>	<u>\$ -</u>
Total General Fund	<u>\$ 21,180,000</u>	<u>\$ 21,758,531</u>	<u>\$ 18,532,009</u>	<u>\$ 3,226,522</u>

Governmental Funds -
 Schedule of Expenditures - Budget and Actual
 Year Ended June 30, 2009 (continued)

Fund, Function, Activities and Elements	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Favorable (Unfavor.)
Primary Government: (Continued)				
Capital Improvement Fund:				
Capital Projects:				
IT equipment	\$ 50,000	\$ 50,000	\$ -	\$ 50,000
Courthouse renovation project	4,000,000	4,000,000	3,486,123	513,877
Hoover ridge project	70,000	70,000	70,775	(775)
Kemper mansion project	50,000	50,000	21,525	28,475
County administration center	20,000	20,000	-	20,000
Transfer station project	20,000	20,000	1,819	18,181
Reserve for contingency	1,200,000	1,200,000	-	1,200,000
Total capital projects	<u>\$ 5,410,000</u>	<u>\$ 5,410,000</u>	<u>\$ 3,580,242</u>	<u>\$ 1,829,758</u>
Debt service:				
Interest and fiscal charges	\$ -	\$ -	\$ 14,623	\$ (14,623)
Total Capital Improvements Fund	<u>\$ 5,410,000</u>	<u>\$ 5,410,000</u>	<u>\$ 3,594,865</u>	<u>\$ 1,815,135</u>
Grand Total Expenditures--Primary Government	<u>\$ 26,590,000</u>	<u>\$ 27,168,531</u>	<u>\$ 22,126,874</u>	<u>\$ 5,041,657</u>
Component Unit -- School Board:				
Special Revenue Funds:				
School Operating Fund:				
Education:				
Instruction	\$ 13,184,217	\$ 13,184,217	\$ 12,841,330	\$ 342,887
Administration, attendance and health	753,810	753,810	724,729	29,081
Pupil transportation services	1,333,555	1,333,555	1,266,692	66,863
Operation and maintenance services	1,994,130	1,994,130	1,785,814	208,316
Facilities	262,575	262,575	61,779	200,796
Technology	424,928	424,928	465,446	(40,518)
Total education	<u>\$ 17,953,215</u>	<u>\$ 17,953,215</u>	<u>\$ 17,145,790</u>	<u>\$ 807,425</u>
Total School Operating Fund	<u>\$ 17,953,215</u>	<u>\$ 17,953,215</u>	<u>\$ 17,145,790</u>	<u>\$ 807,425</u>
School Cafeteria Fund:				
Education:				
School food program	\$ 635,250	\$ 635,250	\$ 658,382	\$ (23,132)
Grand Total Expenditures--Component Unit--School Board	<u>\$ 18,588,465</u>	<u>\$ 18,588,465</u>	<u>\$ 17,804,172</u>	<u>\$ 784,293</u>
Grand Total Expenditures--Reporting Entity	<u>\$ 45,178,465</u>	<u>\$ 45,756,996</u>	<u>\$ 39,931,046</u>	<u>\$ 5,825,950</u>

Statistical Tables

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COUNTY OF MADISON, VIRGINIA

Table 1

Government-Wide Expenses by Function
Last Seven Fiscal Years

Fiscal Year	General Government			Judicial Administration			Public Safety			Public Works			Health and Welfare			Education			Parks Recreation and Cultural			Community Development			Capital Outlays			Non-Departmental			Interest on Debt			Total	
	Administration	Administration	Administration	Administration	Administration	Administration	Safety	Safety	Safety	Public Works	Public Works	Public Works	Health and Welfare	Health and Welfare	Health and Welfare	Education	Education	Education	Parks Recreation and Cultural	Parks Recreation and Cultural	Parks Recreation and Cultural	Community Development	Community Development	Community Development	Capital Outlays	Capital Outlays	Capital Outlays	Non-Departmental	Non-Departmental	Non-Departmental	Interest on Debt	Interest on Debt	Interest on Debt		
2002-03	\$ 716,800	\$ 423,957	\$ 2,532,449	\$ 1,011,267	\$ 1,368,827	\$ 6,257,248	\$ 284,177	\$ 362,644	\$ 157,766	\$ 1,607	\$ 323,774	\$ 13,440,516																							
2003-04	981,547	437,319	2,531,628	1,133,108	1,365,171	6,099,078	376,214	524,605	-	-	288,931	13,737,601																							
2004-05	885,213	480,576	3,130,935	1,316,008	1,392,766	6,218,856	370,662	986,286	-	-	293,510	15,074,812																							
2005-06	949,045	543,889	3,628,091	1,183,355	1,680,276	6,908,934	425,737	410,815	-	-	258,137	15,988,279																							
2006-07	1,167,738	581,515	4,014,589	1,382,984	2,290,794	7,206,592	307,191	1,172,189	-	-	234,594	18,358,186																							
2007-08	1,159,581	611,026	4,311,119	1,553,922	2,513,784	7,656,901	283,031	732,319	-	-	205,686	19,027,369																							
2008-09	1,274,260	816,078	4,279,844	1,432,619	2,652,806	7,455,744	354,226	435,164	-	-	206,551	18,907,292																							

COUNTY OF MADISON, VIRGINIA

Government-Wide Revenues
Last Seven Fiscal Years

Fiscal Year	Program Revenues				General Revenues										Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	General Property Taxes	Local Sales and Use Tax	Comm-unication Tax	Consumers' Utility Tax	Motor Vehicle Licenses	Restaurant Food Taxes	Other Local Taxes	Contributions Not Restricted to Specific Programs	Revenues from the Use of Money & Property	Miscellaneous		
2002-03	\$ 739,814	\$ 2,517,812	\$ 31,574	\$ 7,638,370	\$ 723,525	-	\$ 602,217	\$ 329,134	\$ 269,302	\$ 464,412	\$ 994,060	\$ 85,097	\$ 115,068	\$ 14,510,385	
2003-04	627,902	2,274,968	55,609	8,311,566	840,938	-	662,424	341,070	297,518	457,849	1,014,432	77,112	129,626	15,091,014	
2004-05	687,502	2,359,662	240,601	8,368,873	858,730	-	684,033	352,139	322,589	569,621	1,002,356	134,758	214,742	15,795,606	
2005-06	814,418	2,581,085	-	10,108,547	898,085	-	658,496	359,950	318,422	639,408	1,091,326	300,719	265,542	18,035,998	
2006-07	844,410	2,970,282	775,166	10,575,070	945,452	285,814	533,146	352,763	329,270	440,733	1,160,745	434,989	277,296	19,925,136	
2007-08	802,944	3,000,591	30,000	10,796,759	885,111	666,524	321,026	346,983	337,062	298,080	1,132,739	299,916	151,095	19,068,830	
2008-09	700,279	3,471,398	95,724	16,597,542	871,669	605,598	323,111	11,395	328,782	274,476	1,089,378	150,953	249,562	24,769,867	

COUNTY OF MADISON, VIRGINIA

Table 3

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

Fiscal Year	General Property Taxes		Other Local Taxes		Permits, Privilege Fees & Regulatory Licenses	Fines & Forfeitures	Revenues from the Use of Money & Property	Charges for Services	Miscellaneous	Recovered Costs	Inter-governmental	Total
1999-00	\$ 5,940,725	\$ 1,854,592	\$ 109,702	\$ 86,653	\$ 453,452	\$ 374,303	\$ 81,456	\$ 36,649	\$ 10,158,692	\$ 19,096,224		
2000-01	6,436,599	2,069,280	117,681	223,819	224,309	420,174	231,952	-	10,879,396	20,603,210		
2001-02	7,036,964	2,311,125	122,603	252,267	94,041	484,847	208,560	30,710	10,860,836	21,401,953		
2002-03	7,583,719	2,388,590	125,189	435,067	85,223	499,329	219,026	33,502	11,956,481	23,326,126		
2003-04	8,254,263	2,599,799	161,657	296,648	77,112	594,301	208,126	33,502	12,014,383	24,239,791		
2004-05	8,406,422	2,787,112	173,077	344,611	134,901	507,413	290,110	33,502	12,961,011	25,638,159		
2005-06	10,121,086	2,874,361	177,143	304,777	301,718	781,335	330,417	-	13,477,950	28,368,787		
2006-07	10,479,228	2,887,178	243,660	159,163	436,563	938,793	340,875	-	15,448,144	30,933,604		
2007-08	10,641,562	2,854,786	285,298	68,780	300,560	962,013	226,991	-	14,733,412	30,073,402		
2008-09	16,255,821	2,415,031	213,156	127,581	180,985	844,561	416,134	-	14,926,950	35,380,219		

(1) Includes General and Capital Improvement Funds of the primary government and its discretely presented component unit.

(2) The General Fund contributions to the Component Unit School Board are not included.

COUNTY OF MADISON, VIRGINIA

Table 4

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

Fiscal Year	General Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education	Recreation and Cultural	Community Development	Non-departmental	Capital Projects	Debt Service	Total
1999-00	\$ 633,192	\$ 408,784	\$ 1,263,489	\$ 726,240	\$ 1,227,939	\$ 13,629,556	\$ 256,378	\$ 261,685	\$ -	\$ 6,362,274	\$ 1,093,358	\$ 25,862,895
2000-01	640,483	507,166	1,750,851	802,921	1,417,901	13,990,243	275,558	448,058	423	968,455	7,998,141	28,800,200
2001-02	621,079	378,066	2,034,244	925,728	1,339,145	13,452,559	283,345	310,377	1,235	250,661	1,007,034	20,603,473
2002-03	667,037	401,284	2,399,436	979,835	1,392,118	14,666,424	279,386	365,125	1,607	2,159,664	891,314	24,203,230
2003-04	775,092	414,646	2,389,695	1,098,344	1,358,058	14,642,915	371,492	523,692	3,855	715,043	884,574	23,177,406
2004-05	810,857	448,712	2,917,334	1,258,591	1,409,053	15,368,690	354,490	964,387	7,628	375,856	860,329	24,775,927
2005-06	842,860	501,572	3,321,342	1,100,196	1,629,216	16,627,783	400,619	410,965	2,444	1,095,866	831,109	26,763,972
2006-07	1,076,421	547,999	4,001,064	1,366,803	2,266,613	17,735,628	300,210	1,156,839	6,886	519,851	811,873	29,790,187
2007-08	1,069,986	580,475	4,103,144	1,503,808	2,492,297	18,274,023	278,166	727,606	2,969	2,487,444	791,972	32,311,890
2008-09	1,066,321	779,987	4,095,111	1,384,744	2,637,754	17,766,916	283,468	434,648	141,418	3,580,242	800,187	32,970,796

(1) Includes General and Capital Improvement Funds of the primary government and its discretely presented component unit.

(2) The General Fund contributions to the Component Unit School Board are not included.

COUNTY OF MADISON, VIRGINIA

Table 5

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total (1) Tax Levy	Current Tax (1) (3) Collections	Percent of Levy Collected	Delinquent (1) Tax (2) Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding (1) Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
1999-00	\$ 6,130,584	\$ 5,960,920	97.23%	\$ 147,642	\$ 6,108,562	99.64%	\$ 230,092	3.75%
2000-01	6,881,629	6,712,477	97.54%	208,672	6,921,149	100.57%	283,073	4.11%
2001-02	7,831,767	7,687,200	98.15%	126,676	7,813,876	99.77%	241,208	3.08%
2002-03	8,492,674	8,252,039	97.17%	143,536	8,395,575	98.86%	271,947	3.20%
2003-04	9,039,498	8,937,525	98.87%	138,928	9,076,453	100.41%	266,806	2.95%
2004-05	9,217,268	9,051,634	98.20%	165,343	9,216,977	100.00%	308,811	3.35%
2005-06	11,045,017	10,867,441	98.39%	141,373	11,008,814	99.67%	402,371	3.64%
2006-07	11,500,532	11,177,781	97.19%	184,236	11,362,017	98.80%	449,996	3.91%
2007-08	11,652,043	11,254,150	96.59%	212,406	11,466,556	98.41%	626,000	5.37%
2008-09	17,587,904	16,116,635	91.63%	977,283	17,093,918	97.19%	1,067,952	6.07%

(1) Exclusive of penalties and interest.

(2) Does not include land redemptions.

(3) Includes Commonwealth of Virginia Personal Property Tax Relief Act funds.

COUNTY OF MADISON, VIRGINIA

Table 6

Assessed Value of Taxable Property (1)

Last Ten Fiscal Years

Fiscal Year	Real Estate (2)	Personal Property	Mobile Homes	Machinery and Tools			Public Service	Total
				Merchants' Capital	Public Service	Total		
1999-00	\$ 604,878,765	\$ 20,712,031	\$ 1,020,700	\$ 839,080	\$ 2,363,220	\$ 28,621,389	\$ 658,435,185	
2000-01	622,463,897	22,349,267	1,131,670	1,002,376	2,766,321	28,450,104	678,163,635	
2001-02	759,599,000	24,879,291	1,231,300	1,559,599	3,835,237	33,375,950	824,480,377	
2002-03	775,913,500	26,325,665	1,349,300	1,627,531	3,283,032	35,053,804	843,552,832	
2003-04	796,312,600	27,714,533	1,529,900	1,451,303	3,879,555	35,671,761	866,559,652	
2004-05	820,600,600	28,843,923	1,606,340	1,204,030	3,719,957	30,628,417	886,603,267	
2005-06	1,226,556,700	153,743,395	1,367,200	5,706,345	26,010,545	37,909,513	1,451,293,698	
2006-07	1,264,715,300	163,607,309	1,417,940	6,190,939	23,301,149	33,151,419	1,492,384,056	
2007-08	1,298,909,100	162,442,134	1,509,889	5,871,140	26,275,770	24,477,476	1,519,485,509	
2008-09	2,931,263,050	147,441,726	1,323,762	6,014,590	27,220,872	37,295,445	3,150,559,445	

(1) 100% fair market value.

(2) FY 09 includes 2008 and 1st half of 2009 assessment. FY 09 was the first year the County collected Real Estate Taxes in semiannual installments.

COUNTY OF MADISON, VIRGINIA

Table 7

Property Tax Rates (1)
Last Ten Fiscal Years

Fiscal Years	Real Estate	Personal Property (2)	Mobile Homes	Machinery and Tools (2)		Merchants' Capital (2)
1999-00	\$ 0.65	\$ 8.70	\$ 0.65	\$ 5.50	\$ 4.30	4.30
2000-01	0.72	8.70	0.72	5.50	4.30	4.30
2001-02	0.72	8.70	0.68	5.50	4.30	4.30
2002-03	0.73	8.70	0.73	5.50	4.30	4.30
2003-04	0.76	8.70	0.76	5.50	4.30	4.30
2004-05	0.76	8.70	0.76	5.50	4.30	4.30
2005-06	0.59	2.14	0.59	1.10	0.86	0.86
2006-07	0.59	2.14	0.59	1.10	0.86	0.86
2007-08	0.59	2.14	0.59	1.10	0.86	0.86
2008-09	0.44	2.14	0.44	1.47	0.86	0.86

(1) Per \$100 of assessed value.

(2) Levied at 20% of fair market value through FY 05 -- at 100% in FY 06.

COUNTY OF MADISON, VIRGINIA

Table 8

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

Fiscal Year	Population (1)	Assessed Value (2)	Gross Bonded Debt (3)	Net Bonded Debt	Ratio of Net General Obligation Debt to Assessed Value		Net Bonded Debt per Capita
1999-00	12,300	\$ 658,435,185	\$ 9,768,621	\$ 9,768,621	0.0052	\$	794
2000-01	12,520	678,163,635	9,128,406	9,128,406	0.0135		729
2001-02	12,520	824,480,377	8,540,889	8,540,889	0.0104		682
2002-03	12,520	843,552,832	7,993,956	7,993,956	0.0095		638
2003-04	12,520	866,559,652	7,442,122	7,442,122	0.0086		594
2004-05	12,520	886,603,267	6,884,519	6,884,519	0.0078		550
2005-06	12,520	1,451,293,698	6,320,857	6,320,857	0.0044		505
2006-07	12,520	1,492,384,056	5,750,840	5,750,840	0.0039		459
2007-08	12,520	1,519,485,509	5,174,039	5,174,039	0.0034		413
2008-09	12,520	3,150,559,445	7,599,998	7,599,998	0.0024		607

(1) Bureau of the Census.

(2) From Table 6.

(3) Includes all long-term general obligation bonded debt and Literary Fund Loans. Excludes compensated absences and landfill closure liability.

COUNTY OF MADISON, VIRGINIA

Table 9

Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures Last Ten Years

Fiscal Year	Principal	Interest	Total Debt Service	Total General Governmental Expenditures (1)	Ratio of Debt Service to General Governmental Expenditures
1999-00	\$ 636,659	\$ 456,699	\$ 1,093,358	\$ 25,862,895	4.23%
2000-01	647,212	400,929	1,048,141	28,800,200	3.64%
2001-02	632,517	374,467	1,006,984	20,603,473	4.89%
2002-03	546,933	344,381	891,314	24,203,230	3.68%
2003-04	551,834	332,740	884,574	23,177,406	3.82%
2004-05	557,603	302,726	860,329	24,775,927	3.47%
2005-06	563,662	267,447	831,109	26,763,972	3.11%
2006-07	570,017	241,856	811,873	29,790,187	2.73%
2007-08	576,801	215,171	791,972	32,311,890	2.45%
2008-09	584,041	216,146	800,187	32,970,796	2.43%

(1) Includes general and discretely presented component unit.

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Compliance

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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO THE HONORABLE MEMBERS OF THE BOARD OF SUPERVISORS COUNTY OF MADISON, VIRGINIA

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Madison, Virginia, as of and for the year ended June 30, 2009, which collectively comprise the County of Madison, Virginia's basic financial statements and have issued our report thereon dated January 4, 2010. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County of Madison, 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 Madison, Virginia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County of Madison, 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 entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Madison, 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 the Board of Supervisors, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
January 4, 2010

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 Madison, Virginia

Compliance

We have audited the compliance of the County of Madison, 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 Madison, 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 Madison, Virginia's management. Our responsibility is to express an opinion on the County of Madison, 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 Madison, 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 on the County of Madison, Virginia's compliance with those requirements.

In our opinion, the County of Madison, 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 Madison, 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 Madison, Virginia's internal control over compliance with 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 Madison, 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 the Board of Supervisors, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Robinson, Farmer, & Associates
Charlottesville, Virginia
January 4, 2010

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

<u>Federal Grantor/State Pass - Through Grantor/ Program Title (Pass - Through Grantor's Number)</u>	<u>Federal Catalog Number</u>	<u>Expenditures</u>
Primary Government:		
Department of Transportation:		
Pass Through Payments:		
Virginia Department of Transportation:		
State and Community Highway Safety	20.600	\$ <u>19,658</u>
Total Department of Transportation		\$ <u>19,658</u>
Department of Health and Human Services:		
Pass Through Payments:		
Department of Social Services:		
Promoting safe and stable families	93.556	\$ 15,156
Temporary assistance for needy families (TANF)	93.558	97,918
Refugee and entrant assistance - state administered programs	93.566	231
Low-income home energy assistance	93.568	5,130
Child care and development block grant	93.575	77,875
Child care mandatory and matching funds of the child care and development fund	93.596	47,718
Child care and development block grant - ARRA	93.713	447
Chafee education and training vouchers program	93.599	321
Child welfare services - state grants	96.645	623
Foster care - Title IV-E	93.658	144,034
Foster care - Title IV-E - ARRA	93.658	12,134
Adoption assistance	93.659	12,806
Adoption assistance - ARRA	93.659	921
Social services block grant	93.667	53,375
Chafee foster care independence program	93.674	4,098
Children's health insurance program	93.767	9,067
Medical assistance program	93.778	<u>79,280</u>
Total Department of Health and Human Services		\$ <u>561,134</u>
Department of Interior:		
Direct Payments:		
Payments in lieu of taxes	15.226	\$ <u>106,244</u>
Department of Housing and Urban Development:		
Pass Through Payments:		
Department of Housing and Community Development:		
Community development block grant	14.228	\$ <u>95,724</u>
Department of Homeland Security:		
Pass Through Payments:		
Virginia Department of Emergency Management:		
State Homeland Security Program	97.073	\$ <u>22,500</u>
Department of Agriculture Forest Service:		
Pass Through Payments:		
Virginia Department of Forestry:		
Cooperative Forestry Assistance	10.664	\$ <u>1,000</u>

Schedule of Expenditures of Federal Awards
 Year Ended June 30, 2009 (continued)

<u>Federal Grantor/State Pass - Through Grantor/ Program Title (Pass - Through Grantor's Number)</u>	<u>Federal Catalog Number</u>	<u>Expenditures</u>
Primary Government: (continued)		
Department of Agriculture:		
Pass Through Payments:		
Department of Social Services:		
State administrative matching grants for the supplemental nutrition assistance program	10.561	\$ <u>120,530</u>
Department of Criminal Justice:		
Pass Through Payments:		
Virginia Department of Criminal Justice:		
Edward Byrne Memorial Justice Assistance Program	16.738	\$ <u>1,061</u>
Total Expenditures of Federal Awards-Primary Government		\$ <u><u>927,851</u></u>
Component Unit School Board:		
Department of Agriculture:		
Pass Through Payments:		
Department of Agriculture:		
Food Distribution -- Schools	10.555	\$ 38,964
Department of Education:		
National school lunch program	10.555	194,094
National school breakfast program	10.553	<u>46,004</u>
Total Department of Agriculture		\$ <u>279,062</u>
Department of Education:		
Pass Through Payments:		
Department of Education:		
Title 1 grants to local educational agencies	84.010	\$ 298,880
Improving teacher quality - state grants	84.367	47,599
American history grant	84.251	15,722
English language acquisition grants	84.365	3,026
Special education - grants to states	84.027	365,137
Special education - preschool grants	84.173	12,647
Career and technical education -- basic grants to states	84.048	29,618
Safe and drug-free schools and communities - state grants	84.186	9,259
State grants for innovative programs	84.298	5,753
Education technology state grants	84.318	<u>5,033</u>
Total Department of Education		\$ <u>792,674</u>
Total Expenditures of Federal Awards-Component Unit School Board		\$ <u>1,071,736</u>
Total Expenditures of Federal Awards-Reporting Entity		\$ <u><u>1,999,587</u></u>

COUNTY OF MADISON, 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 Madison, 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 \$ 927,851

Total primary government \$ 927,851

Component Unit Public Schools:

School Operating Fund \$ 792,674

School Cafeteria Fund 279,062

Total component unit public schools \$ 1,071,736

Total federal expenditures per basic financial statements \$ 1,999,587

Total federal expenditures per the Schedule of Expenditures of Federal Awards \$ 1,999,587

COUNTY OF MADISON, VIRGINIA

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	No

Identification of major programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title 1 Grants to Local Educational Agencies
84.027/84.173	Special Education Cluster
93.575/93.596/93.713	Child Care Cluster
93.658	Foster Care Title IV-E / Foster Care Title IV-E ARRA

Dollar threshold used to distinguish between Type A and Type B programs	\$300,000
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Auditee qualified as low-risk auditee?	Yes
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Section II - Financial Statement Findings

There are no financial statement findings to report.

Section III - Federal Award Findings and Questioned Costs

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

Section IV - Prior Year Findings and Questioned Costs

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