

COUNTY OF SUSSEX,  
VIRGINIA

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2001



**COUNTY OF SUSSEX, VIRGINIA**

**BOARD OF SUPERVISORS**

Rufus E. Tyler, Chairman

Charlie E. Caple, Jr.

J. A. Stringfield

W. M. Harrell

W. J. Collins, Jr.

Alice W. Jones

**DEPARTMENT OF SOCIAL SERVICES**

Clifton Owens, Chairman

Maude K. Johnson

Elizabeth J. Bain

Rodney Motton

Charlie E. Caple, Jr.

Johnnie Wiggins

Charles J. Wyatt

**COUNTY SCHOOL BOARD**

Waverly L. Burrow, Chairman

Clyde E. Gay

James A. Thorpe, Jr.

Rose M. Rivers

Rosa D. Overby

Ward T. Griffin

**OTHER OFFICIALS**

|  |                           |
|--|---------------------------|
| Judge of the Circuit Court .....                         | Robert G. O'Hara, Jr.     |
| Clerk of the Circuit Court .....                         | Gary M. Williams          |
| Commonwealth's Attorney .....                            | E. Carter Nettles         |
| Commissioner of the Revenue .....                        | Ellen G. Boone            |
| Treasurer .....  | Onnie L. Woodruff         |
| Sheriff .....  | E. S. Kitchen, Jr.        |
| Superintendent of Schools .....                          | John W. Hicks             |
| Director of Social Services, .....                       | Chequila H. Fields        |
| County Administrator .....                               | Mary E. Jones             |
| Judge of the General District Court .....                | Gammiel G. Poindexter     |
| Judge of the Juvenile and Domestic Relations Court ..... | Charles A. Perkinson, Jr. |



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# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

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## INDEPENDENT AUDITORS' REPORT

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### TO THE BOARD OF SUPERVISORS COUNTY OF SUSSEX, VIRGINIA

We have audited the accompanying general-purpose and combining financial statements of the County of Sussex, Virginia, as of and for the year ended June 30, 2001, as listed in the table of contents. These general-purpose financial statements are the responsibility of the County of Sussex, Virginia's management. Our responsibility is to express an opinion on these general-purpose 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 Audit of Counties, Cities, and Towns issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and 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 opinion.

As described more fully in Note 1, the general purpose financial statements referred to above do not include a general fixed assets account group which should be included to conform with accounting principles generally accepted in the United States of America.

In our opinion, except that the omission of the general fixed asset account group described above results in an incomplete presentation, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the County of Sussex, Virginia, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund types for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the combining and individual funds and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the County of Sussex, Virginia, as of June 30, 2001, and the results of operations of such funds and the cash flow of its individual nonexpendable trust fund types 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 November 2, 2001 on our consideration of the County of Sussex, Virginia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the County of Sussex, Virginia, taken as a whole and on the combining and individual account group financial statements. The accompanying financial information listed as supporting schedules in the table of contents and the schedule of expenditures of federal awards required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, is presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose, combining and individual account group financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

The statistical tables listed in the table of contents are not a required part of the basic financial statements, and we did not audit or apply limited procedures to such information. Accordingly, we do not express any assurance on such information.



Richmond, Virginia  
November 2, 2001

**GENERAL PURPOSE FINANCIAL STATEMENTS**

**COUNTY OF SUSSEX, VIRGINIA**

**Combined Balance Sheet - All Funds, Account Groups, and Discretely Presented Component Unit**

**At June 30, 2001**

|   | Governmental Funds  |                   |                     |
|---|---------------------|-------------------|---------------------|
|   | General             | Special Revenue   | Capital Projects    |
| <b>ASSETS AND OTHER DEBITS</b>  |                     |                   |                     |
| <b>Assets:</b>  |                     |                   |                     |
| Cash and cash equivalents (Note 2)  | \$ 2,690,241        | \$ 344,170        | \$ 7,271,303        |
| Receivables (Net of allowances for uncollectibles):                       |                     |                   |                     |
| Taxes, including penalties (Note 1)                                       | 425,875             | 0                 | 0                   |
| Accounts  | 330,783             | 15,573            | 2,673               |
| Due from component unit (Note 5)  | 128,763             | 0                 | 0                   |
| Due from other governmental units (Note 4)                                | 292,183             | 0                 | 0                   |
| <b>Other debits:</b>  |                     |                   |                     |
| Amount to be provided for the retirement of general long-term obligations | 0                   | 0                 | 0                   |
| <b>Total assets and other debits</b>                                      | <b>\$ 3,867,845</b> | <b>\$ 359,743</b> | <b>\$ 7,273,976</b> |
| <b>LIABILITIES</b>  |                     |                   |                     |
| Accounts payable  | \$ 41,423           | \$ 0              | \$ 217,184          |
| Accrued liabilities   | 0                   | 0                 | 0                   |
| Reconciled overdraft payable  | 0                   | 0                 | 0                   |
| Due to primary government (Note 5)  | 0                   | 0                 | 0                   |
| Amounts held for social service clients                                   | 0                   | 0                 | 0                   |
| Deferred revenue (Note 9)   | 399,460             | 0                 | 0                   |
| Lease revenue bond payable (Note 8)                                       | 0                   | 0                 | 0                   |
| General obligation bonds payable (Note 8)                                 | 0                   | 0                 | 0                   |
| Landfill post closure care (Note 12)                                      | 0                   | 0                 | 0                   |
| Claims, judgments and compensated absences (Note 7)                       | 0                   | 0                 | 0                   |
| Amortization of retirement incentive (Note 8)                             | 0                   | 0                 | 0                   |
| <b>Total liabilities</b>  | <b>\$ 440,883</b>   | <b>\$ 0</b>       | <b>\$ 217,184</b>   |
| <b>EQUITY</b>   |                     |                   |                     |
| <b>Fund balances:</b>   |                     |                   |                     |
| <b>Reserved for:</b>  |                     |                   |                     |
| Scholarships  | \$ 0                | \$ 0              | \$ 0                |
| Capital projects  | 0                   | 0                 | 7,056,792           |
| Indoor plumbing program   | 6,684               | 0                 | 0                   |
| Drug forfeiture   | 6,358               | 0                 | 0                   |
| <b>Unreserved:</b>  |                     |                   |                     |
| Undesignated  | 3,413,920           | 359,743           | 0                   |
| <b>Total retained earnings/fund balances</b>                              | <b>\$ 3,426,962</b> | <b>\$ 359,743</b> | <b>\$ 7,056,792</b> |
| <b>Total equity</b>   | <b>\$ 3,426,962</b> | <b>\$ 359,743</b> | <b>\$ 7,056,792</b> |
| <b>Total liabilities and equity</b>                                       | <b>\$ 3,867,845</b> | <b>\$ 359,743</b> | <b>\$ 7,273,976</b> |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

**Exhibit 1**

| Fiduciary<br>Funds     | Account<br>Group                    | Totals<br>(Memorandum<br>Only) | Component<br>Unit    | Totals<br>(Memorandum<br>Only) |
|------------------------|-------------------------------------|--------------------------------|----------------------|--------------------------------|
| Trust<br>and<br>Agency | General<br>Long-term<br>Obligations | Primary<br>Government          | School<br>Board      | Reporting<br>Entity            |
| \$ 2,784               | \$ 0                                | \$ 10,308,498                  | \$ 681,308           | \$ 10,989,806                  |
| 0                      | 0                                   | 425,875                        | 0                    | 425,875                        |
| 0                      | 0                                   | 349,029                        | 0                    | 349,029                        |
| 0                      | 0                                   | 128,763                        | 0                    | 128,763                        |
| 0                      | 0                                   | 292,183                        | 290,872              | 583,055                        |
| <u>0</u>               | <u>3,817,778</u>                    | <u>3,817,778</u>               | <u>8,796,159</u>     | <u>12,613,937</u>              |
| <u>\$ 2,784</u>        | <u>\$ 3,817,778</u>                 | <u>\$ 15,322,126</u>           | <u>\$ 9,768,339</u>  | <u>\$ 25,090,465</u>           |
| \$ 0                   | \$ 0                                | \$ 258,607                     | \$ 324,840           | \$ 583,447                     |
| 0                      | 0                                   | 0                              | 566,491              | 566,491                        |
| 0                      | 0                                   | 0                              | 914,197              | 914,197                        |
| 0                      | 0                                   | 0                              | 128,763              | 128,763                        |
| 2,784                  | 0                                   | 2,784                          | 0                    | 2,784                          |
| 0                      | 0                                   | 399,460                        | 0                    | 399,460                        |
| 0                      | 2,440,000                           | 2,440,000                      | 0                    | 2,440,000                      |
| 0                      | 0                                   | 0                              | 7,055,000            | 7,055,000                      |
| 0                      | 1,230,873                           | 1,230,873                      | 0                    | 1,230,873                      |
| 0                      | 146,905                             | 146,905                        | 437,252              | 584,157                        |
| 0                      | 0                                   | 0                              | 1,303,907            | 1,303,907                      |
| <u>\$ 2,784</u>        | <u>\$ 3,817,778</u>                 | <u>\$ 4,478,629</u>            | <u>\$ 10,730,450</u> | <u>\$ 15,209,079</u>           |
| \$ 0                   | \$ 0                                | \$ 0                           | \$ 45,667            | \$ 45,667                      |
| 0                      | 0                                   | 7,056,792                      | 0                    | 7,056,792                      |
| 0                      | 0                                   | 6,684                          | 0                    | 6,684                          |
| 0                      | 0                                   | 6,358                          | 0                    | 6,358                          |
| <u>0</u>               | <u>0</u>                            | <u>3,773,663</u>               | <u>(1,007,778)</u>   | <u>2,765,885</u>               |
| <u>\$ 0</u>            | <u>\$ 0</u>                         | <u>\$ 10,843,497</u>           | <u>\$ (962,111)</u>  | <u>\$ 9,881,386</u>            |
| <u>\$ 0</u>            | <u>\$ 0</u>                         | <u>\$ 10,843,497</u>           | <u>\$ (962,111)</u>  | <u>\$ 9,881,386</u>            |
| <u>\$ 2,784</u>        | <u>\$ 3,817,778</u>                 | <u>\$ 15,322,126</u>           | <u>\$ 9,768,339</u>  | <u>\$ 25,090,465</u>           |

**COUNTY OF SUSSEX, VIRGINIA**

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances**

**All Governmental Funds and Discretely presented Component Unit**

**Year Ended June 30, 2001**

|  | Governmental Fund Types |                   |                     |
|--|-------------------------|-------------------|---------------------|
|  | General                 | Special Revenue   | Capital Projects    |
| Revenues:  |                         |                   |                     |
| General property taxes   | \$ 5,543,684            | \$ 0              | \$ 0                |
| Other local taxes  | 817,613                 | 135,078           | 0                   |
| Permits, privilege fees and regulatory licenses                                | 46,065                  | 0                 | 0                   |
| Fines and forfeitures  | 160,402                 | 0                 | 0                   |
| Revenue from use of money and property   | 256,203                 | 17,510            | 383,220             |
| Charges for services   | 3,412,061               | 1,270             | 26,971              |
| Miscellaneous  | 210,219                 | 642               | 0                   |
| Recovered costs  | 148,840                 | 0                 | 0                   |
| Intergovernmental:   |                         |                   |                     |
| Commonwealth   | 3,651,706               | 0                 | 0                   |
| Federal  | 1,095,011               | 0                 | 0                   |
| <b>Total revenues</b>  | <b>\$ 15,341,804</b>    | <b>\$ 154,500</b> | <b>\$ 410,191</b>   |
| Expenditures:  |                         |                   |                     |
| Current:   |                         |                   |                     |
| General government administration  | \$ 871,929              | \$ 0              | \$ 0                |
| Judicial administration  | 413,109                 | 2,856             | 0                   |
| Public safety  | 2,864,347               | 80,447            | 0                   |
| Public works   | 515,852                 | 0                 | 0                   |
| Health and welfare   | 1,845,632               | 0                 | 0                   |
| Education  | 176,575                 | 0                 | 0                   |
| Parks, recreation, and cultural  | 112,211                 | 0                 | 0                   |
| Community development  | 681,730                 | 0                 | 0                   |
| Capital projects   | 0                       | 0                 | 905,983             |
| Debt service:  |                         |                   |                     |
| Principal retirement   | 0                       | 0                 | 415,000             |
| Interest and other fiscal charges  | 0                       | 0                 | 187,435             |
| <b>Total expenditures</b>  | <b>\$ 7,481,385</b>     | <b>\$ 83,303</b>  | <b>\$ 1,508,418</b> |
| Excess (deficiency) of revenues over expenditures                              | \$ 7,860,419            | \$ 71,197         | \$ (1,098,227)      |
| Other financing sources (uses):  |                         |                   |                     |
| Operating transfers in   | \$ 0                    | \$ 0              | \$ 1,889,087        |
| Operating transfers out  | (1,889,087)             | 0                 | 0                   |
| Operating transfers from/to primary government                                 | (5,690,475)             | 0                 | (715,806)           |
| <b>Total other financing sources (uses)</b>                                    | <b>\$ (7,579,562)</b>   | <b>\$ 0</b>       | <b>\$ 1,173,281</b> |
| Excess (deficiency) of revenues & other sources over expenditures & other uses | \$ 280,857              | \$ 71,197         | \$ 75,054           |
| Fund balances at beginning of year   | \$ 3,146,105            | \$ 288,546        | \$ 6,981,738        |
| Fund balances at end of year   | \$ 3,426,962            | \$ 359,743        | \$ 7,056,792        |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

**Exhibit 2**

| Totals<br>"Memorandum<br>Only" |                    | Component Unit  | Totals<br>"Memorandum<br>Only" |    |                    |
|--------------------------------|--------------------|-----------------|--------------------------------|----|--------------------|
| Primary<br>Government          |                    | School<br>Board | Reporting<br>Entity            |    |                    |
| \$                             | 5,543,684          | \$              | 0                              | \$ | 5,543,684          |
|                                | 952,691            |                 | 0                              |    | 952,691            |
|                                | 46,065             |                 | 0                              |    | 46,065             |
|                                | 160,402            |                 | 0                              |    | 160,402            |
|                                | 656,933            |                 | 183,825                        |    | 840,758            |
|                                | 3,440,302          |                 | 289,509                        |    | 3,729,811          |
|                                | 210,861            |                 | 141,381                        |    | 352,242            |
|                                | 148,840            |                 | 0                              |    | 148,840            |
|                                | 3,651,706          |                 | 6,833,020                      |    | 10,484,726         |
|                                | <u>1,095,011</u>   |                 | <u>1,103,353</u>               |    | <u>2,198,364</u>   |
| \$                             | <u>15,906,495</u>  | \$              | <u>8,551,088</u>               | \$ | <u>24,457,583</u>  |
|                                |                    |                 |                                |    |                    |
| \$                             | 871,929            | \$              | 0                              | \$ | 871,929            |
|                                | 415,965            |                 | 0                              |    | 415,965            |
|                                | 2,944,794          |                 | 0                              |    | 2,944,794          |
|                                | 515,852            |                 | 0                              |    | 515,852            |
|                                | 1,845,632          |                 | 0                              |    | 1,845,632          |
|                                | 176,575            |                 | 13,200,207                     |    | 13,376,782         |
|                                | 112,211            |                 | 0                              |    | 112,211            |
|                                | 681,730            |                 | 0                              |    | 681,730            |
|                                | 905,983            |                 | 6,205,141                      |    | 7,111,124          |
|                                | 415,000            |                 | 394,827                        |    | 809,827            |
|                                | <u>187,435</u>     |                 | <u>446,705</u>                 |    | <u>634,140</u>     |
| \$                             | <u>9,073,106</u>   | \$              | <u>20,246,880</u>              | \$ | <u>29,319,986</u>  |
|                                |                    |                 |                                |    |                    |
| \$                             | <u>6,833,389</u>   | \$              | <u>(11,695,792)</u>            | \$ | <u>(4,862,403)</u> |
|                                |                    |                 |                                |    |                    |
| \$                             | 1,889,087          | \$              | 691,033                        | \$ | 2,580,120          |
|                                | (1,889,087)        |                 | (691,033)                      |    | (2,580,120)        |
|                                | <u>(6,406,281)</u> |                 | <u>6,406,281</u>               |    | <u>0</u>           |
| \$                             | <u>(6,406,281)</u> | \$              | <u>6,406,281</u>               | \$ | <u>0</u>           |
|                                |                    |                 |                                |    |                    |
| \$                             | 427,108            | \$              | (5,289,511)                    | \$ | (4,862,403)        |
| \$                             | <u>10,416,389</u>  | \$              | <u>4,281,733</u>               | \$ | <u>14,698,122</u>  |
| \$                             | <u>10,843,497</u>  | \$              | <u>(1,007,778)</u>             | \$ | <u>9,835,719</u>   |

**COUNTY OF SUSSEX, VIRGINIA**

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances --**

**Budget and Actual -- General, Special Revenue, Capital Projects Funds,**

**And Discretely Presented Component Unit School Board**

**Year Ended June 30, 2001**

|   | General Fund   |                |  |
|---|----------------|----------------|--|
|   | Budget         | Actual         | Variance<br>Favorable<br>(Unfavorable) |
| Revenues:   |                |                |  |
| General property taxes  | \$ 5,698,260   | \$ 5,543,684   | \$ (154,576)                           |
| Other local taxes   | 814,654        | 817,613        | 2,959                                  |
| Permits, privilege fees and regulatory licenses                                   | 43,375         | 46,065         | 2,690                                  |
| Fines and forfeitures   | 240,000        | 160,402        | (79,598)                               |
| Revenue from use of money and property  | 295,000        | 256,203        | (38,797)                               |
| Charges for services  | 3,298,065      | 3,412,061      | 113,996                                |
| Miscellaneous   | 106,600        | 210,219        | 103,619                                |
| Recovered costs   | 136,103        | 148,840        | 12,737                                 |
| Intergovernmental:  |                |                |  |
| Commonwealth  | 3,490,496      | 3,651,706      | 161,210                                |
| Federal   | 986,030        | 1,095,011      | 108,981                                |
| Total revenues  | \$ 15,108,583  | \$ 15,341,804  | \$ 233,221                             |
| Expenditures:   |                |                |  |
| Current:  |                |                |  |
| General government administration   | \$ 919,757     | \$ 871,929     | \$ 47,828                              |
| Judicial administration   | 442,729        | 413,109        | 29,620                                 |
| Public safety   | 2,813,655      | 2,864,347      | (50,692)                               |
| Public works  | 477,284        | 515,852        | (38,568)                               |
| Health and welfare  | 1,983,903      | 1,845,632      | 138,271                                |
| Education   | 179,155        | 176,575        | 2,580                                  |
| Parks, recreation, and cultural   | 95,451         | 112,211        | (16,760)                               |
| Community development   | 561,808        | 681,730        | (119,922)                              |
| Capital projects  | 0              | 0              | 0                                      |
| Debt service:   |                |                |  |
| Principal retirement  | 0              | 0              | 0                                      |
| Interest and other fiscal charges   | 0              | 0              | 0                                      |
| Total expenditures  | \$ 7,473,742   | \$ 7,481,385   | \$ (7,643)                             |
| Excess (deficiency) of revenues<br>over expenditures                              | \$ 7,634,841   | \$ 7,860,419   | \$ 225,578                             |
| Other financing sources (uses):   |                |                |  |
| Proceeds of general obligation bonds  | \$ 0           | \$ 0           | \$ 0                                   |
| Operating transfers in  | 0              | 0              | 0                                      |
| Operating transfers out   | (2,035,754)    | (1,889,087)    | 146,667                                |
| Operating transfers from/to primary government                                    | (5,698,308)    | (5,690,475)    | 7,833                                  |
| Total other financing sources (uses)  | \$ (7,734,062) | \$ (7,579,562) | \$ 154,500                             |
| Excess (deficiency) of revenues & other<br>sources over expenditures & other uses | \$ (99,221)    | \$ 280,857     | \$ 380,078                             |
| Fund balances at beginning of year  | \$ 99,221      | \$ 3,146,105   | \$ 3,046,884                           |
| Fund balances at end of year  | \$ 0           | \$ 3,426,962   | \$ 3,426,962                           |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

| Special Revenue Funds |                   |                                  | Capital Projects Funds |                       |                                  |
|-----------------------|-------------------|----------------------------------|------------------------|-----------------------|----------------------------------|
| Budget                | Actual            | Variance Favorable (Unfavorable) | Budget                 | Actual                | Variance Favorable (Unfavorable) |
| \$ 0                  | \$ 0              | \$ 0                             | \$ 0                   | \$ 0                  | \$ 0                             |
| 122,000               | 135,078           | 13,078                           | 0                      | 0                     | 0                                |
| 0                     | 0                 | 0                                | 0                      | 0                     | 0                                |
| 0                     | 0                 | 0                                | 0                      | 0                     | 0                                |
| 3,200                 | 17,510            | 14,310                           | 240,000                | 383,220               | 143,220                          |
| 1,300                 | 1,270             | (30)                             | 18,000                 | 26,971                | 8,971                            |
| 600                   | 642               | 42                               | 0                      | 0                     | 0                                |
| 0                     | 0                 | 0                                | 0                      | 0                     | 0                                |
| 0                     | 0                 | 0                                | 700,000                | 0                     | (700,000)                        |
| 0                     | 0                 | 0                                | 0                      | 0                     | 0                                |
| <u>\$ 127,100</u>     | <u>\$ 154,500</u> | <u>\$ 27,400</u>                 | <u>\$ 958,000</u>      | <u>\$ 410,191</u>     | <u>\$ (547,809)</u>              |
| \$ 0                  | \$ 0              | \$ 0                             | \$ 0                   | \$ 0                  | \$ 0                             |
| 3,000                 | 2,856             | 144                              | 0                      | 0                     | 0                                |
| 118,988               | 80,447            | 38,541                           | 0                      | 0                     | 0                                |
| 0                     | 0                 | 0                                | 0                      | 0                     | 0                                |
| 0                     | 0                 | 0                                | 0                      | 0                     | 0                                |
| 0                     | 0                 | 0                                | 0                      | 0                     | 0                                |
| 0                     | 0                 | 0                                | 0                      | 0                     | 0                                |
| 0                     | 0                 | 0                                | 0                      | 0                     | 0                                |
| 0                     | 0                 | 0                                | 1,995,000              | 905,983               | 1,089,017                        |
| 0                     | 0                 | 0                                | 415,000                | 415,000               | 0                                |
| 0                     | 0                 | 0                                | 146,203                | 187,435               | (41,232)                         |
| <u>\$ 121,988</u>     | <u>\$ 83,303</u>  | <u>\$ 38,685</u>                 | <u>\$ 2,556,203</u>    | <u>\$ 1,508,418</u>   | <u>\$ 1,047,785</u>              |
| <u>\$ 5,112</u>       | <u>\$ 71,197</u>  | <u>\$ 66,085</u>                 | <u>\$ (1,598,203)</u>  | <u>\$ (1,098,227)</u> | <u>\$ 499,976</u>                |
| \$ 0                  | \$ 0              | \$ 0                             | \$ 0                   | \$ 0                  | \$ 0                             |
| 0                     | 0                 | 0                                | 2,035,754              | 1,889,087             | (146,667)                        |
| 0                     | 0                 | 0                                | 0                      | 0                     | 0                                |
| 0                     | 0                 | 0                                | (1,234,852)            | (715,806)             | 519,046                          |
| <u>\$ 0</u>           | <u>\$ 0</u>       | <u>\$ 0</u>                      | <u>\$ 800,902</u>      | <u>\$ 1,173,281</u>   | <u>\$ 372,379</u>                |
| \$ 5,112              | \$ 71,197         | \$ 66,085                        | \$ (797,301)           | \$ 75,054             | \$ 872,355                       |
| <u>\$ 1,100</u>       | <u>\$ 288,546</u> | <u>\$ 287,446</u>                | <u>\$ 797,301</u>      | <u>\$ 6,981,738</u>   | <u>\$ 6,184,437</u>              |
| <u>\$ 6,212</u>       | <u>\$ 359,743</u> | <u>\$ 353,531</u>                | <u>\$ 0</u>            | <u>\$ 7,056,792</u>   | <u>\$ 7,056,792</u>              |

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances --**

**Budget and Actual -- General, Special Revenue, Capital Projects Funds,**

**And Discretely Presented Component Unit School Board**

**Year Ended June 30, 2001**

|   | Component Unit         |                        |  |
|---|------------------------|------------------------|--|
|   | School Board           |                        |  |
|   | Budget                 | Actual                 | Variance<br>Favorable<br>(Unfavorable) |
| <b>Revenues:</b>  |                        |                        |  |
| General property taxes  | \$ 0                   | \$ 0                   | \$ 0                                   |
| Other local taxes   | 0                      | 0                      | 0                                      |
| Permits, privilege fees and regulatory licenses   | 0                      | 0                      | 0                                      |
| Fines and forfeitures   | 0                      | 0                      | 0                                      |
| Revenue from use of money and property  | 0                      | 183,825                | 183,825                                |
| Charges for services  | 185,695                | 289,509                | 103,814                                |
| Miscellaneous   | 50,000                 | 141,381                | 91,381                                 |
| Recovered costs   | 0                      |                        | 0                                      |
| <b>Intergovernmental:</b>   |                        |                        |  |
| Commonwealth  | 7,072,808              | 6,833,020              | (239,788)                              |
| Federal   | 1,065,463              | 1,103,353              | 37,890                                 |
| <b>Total revenues</b>   | <b>\$ 8,373,966</b>    | <b>\$ 8,551,088</b>    | <b>\$ 177,122</b>                      |
| <b>Expenditures:</b>  |                        |                        |  |
| <b>Current:</b>   |                        |                        |  |
| General government administration   | \$ 0                   | \$ 0                   | \$ 0                                   |
| Judicial administration   | 0                      | 0                      | 0                                      |
| Public safety   | 0                      | 0                      | 0                                      |
| Public works  | 0                      | 0                      | 0                                      |
| Health and welfare  | 0                      | 0                      | 0                                      |
| Education   | 13,415,543             | 13,200,207             | 215,336                                |
| Parks, recreation, and cultural   | 0                      | 0                      | 0                                      |
| Community development   | 0                      | 0                      | 0                                      |
| Capital projects  | 8,150,731              | 6,205,141              | 1,945,590                              |
| <b>Debt service:</b>  |                        |                        |  |
| Principal retirement  | 579,363                | 394,827                | 184,536                                |
| Interest and other fiscal charges   | 661,489                | 446,705                | 214,784                                |
| <b>Total expenditures</b>   | <b>\$ 22,807,126</b>   | <b>\$ 20,246,880</b>   | <b>\$ 2,560,246</b>                    |
| <b>Excess (deficiency) of revenues over expenditures</b>                                      | <b>\$ (14,433,160)</b> | <b>\$ (11,695,792)</b> | <b>\$ 2,737,368</b>                    |
| <b>Other financing sources (uses):</b>  |                        |                        |  |
| Proceeds of general obligation bonds  | \$ 7,500,000           | \$ 0                   | \$ (7,500,000)                         |
| Operating transfers in  | 760,731                | 691,033                | (69,698)                               |
| Operating transfers out   | (760,731)              | (691,033)              | 69,698                                 |
| Operating transfers from/to primary government  | 6,933,160              | 6,406,281              | (526,879)                              |
| <b>Total other financing sources (uses)</b>   | <b>\$ 14,433,160</b>   | <b>\$ 6,406,281</b>    | <b>\$ (8,026,879)</b>                  |
| <b>Excess (deficiency) of revenues &amp; other sources over expenditures &amp; other uses</b> | <b>\$ 0</b>            | <b>\$ (5,289,511)</b>  | <b>\$ (5,289,511)</b>                  |
| <b>Fund balances at beginning of year</b>   | <b>\$ 0</b>            | <b>\$ 4,281,733</b>    | <b>\$ 4,281,733</b>                    |
| <b>Fund balances at end of year</b>   | <b>\$ 0</b>            | <b>\$ (1,007,778)</b>  | <b>\$ (1,007,778)</b>                  |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

**Combined Statement of Revenues, Expenses and Changes in Fund Balances**

**Discretely Presented Component Unit - Nonexpendable Trust Funds**

**Year Ended June 30, 2001**

|  |    | Nonexpendable<br>Trust<br>Funds |
|--|----|---------------------------------|
|  |    | <u>Component<br/>Unit</u>       |
| Operating revenues:                    |    |                                 |
| Revenue from use of money and property | \$ | 2,633                           |
| Miscellaneous                          |    | <u>2,200</u>                    |
| Total revenues                         | \$ | <u>4,833</u>                    |
| Operating expenses:                    |    |                                 |
| Current:                               |    |                                 |
| Scholarships                           | \$ | <u>1,700</u>                    |
| Net operating income                   | \$ | <u>3,133</u>                    |
| Fund balances at beginning of year     | \$ | <u>42,534</u>                   |
| Fund balances at end of year           | \$ | <u><u>45,667</u></u>            |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

Combined Statement of Cash Flows

Discretely Presented Component Unit - Nonexpendable Trust Funds

Year Ended June 30, 2001

|  | <u>Nonexpendable<br/>Trust<br/>Funds</u> |
|--|--|
|  | <u>Component<br/>Unit</u>                |
| <u>Cash Flows From Operating Activities:</u>   |  |
| Net operating income (loss)                    | \$ <u>3,133</u>                          |
| Cash and cash equivalents at beginning of year | <u>42,534</u>                            |
| Cash and cash equivalents at end of year       | \$ <u><u>45,667</u></u>                  |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

## COUNTY OF SUSSEX, VIRGINIA

### Notes to Financial Statements

As of June 30, 2001

#### NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County conform to generally accepted accounting principles (GAAP) applicable to government units promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant policies:

A. The Financial Reporting Entity

As required by generally accepted accounting principles, these financial statements present the County (primary government) and its component units. The component units discussed in Note B are included in the County reporting entity because of the significance of their operational or financial relationships with the County.

B. Individual Component Unit Disclosures

*Blended Component Units* - The County has no blended component units.

*Discretely Presented Component Units* - The component unit column in the combined financial statement include the financial data of the County's component unit. They are reported in a separate column to emphasize that they are legally separate from the County.

The Sussex County School Board operates the elementary and secondary public schools in the County. School Board members are appointed directly by the Board of Supervisors. The School Board is fiscally dependent upon the County because the County approves all debt issuances of the School Board and provides significant funding to operate the public schools since the School Board does not have separate taxing powers. The School Board 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, 2001.

C. Financial Statement Presentation

The accounts of the County and its component units are organized on the basis of funds and account groups, each which is considered to be a separate accounting entity. Each fund is a separate set of self-balancing accounts that consists of assets, liabilities, fund equity, revenues, and expenditures or expenses. Account groups are a reporting device used to account for certain assets and liabilities of the governmental funds that are not recorded directly in those funds. The various funds and account groups are grouped in the financial statements as follows:

## COUNTY OF SUSSEX, VIRGINIA

Notes to Financial Statements (Continued)

As of June 30, 2001

### NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### C. Financial Statement Presentation (Continued)

1. Governmental Funds account for the expendable financial resources, other than those accounted for in Proprietary and Similar Trust Funds. The Governmental Fund measurement focus is on determination of financial position and changes in financial position, rather than on net income determination. The individual Governmental Funds are:

##### General Fund

The General Fund is the general operating fund of the County. This fund accounts for all revenues and expenditures of the County which are not accounted for in the other funds.

##### Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

##### Capital Project Funds

Capital Project Funds account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

2. Fiduciary Funds (Trust and Agency Funds) account for assets held by the County and its component units in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds. These funds include Nonexpendable Trust and Agency Funds.

## COUNTY OF SUSSEX, VIRGINIA

Notes to Financial Statements (Continued)

As of June 30, 2001

### NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### C. Financial Statement Presentation (Continued)

3. Account Groups are used to establish accounting control over general fixed assets and long-term liabilities. A general long-term obligation account group is included herein for the County and its component units. Generally accepted accounting principles require the County and its component units to maintain a record of its fixed assets; however, a General Fixed Asset Account Group is not included in the financial statements.

#### 4. Memorandum Only - Total Columns on Combined Statements - Overview

The total columns on the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

#### D. Basis of Accounting

##### 1. Governmental Funds

Governmental Funds utilize the modified accrual basis of accounting under which revenues and related assets are recorded when measurable and available to finance operations during the year. Accordingly, real and personal property taxes are recorded as revenues and receivables when billed, net of allowances for uncollectible amounts. Property taxes not collected within 60 days after year end are reflected as deferred revenues. Sales and utility taxes, which are collected by the state or utilities and subsequently remitted to the County, are recognized as revenues and receivables upon collection by the state or utility, which is generally within two months preceding receipt by the County.

**COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)

As of June 30, 2001

**NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Basis of Accounting (Continued)

1. Governmental Funds (Continued)

Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of federal, state and other grants for the purpose of funding specific expenditures, are recognized when earned or at the time of the specific expenditure. Revenues from general purpose grants are recognized in the period to which the grant applies.

Expenditures, other than interest on long-term debt, are recorded as the related fund liabilities are incurred. Interest on long-term debt is recognized when due except for interest due on July 1, which is accrued.

2. Fiduciary Funds

Nonexpendable Trust Funds utilize the accrual basis of accounting. Agency Funds utilize the modified accrual basis of accounting.

E. Budgets and Budgetary Accounting

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

1. Prior to March 30, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.

## **COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)

As of June 30, 2001

### **NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **E. Budgets and Budgetary Accounting (Continued)**

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 for the General Fund, Special Revenue Funds (except School Funds), and the General Capital Projects Funds. The School Fund, School Cafeteria and School Textbook Funds are integrated only at the level of legal adoption.
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 budget data presented in the accompanying financial statements is the original budget approved by the Board of Supervisors.

#### **F. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded to reserve applicable appropriations, is not utilized in Sussex County.

#### **G. Cash and Cash Equivalents**

Cash and cash equivalents are defined as short term highly liquid investments that are both readily convertible to known amounts of cash and investments with original maturities of 90 days or less, and includes all certificates of deposit in accordance with the Code of Virginia.

## **COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)

As of June 30, 2001

### **NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### H. Investments

Investments are reported at fair value. Certificates of deposit and short-term repurchase agreements are reported in the accompanying financial statements as cash and cash equivalents.

#### I. Inventory

The County does not record inventory in any Governmental Fund. Management does not believe this practice has a material effect on the financial statements.

#### J. Property Taxes

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

#### K. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **NOTE 2--DEPOSITS AND INVESTMENTS**

Deposits: All cash of the County of Sussex is maintained in accounts collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.1-359et. seq. of the Code of Virginia or covered by federal depository insurance.

All cash of the School Board, a discretely presented component unit, is maintained in accounts collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.1-359et. seq. of the Code of Virginia or covered by federal depository insurance.

**COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)

As of June 30, 2001

**NOTE 2-DEPOSITS AND INVESTMENTS (Continued)**

Investments: Statutes authorize local governments and other public bodies 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).

Investments are categorized below to give an indication of the level of risk at year end assumed by the entity. Category 1 includes investments that are insured or registered, or for which the securities are held by the government or its safekeeping agent in the government's name. Category 2 includes uninsured or unregistered investments for which the securities are held by the broker's or dealer's trust department or safekeeping agent in the government's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or safekeeping agent but not in the government's name.

At year end, the County's investment balances were as follows:

|   | <u>Category</u>    |             |             | <u>Fair Value</u>   |
|---|--------------------|-------------|-------------|---------------------|
|   | <u>1</u>           | <u>2</u>    | <u>3</u>    |                     |
| Mentor Money  |                    |             |             |                     |
| Market fund   | \$1,587,627        | \$ -        | \$ -        | \$1,587,627         |
| U.S. Treasury   |                    |             |             |                     |
| Notes   | 492,617            | -           | -           | 492,617             |
| Investments not subject to categorization:            |                    |             |             |                     |
| Local Government                                      |                    |             |             |                     |
| Investment Pool                                       | -                  | -           | -           | 5,308,949           |
|   | <u>\$2,080,244</u> | <u>\$ -</u> | <u>\$ -</u> | \$7,389,193         |
| Total deposits for primary government                 |                    |             |             | 2,917,250           |
| Treasurer's deferred account                          |                    |             |             | (607)               |
| Cash on Hand  |                    |             |             | <u>2,662</u>        |
| Total Deposits and Investments for primary government |                    |             |             | <u>\$10,308,498</u> |

**COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)

As of June 30, 2001

**NOTE 2--DEPOSITS AND INVESTMENTS (Continued)**

At year end, the School Board's investment balances were as follows:

|   | <u>Category</u> |          |          | <u>Fair Value</u>   |
|---|-----------------|----------|----------|---------------------|
|   | <u>1</u>        | <u>2</u> | <u>3</u> |                     |
| Investments not subject to categorization:            |                 |          |          |                     |
| SNAP  |                 |          |          | \$ 829,100          |
| Total Deposits for component unit                     |                 |          |          | <u>(1,061,989)</u>  |
| Total Deposits and Investments for the component unit |                 |          |          | <u>\$ (232,889)</u> |

**NOTE 3--AMOUNT OF ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS**

The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately \$53,182 at June 30, 2001 and is composed solely of property taxes.

**NOTE 4--DUE FROM OTHER GOVERNMENTAL UNITS**

|                           | <u>Primary Government</u> | <u>Component Units</u> |
|---------------------------|---------------------------|------------------------|
| Commonwealth of Virginia: |                           |                        |
| Mobile home titling tax   | \$ 9,116                  | \$ -                   |
| Rolling Stock             | 71,526                    | -                      |
| School funds              | -                         | 211,378                |
| Local sales taxes         | 68,698                    | -                      |
| VPA funds                 | 30,490                    | -                      |
| Abstinence education      | 36,813                    | -                      |
| Shared expenses           | 6,931                     | -                      |
| Federal government:       |                           |                        |
| School funds              | -                         | 79,494                 |
| VPA funds                 | <u>68,609</u>             | <u>-</u>               |
| Totals                    | <u>\$292,183</u>          | <u>\$290,872</u>       |

**COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)

As of June 30, 2001

**NOTE 5--DUE TO/FROM OTHER FUNDS AND PRIMARY GOVERNMENT/COMPONENT UNITS**

Due to/From Primary Governments/Component Units:

| <u>Fund</u>         | <u>Due To<br/>Primary Government</u> | <u>Due From<br/>Component Unit</u> |
|---------------------|--------------------------------------|------------------------------------|
| Primary Government: |                                      |                                    |
| General             | \$ -                                 | \$128,763                          |
| Component Unit:     |                                      |                                    |
| School Board        | <u>128,763</u>                       | <u>-</u>                           |
| Totals:             | <u>\$128,763</u>                     | <u>\$128,763</u>                   |

**NOTE 6--DEFINED PENSION BENEFIT OBLIGATION**

A. Plan Description:

The County contributes to the Virginia Retirement System (VRS), an agent and cost-sharing multiple-employer defined benefit pension plan administered by the Virginia Retirement System. All full-time, salaried permanent employees of participating employers must participate in the VRS. Benefits vest after five years 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 percent of their average final salary (AFS) for each year of credited service. In addition, retirees qualify for annual cost-of-living increases limited to 5% per year beginning in their second year of retirement. AFS is defined as the highest consecutive 36 months of salary. Benefits are actuarially reduced for retirees who retire prior to becoming eligible for full retirement benefits. 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 State legislature.

VRS 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 obtained by writing to the System at P.O. Box 2500, Richmond, Virginia 23218-2500.

**COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)

As of June 30, 2001

**NOTE 6--DEFINED PENSION BENEFIT OBLIGATION (Continued)**

B. Funding Policy

Primary Government:

Plan members are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5% of their annual salary to the VRS. The 5% member contribution may be assumed by employer. In addition, the County is required to contribute the remaining amounts necessary to fund its participation in the VRS using the actuarial basis specified by the Code of Virginia and approved by the VRS Board of Trustees. The County's contribution rate for the fiscal year ended June 30, 2001 was .62 % of the annual covered payroll.

Discretely Presented Component Unit-School Board:

Plan members are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5% of their annual salary to the VRS. The 5% member contribution may be assumed by employer. In addition, the School Board is required to contribute the remaining amounts necessary to fund its participation in the VRS using the actuarial basis specified by the Code of Virginia and approved by the VRS Board of Trustees. The School Board's contribution rate for the fiscal year ended June 30, 2001 was 5.56% of the annual covered payroll.

C. Annual Pension Cost

Primary Government:

The County's annual pension cost and net pension obligation to the VRS for the current year were calculated as follows:

|   |                 |
|---|-----------------|
| Net pension obligation, beginning of year . . . . . | \$ 23,610       |
| Adjustment to net pension obligation . . . . .      | <u>(23,610)</u> |
| Net pension obligation, end of year . . . . .       | <u>\$ 0</u>     |

Discretely presented Component Unit-School Board:

The School Board did not have a net pension obligation to the VRS at June 30, 2001.

**COUNTY OF SUSSEX, VIRGINIA**

**Notes to Financial Statements (Continued)**

**As of June 30, 2001**

**NOTE 6--DEFINED PENSION BENEFIT OBLIGATION (Continued)**

**C. Annual Pension Cost (Continued)**

|                                   | <u>Primary<br/>Government</u>    | <u>Discretely Presented<br/>Component Unit</u>             |
|-----------------------------------|----------------------------------|--|
|                                   | County<br><u>Retirement Plan</u> | School Board<br>Non-Professional<br><u>Retirement Plan</u> |
| Contribution rates:               |                                  |  |
| Employer .....                    | .62%                             | 5.56%  |
| Plan members' .....               | 5.00%                            | 5.00%  |
| Annual pension cost .....         | \$ 19,485                        | \$44,327   |
| Contributions made .....          | \$ 19,485                        | \$44,327   |
| Actuarial valuation date .....    | 06/30/99                         | 06/30/99   |
| Actuarial cost method .....       | Entry age normal                 | Entry age normal   |
| Asset valuation method .....      | Modified<br>market               | Modified<br>market   |
| Actuarial assumptions:            |                                  |  |
| Investment rate of return* .....  | 8.0%                             | 8.0%   |
| Projected salary increases* ..... | 4.0% to 6.15%                    | 4.0% to 6.15%  |
| *Includes inflation at .....      | 4.0%                             | 4.0%   |
| Cost-of-Living adjustments .....  | 3.50%                            | 3.50%  |

<sup>1</sup>This member contribution has been assumed by the employer.

**Primary Government:**

For fiscal year 2001, The County's annual pension cost of \$19,485 was equal to the County's actual and required contributions. The required contribution was determined as part of the June 30, 1999 actuarial valuation using the entry age normal actuarial cost method.

**COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)

As of June 30, 2001

**NOTE 6--DEFINED PENSION BENEFIT OBLIGATION (Continued)**

C. Annual Pension Cost (Continued)

Discretely Presented Component - School Board:

For fiscal year 2001, the School Board's annual pension cost of \$44,327 was equal to the School Board's actual and required contributions. The required contribution was determined as part of the June 30, 1999 actuarial valuation using the entry age normal actuarial cost method.

**Three-Year Trend Information**

|  | <u>Fiscal<br/>Year<br/>Ending</u> | <u>Annual<br/>Pension<br/>Cost (APC)<sup>1</sup></u> | <u>Percentage<br/>of APC<br/>Contributed</u> | <u>Net<br/>Pension<br/>Obligation</u> |
|--|-----------------------------------|--|--|---------------------------------------|
| Primary Government:                    |                                   |  |  |                                       |
| County                                 | 06/30/99                          | \$122,754  | 99.6%  | \$18,070                              |
|  | 06/30/00                          | 135,926  | 95.9%  | 23,610                                |
|  | 06/30/01                          | 19,485   | 100%   | 0                                     |
| Discretely Presented<br>Component Unit |                                   |  |  |                                       |
| School Board Non-<br>Professional      | 06/30/99                          | \$42,892   | 100%   | \$ 0                                  |
|  | 06/30/00                          | 45,141   | 100%   | 0                                     |
|  | 06/30/01                          | 44,327   | 100%   | 0                                     |

<sup>1</sup>Employer portion only

**Required Supplementary Information  
Schedule of Funding Progress**

**PRIMARY GOVERNMENT:**

County Retirement Plan

| <u>Actuarial<br/>Valuation<br/>Date</u> | <u>Actuarial<br/>Value of<br/>Assets<br/>(AVA)<br/>(a)</u> | <u>Actuarial<br/>Accrued<br/>Liability<br/>(AAL)<br/>(b)</u> | <u>Unfunded<br/>(Excess Funded)<br/>Actuarial<br/>Accrued Liability<br/>(UAAL) (a-b)</u> | <u>Funded<br/>Ratio<br/>(a/b)</u> | <u>Annual<br/>Covered<br/>Payroll<br/>(c)</u> | <u>UAAL as %<br/>of Covered<br/>Payroll<br/>((a-b)/c)</u> |
|---|--|--|--|-----------------------------------|---|---|
| 06/30/94                                | \$3,457,934  | \$3,021,183  | (436,751)  | 114.4%                            | \$2,186,103                                   | (20.0%)   |
| 06/30/96                                | 4,502,895  | 4,357,863  | (145,032)  | 103.3%                            | 2,303,999                                     | (6.3%)  |
| 06/30/98                                | 6,398,723  | 5,740,685  | (658,038)  | 111.5%                            | 2,836,398                                     | (23.2%)   |
| 06/30/99                                | 7,506,851  | 6,544,544  | (962,307)  | 114.7%                            | 2,523,234                                     | (38.1%)   |
| 06/30/00                                | 8,815,215  | 7,078,174  | (1,737,041)  | 124.54%                           | 2,948,129                                     | (58.92%)  |

**COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)  
As of June 30, 2001

**NOTE 6--DEFINED PENSION BENEFIT OBLIGATION (Continued)**

C. Annual Pension Cost (Continued)

**DISCRETELY PRESENTED COMPONENT UNIT:**

School Board Non-Professional Retirement Plan

| Actuarial<br>Valuation<br>Date | Actuarial<br>Value of<br>Assets<br>(AVA)<br>(a) | Actuarial<br>Liability<br>(AAL)<br>(b) | Unfunded<br>(Excess Funded)<br>Actuarial<br>Accrued Liability<br>(UAAL) (b-a) | Funded<br>Ratio<br>(a/b) | Annual<br>Covered<br>Payroll<br>(c) | UAAL as %<br>of Covered<br>Payroll<br>((a-b)/c) |
|--------------------------------|---|--|---|--------------------------|-------------------------------------|---|
| 06/30/94                       | Not available                                   |  |   |                          |                                     |   |
| 06/30/96                       | \$207,220                                       | \$293,224                              | \$ 86,004   | 70.7%                    | \$631,484                           | 13.6%   |
| 06/30/98                       | 462,676   | 505,638                                | 42,962  | 91.5%                    | 674,561                             | 6.4%  |
| 06/30/99                       | 601,907   | 664,137                                | 62,230  | 90.6%                    | 724,781                             | 8.6%  |
| 06/30/00                       | 759,108   | 871,798                                | 112,690   | 87.07%                   | 780,316                             | 14.44%  |

D. Discretely Component Unit School Board

PROFESSIONAL EMPLOYEES:

Plan Description

The Sussex County School Board contributes to the Virginia Retirement System (VRS), a cost-sharing multiple-employer defined benefit pension plan administered by the Virginia Retirement System. VRS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the State legislature. The System issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. That report may be obtained by writing to the System at P.O. Box 2500, Richmond, Virginia 23218-2500.

Funding Policy

Plan members are required to contribute 5.0% of their annual covered salary and Sussex County School Board is required to contribute at an actuarially determined rate. The current rate is 7.54% of annual covered payroll. The contribution requirements of plan members and Sussex County School Board are established and may be amended by the VRS Board of Trustees. The School Board's contributions to VRS for the years ending June 30, 2001, 2000, and 1999 were \$507,061, \$586,581, and \$512,774, respectively, equal to the required contributions for each year.

**COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)  
As of June 30, 2001

**NOTE 7--CLAIMS, JUDGMENTS AND COMPENSATED ABSENCES**

The County has outstanding accrued vacation pay totaling \$146,905 in the General Long-Term Obligation Account Group. The County does not pay for accumulated sick leave upon termination of employment. The Component Unit School Board has outstanding accrued sick leave totaling \$437,252 in its General Long-Term Obligation Account Group.

Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the General Long-term Obligation Account Group. No expenditure is reported for these amounts. In accordance with the provisions of Government 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 accumulated sick leave benefits that it is estimated will be taken as "terminal leave" prior to retirement.

**NOTE 8--LONG-TERM DEBT**

**Primary Government**

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

General Long Term Obligations

| <u>Year Ending</u><br><u>June 30</u> | <u>Capital Lease Obligations</u> |                   |
|--------------------------------------|----------------------------------|-------------------|
|                                      | <u>Principal</u>                 | <u>Interest</u>   |
| 2002                                 | \$ 435,000                       | \$ 126,203        |
| 2003                                 | 460,000                          | 101,693           |
| 2004                                 | 485,000                          | 75,348            |
| 2005                                 | 515,000                          | 46,961            |
| 2006                                 | <u>545,000</u>                   | <u>16,077</u>     |
| Total                                | <u>\$2,440,000</u>               | <u>\$ 366,282</u> |

**COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)  
As of June 30, 2001

**NOTE 8--LONG-TERM DEBT (Continued)**

Changes In Long-Term Obligations

The following is a summary of long-term debt transactions of the County for the year ended June 30, 2001:

|   | <u>Amounts<br/>Payable at<br/>July 1, 2000</u> | <u>Increases</u> | <u>Decreases</u>  | <u>Amounts<br/>Payable at<br/>June 30, 2001</u> |
|---|--|------------------|-------------------|---|
| General Long-Term<br>Obligation Account Group:            |  |                  |                   |   |
| Capital Lease Obligations                                 | \$ 2,855,000                                   | \$ -             | \$ 415,000        | \$2,440,000                                     |
| Landfill Post<br>Closure Care                             | 1,270,150                                      | -                | 39,277            | 1,230,873                                       |
| Net Pension Obligation<br>Payable                         | 23,610   | -                | 23,610            | -   |
| Claims, Judgments, and<br>Compensated Absences<br>Payable | <u>153,412</u>                                 | <u>-</u>         | <u>6,507</u>      | <u>146,905</u>                                  |
|   | <u>\$ 4,302,172</u>                            | <u>\$ -</u>      | <u>\$ 484,394</u> | <u>\$3,817,778</u>                              |

Details of Long-Term Indebtedness

General Long-Term Obligation Account Groups:

|   |                    |
|---|--------------------|
| Lease Revenue bond payable \$4,330,000<br>lease revenue bond issued June 29, 1994<br>secured by a leasehold interest in the<br>construction of a courthouse facility and<br>jail renovation, due in annual installments<br>through August 1, 2005, interest payable<br>annually at varying rates from 4.3% to 5.90% | \$2,440,000        |
| Landfill Post Closure Care  | 1,230,873          |
| Compensated Absences  | <u>146,905</u>     |
| Total general long-term obligation debt   | <u>\$3,817,778</u> |

**COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)

As of June 30, 2001

**Component Unit-School Board**

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

| <u>Year Ending</u><br><u>June 30</u> | <u>General Long Term Obligations</u> |                    |                                   |                    |
|--------------------------------------|--------------------------------------|--------------------|-----------------------------------|--------------------|
|                                      | <u>General Obligation Bond</u>       |                    | <u>Early Retirement Incentive</u> |                    |
|                                      | <u>Principal</u>                     | <u>Interest</u>    | <u>Principal</u>                  | <u>Interest</u>    |
| 2002                                 | \$ 375,000                           | \$ 323,675         | \$ 21,413                         | \$ 104,313         |
| 2003                                 | 375,000                              | 305,488            | 23,126                            | 102,600            |
| 2004                                 | 375,000                              | 287,300            | 24,976                            | 100,750            |
| 2005                                 | 375,000                              | 270,050            | 26,974                            | 98,752             |
| 2006                                 | 375,000                              | 253,757            | 29,132                            | 96,594             |
| After 2006                           | <u>5,180,000</u>                     | <u>1,791,520</u>   | <u>1,178,286</u>                  | <u>1,084,782</u>   |
| Total                                | <u>\$7,055,000</u>                   | <u>\$3,231,790</u> | <u>\$1,303,907</u>                | <u>\$1,587,791</u> |

**Changes In Long-Term Obligations**

The following is a summary of long-term obligations transactions of the School Board for the year ended June 30, 2001:

|   | <u>Amounts</u><br><u>Payable at</u><br><u>July 1, 2000</u> | <u>Increases</u> | <u>Decreases</u> | <u>Amounts</u><br><u>Payable at</u><br><u>June 30, 2001</u> |
|---|--|------------------|------------------|---|
| General Long-Term<br>Obligation Account Group:  |  |                  |                  |   |
| General Obligation Bond   | \$7,430,000  | \$ -             | \$375,000        | \$7,055,000   |
| Early Retirement Incentive<br>Claims, Judgments, and<br>Compensated Absences<br>Payable | 1,323,734  | -                | 19,827           | 1,303,907   |
|   | <u>164,329</u>   | <u>272,923</u>   | <u>-</u>         | <u>437,252</u>  |
|   | <u>\$8,918,063</u>   | <u>\$272,923</u> | <u>\$394,827</u> | <u>\$8,796,159</u>  |

**COUNTY OF SUSSEX, VIRGINIA**

**Notes to Financial Statements (Continued)**

**As of June 30, 2001**

Details of Long-Term Indebtedness:

General Obligation Bond:

\$7,430,000 VPSA bond issued April 26, 1999, due in annual installments, interest payable semi-annually at coupon rates of 4.100% to 5.225% through July 15, 2019 \$7,055,000

Early Retirement Incentive 1,303,907

Compensated absence liability 437,252

Total general long-term obligation debt \$8,796,159

**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 \$399,460 is comprised of the following:

A. Deferred Property Tax Revenue

Deferred revenue representing uncollected tax billings not available for funding of current expenditures totaled \$396,715 at June 30, 2001.

B. Prepaid Property Taxes

Property taxes due subsequent to June 30, 2001 but paid in advance by the taxpayers totaled \$2,745 at June 30, 2001.

**NOTE 10--CONTINGENT LIABILITIES**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

At June 30, 2001, there were not matters of litigation involving the County which would materially affect the County's financial position should any court decision or pending matter not be favorable to the County.

**COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)

As of June 30, 2001

**NOTE 10--CONTINGENT LIABILITIES (Continued)**

At June 30, 2001, the reporting entity had the following construction contracts outstanding:

|                       | <u>Project</u>  | <u>Contractor</u>  | <u>Balance<br/>June 30, 2001</u> |
|-----------------------|-----------------|--------------------|----------------------------------|
| Primary Government    |                 |                    |                                  |
| Capital Projects Fund | High School     |                    |                                  |
|                       | Water Supply    | W.T. Reddick & Co. | \$ 175,504                       |
|                       | High School     |                    |                                  |
|                       | Fire Protection | W.T. Reddick & Co. | 93,482                           |
|                       | High School     |                    |                                  |
|                       | WWTP & Pump     | Rickmond General   |                                  |
|                       | Station         | Contracting        | 339,951                          |
| Component Unit        |                 |                    |                                  |
| School Board          | Sussex Central  | Hathaway Duke      |                                  |
|                       | High School     | Construction       | \$4,978,975                      |

**NOTE 11--SURETY BOND INFORMATION**

|   | <u>Amount</u> |
|---|---------------|
| Commonwealth of Virginia, Department of General Services<br>Division of Risk Management - Faithful Performance of<br>Duty Bond: |               |
| Gary M. Williams, Clerk of the Circuit Court  | \$ 210,000    |
| Onnie L. Woodruff, Treasurer  | 400,000       |
| Ellen G. Boone, Commissioner of the Revenue   | 20,000        |
| E. S. Kitchen, Jr., Sheriff   | 30,000        |
| Continental Insurance Company - Surety  |               |
| Position Bonds:   |               |
| John W. Hicks, Superintendent of Schools<br>and Clerk of School Board   | \$ 10,000     |
| All County, Social Service and School Board Employees   | \$100,000     |

## **COUNTY OF SUSSEX, VIRGINIA**

Notes to Financial Statements (Continued)

As of June 30, 2001

### **NOTE 12--LANDFILL CLOSURE AND POSTCLOSURE CARE COST**

The County closed its two landfills and is liable for post-closure monitoring for a period of thirty years. The \$1,230,873 reported as landfill closure and post-closure liability at June 30, 2001, represents the estimated liability for post-closure monitoring, over the remaining twenty-nine years. These amounts are based on what it would cost to perform all closure and post-closure care in 2001. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

### **NOTE 13--RISK MANAGEMENT**

The County and the Component Unit School Board are exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County and Component Unit carry commercial insurance for all risks of loss.

### **NOTE 14--JOINTLY GOVERNED ORGANIZATIONS**

#### **District 19 Community Services Board**

The District 19 Community Services Board is considered a jointly governed organization and therefore its operations are not included in the County's financial statements. The governing body of this organization is appointed by the participating jurisdictions which include the cities of Colonial Heights, Emporia, Hopewell, Petersburg and the Counties of Dinwiddie, Greensville, Surry and Sussex. The governing board has the ability to execute contracts and to budget and expend funds. No one locality contributes more than 50% of the Board's funding or has oversight responsibility over its operations. Sussex County contributed \$47,396 to the District 19 Community Services Board for the fiscal year ended June 30, 2001.

### **NOTE 15--DEFICIT FUND BALANCE**

At June 30, 2001, the Capital Projects fund of the Component Unit-School Board had a deficit fund balance of \$(1,186,088). The intent of management is that this deficit be recovered through future bond proceeds.



## COMBINING FINANCIAL STATEMENTS



**COUNTY OF SUSSEX, VIRGINIA**

**Exhibit A-1**

**SPECIAL REVENUE FUNDS**

**Combining Balance Sheet**

**At June 30, 2001**

|   | <u>Law<br/>Library<br/>Fund</u> | <u>E 911<br/>Fund</u> | <u>Totals</u>         |
|---|---------------------------------|-----------------------|-----------------------|
| <b><u>ASSETS</u></b>                                |                                 |                       |                       |
| <b><u>Assets:</u></b>                               |                                 |                       |                       |
| Cash and cash equivalents                           | \$ 23,009                       | \$ 321,161            | \$ 344,170            |
| Receivables (Net of allowances for uncollectibles): |                                 |                       |                       |
| Accounts  | <u>83</u>                       | <u>15,490</u>         | <u>15,573</u>         |
| <br>Total assets                                    | <br><u>\$ 23,092</u>            | <br><u>\$ 336,651</u> | <br><u>\$ 359,743</u> |
| <br><b><u>EQUITY</u></b>                            |                                 |                       |                       |
| <b>Fund balances:</b>                               |                                 |                       |                       |
| <b>Unreserved:</b>                                  |                                 |                       |                       |
| Undesignated  | <u>\$ 23,092</u>                | <u>\$ 336,651</u>     | <u>359,743</u>        |
| <br>Total fund balances                             | <br><u>\$ 23,092</u>            | <br><u>\$ 336,651</u> | <br><u>\$ 359,743</u> |
| <br>Total equity                                    | <br><u>\$ 23,092</u>            | <br><u>\$ 336,651</u> | <br><u>\$ 359,743</u> |
| <br>Total liabilities and equity                    | <br><u>\$ 23,092</u>            | <br><u>\$ 336,651</u> | <br><u>\$ 359,743</u> |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.



**Special Revenue Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

**Year Ended June 30, 2001**

|   | Law<br>Library<br>Fund | E911<br>Fund | Totals     |
|---|------------------------|--------------|------------|
| Revenues:   |                        |              |            |
| Other local taxes   | \$ 0                   | \$ 135,078   | \$ 135,078 |
| Revenue from use of money and property  | 1,485                  | 16,025       | 17,510     |
| Charges for services  | 1,270                  | 0            | 1,270      |
| Miscellaneous   | 0                      | 642          | 642        |
|   | <hr/>                  | <hr/>        | <hr/>      |
| Total revenues  | \$ 2,755               | \$ 151,745   | \$ 154,500 |
| Expenditures:   |                        |              |            |
| Current:  |                        |              |            |
| Judicial administration   | \$ 2,856               | \$ 0         | \$ 2,856   |
| Public safety   | 0                      | 80,447       | 80,447     |
|   | <hr/>                  | <hr/>        | <hr/>      |
| Total expenditures  | \$ 2,856               | \$ 80,447    | \$ 83,303  |
| Excess (deficiency) of revenues<br>over expenditures                              | \$ (101)               | \$ 71,298    | \$ 71,197  |
| Excess (deficiency) of revenues & other<br>sources over expenditures & other uses | \$ (101)               | \$ 71,298    | \$ 71,197  |
| Fund balances at beginning of year  | \$ 23,193              | \$ 265,353   | \$ 288,546 |
| Fund balances at end of year  | \$ 23,092              | \$ 336,651   | \$ 359,743 |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

**COUNTY OF SUSSEX, VIRGINIA**

**Special Revenue Funds**

**Combining Statement of Revenues, Expenditures and Changes**

**In Fund Balances -- Budget and Actual**

**Year Ended June 30, 2001**

|   | <u>Law Library Fund</u> |                  |   |
|---|-------------------------|------------------|---|
|   | <u>Budget</u>           | <u>Actual</u>    | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
| Revenues:   |                         |                  |   |
| Other local taxes   | \$ 0                    | \$ 0             | \$ 0  |
| Revenue from use of money and property  | 600                     | 1,485            | 885   |
| Charges for services  | 1,300                   | 1,270            | (30)  |
| Miscellaneous   | 0                       | 0                | 0   |
| Total revenues  | <u>\$ 1,900</u>         | <u>\$ 2,755</u>  | <u>\$ 855</u>                                   |
| Expenditures:   |                         |                  |   |
| Current:  |                         |                  |   |
| Judicial administration   | \$ 3,000                | \$ 2,856         | \$ 144  |
| Public safety   | 0                       | 0                | 0   |
| Total expenditures  | <u>\$ 3,000</u>         | <u>\$ 2,856</u>  | <u>\$ 144</u>                                   |
| Excess (deficiency) of revenues<br>over expenditures                              | <u>\$ (1,100)</u>       | <u>\$ (101)</u>  | <u>\$ 999</u>                                   |
| Excess (deficiency) of revenues & other<br>sources over expenditures & other uses | \$ (1,100)              | \$ (101)         | \$ 999  |
| Fund balances at beginning of year  | <u>\$ 1,100</u>         | <u>\$ 23,193</u> | <u>\$ 22,093</u>                                |
| Fund balances at end of year  | <u>\$ 0</u>             | <u>\$ 23,092</u> | <u>\$ 23,092</u>                                |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

| E911 Fund              |                          |                                  | Totals                 |                          |                                  |
|------------------------|--------------------------|----------------------------------|------------------------|--------------------------|----------------------------------|
| Budget                 | Actual                   | Variance Favorable (Unfavorable) | Budget                 | Actual                   | Variance Favorable (Unfavorable) |
| \$ 122,000             | \$ 135,078               | \$ 13,078                        | \$ 122,000             | \$ 135,078               | \$ 13,078                        |
| 2,600                  | 16,025                   | 13,425                           | 3,200                  | 17,510                   | 14,310                           |
| 0                      | 0                        | 0                                | 1,300                  | 1,270                    | (30)                             |
| <u>600</u>             | <u>642</u>               | <u>42</u>                        | <u>600</u>             | <u>642</u>               | <u>42</u>                        |
| \$ <u>125,200</u>      | \$ <u>151,745</u>        | \$ <u>26,545</u>                 | \$ <u>127,100</u>      | \$ <u>154,500</u>        | \$ <u>27,400</u>                 |
| \$ 0                   | \$ 0                     | \$ 0                             | \$ 3,000               | \$ 2,856                 | \$ 144                           |
| <u>118,988</u>         | <u>80,447</u>            | <u>38,541</u>                    | <u>118,988</u>         | <u>80,447</u>            | <u>38,541</u>                    |
| \$ <u>118,988</u>      | \$ <u>80,447</u>         | \$ <u>38,541</u>                 | \$ <u>121,988</u>      | \$ <u>83,303</u>         | \$ <u>38,685</u>                 |
| \$ <u>6,212</u>        | \$ <u>71,298</u>         | \$ <u>65,086</u>                 | \$ <u>5,112</u>        | \$ <u>71,197</u>         | \$ <u>66,085</u>                 |
| \$ 6,212               | \$ 71,298                | \$ 65,086                        | \$ 5,112               | \$ 71,197                | \$ 66,085                        |
| \$ <u>0</u>            | \$ <u>265,353</u>        | \$ <u>265,353</u>                | \$ <u>1,100</u>        | \$ <u>288,546</u>        | \$ <u>287,446</u>                |
| \$ <u><u>6,212</u></u> | \$ <u><u>336,651</u></u> | \$ <u><u>330,439</u></u>         | \$ <u><u>6,212</u></u> | \$ <u><u>359,743</u></u> | \$ <u><u>353,531</u></u>         |



**Agency Funds**

**Statement of Changes in Assets and Liabilities**

**Year Ended June 30, 2001**

|   | <u>Balance<br/>Beginning<br/>of Year</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance<br/>End of<br/>Year</u> |
|---|--|------------------|------------------|------------------------------------|
| <b>Special Welfare Fund:</b>            |  |                  |                  |                                    |
| Assets:                                 |  |                  |                  |                                    |
| Cash                                    | \$ <u>2,703</u>                          | \$ <u>16,562</u> | \$ <u>16,481</u> | \$ <u>2,784</u>                    |
| Liabilities:                            |  |                  |                  |                                    |
| Amounts held for social service clients | \$ <u>2,703</u>                          | \$ <u>16,562</u> | \$ <u>16,481</u> | \$ <u>2,784</u>                    |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

**COUNTY OF SUSSEX, VIRGINIA**

**DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD**

**Combining Balance Sheet**

**At June 30, 2001**

|   | <u>Governmental Funds</u>            |                                      |   |
|---|--------------------------------------|--------------------------------------|---|
|   | <u>School<br/>Operating<br/>Fund</u> | <u>School<br/>Cafeteria<br/>Fund</u> | <u>School<br/>Capital<br/>Projects<br/>Fund</u> |
| <b><u>ASSETS AND OTHER DEBITS</u></b>                                     |                                      |                                      |   |
| <b><u>Assets:</u></b>   |                                      |                                      |   |
| Cash and cash equivalents   | \$ 474,900                           | \$ 160,741                           | \$ 0  |
| Due from other governmental units   | 272,798                              | 18,074                               | 0   |
| <b><u>Other debits:</u></b>   |                                      |                                      |   |
| Amount to be provided for the retirement of general long-term obligations | 0                                    | 0                                    | 0   |
| <b>Total assets and other debits</b>                                      | <b>\$ 747,698</b>                    | <b>\$ 178,815</b>                    | <b>\$ 0</b>                                     |
| <b><u>LIABILITIES</u></b>   |                                      |                                      |   |
| Accounts payable  | \$ 52,949                            | \$ 0                                 | \$ 271,891                                      |
| Accrued liabilities   | 565,986                              | 505                                  | 0   |
| Reconciled overdraft payable  | 0                                    | 0                                    | 914,197   |
| Due to primary government   | 128,763                              | 0                                    | 0   |
| General obligation bonds payable  | 0                                    | 0                                    | 0   |
| Claims, judgments and compensated absences                                | 0                                    | 0                                    | 0   |
| Amortization of retirement incentive                                      | 0                                    | 0                                    | 0   |
| <b>Total liabilities</b>  | <b>\$ 747,698</b>                    | <b>\$ 505</b>                        | <b>\$ 1,186,088</b>                             |
| <b><u>EQUITY</u></b>  |                                      |                                      |   |
| <b>Fund balances:</b>   |                                      |                                      |   |
| <b>Reserved for:</b>  |                                      |                                      |   |
| Scholarships  | \$ 0                                 | \$ 0                                 | \$ 0  |
| <b>Unreserved:</b>  |                                      |                                      |   |
| Undesignated  | 0                                    | 178,310                              | (1,186,088)                                     |
| <b>Total fund balances</b>  | <b>\$ 0</b>                          | <b>\$ 178,310</b>                    | <b>\$ (1,186,088)</b>                           |
| <b>Total equity</b>   | <b>\$ 0</b>                          | <b>\$ 178,310</b>                    | <b>\$ (1,186,088)</b>                           |
| <b>Total liabilities and equity</b>                                       | <b>\$ 747,698</b>                    | <b>\$ 178,815</b>                    | <b>\$ 0</b>                                     |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

**Exhibit C-1**

| <u>Fiduciary<br/>Funds</u>      | <u>Account<br/>Group</u>                      | <u>Totals</u>        |
|---------------------------------|---|----------------------|
| <u>Trust<br/>and<br/>Agency</u> | <u>General<br/>Long - Term<br/>Obligation</u> |                      |
| \$ 45,667                       | \$ 0  | \$ 681,308           |
| 0                               | 0   | 290,872              |
| <u>0</u>                        | <u>8,796,159</u>                              | <u>8,796,159</u>     |
| <u>\$ 45,667</u>                | <u>\$ 8,796,159</u>                           | <u>\$ 9,768,339</u>  |
| <br>                            |   |                      |
| \$ 0                            | \$ 0  | \$ 324,840           |
| 0                               | 0   | 566,491              |
| 0                               |   | 914,197              |
| 0                               | 0   | 128,763              |
| 0                               | 7,055,000                                     | 7,055,000            |
| 0                               | 437,252                                       | 437,252              |
| <u>0</u>                        | <u>1,303,907</u>                              | <u>1,303,907</u>     |
| <u>\$ 0</u>                     | <u>\$ 8,796,159</u>                           | <u>\$ 10,730,450</u> |
| <br>                            |   |                      |
| \$ 45,667                       | \$ 0  | \$ 45,667            |
| <u>0</u>                        | <u>0</u>                                      | <u>(1,007,778)</u>   |
| <u>\$ 45,667</u>                | <u>\$ 0</u>                                   | <u>\$ (962,111)</u>  |
| <u>\$ 45,667</u>                | <u>\$ 0</u>                                   | <u>\$ (962,111)</u>  |
| <u>\$ 45,667</u>                | <u>\$ 8,796,159</u>                           | <u>\$ 9,768,339</u>  |



**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Discretely Presented Component Unit – School Board**

**Year Ended June 30, 2001**

|   | Governmental Fund Types |                       |                              | Totals                 |
|---|-------------------------|-----------------------|------------------------------|------------------------|
|   | School Operating Fund   | School Cafeteria Fund | School Capital Projects Fund |                        |
| <b>Revenues:</b>  |                         |                       |                              |                        |
| Revenue from use of money and property  | \$ 0                    | \$ 8,179              | \$ 175,646                   | \$ 183,825             |
| Charges for services  | 0                       | 289,509               | 0                            | 289,509                |
| Miscellaneous   | 133,931                 | 7,450                 | 0                            | 141,381                |
| <b>Intergovernmental:</b>   |                         |                       |                              |                        |
| Commonwealth  | 6,823,819               | 9,201                 | 0                            | 6,833,020              |
| Federal   | 701,668                 | 401,685               | 0                            | 1,103,353              |
| <b>Total revenues</b>   | <b>\$ 7,659,418</b>     | <b>\$ 716,024</b>     | <b>\$ 175,646</b>            | <b>\$ 8,551,088</b>    |
| <b>Expenditures:</b>  |                         |                       |                              |                        |
| <b>Current:</b>   |                         |                       |                              |                        |
| Education   | \$ 12,533,134           | \$ 667,073            | \$ 0                         | \$ 13,200,207          |
| Capital projects  | 0                       | 0                     | 6,205,141                    | 6,205,141              |
| <b>Debt service:</b>  |                         |                       |                              |                        |
| Principal retirement  | 394,827                 | 0                     | 0                            | 394,827                |
| Interest and other fiscal charges   | 446,705                 | 0                     | 0                            | 446,705                |
| <b>Total expenditures</b>   | <b>\$ 13,374,666</b>    | <b>\$ 667,073</b>     | <b>\$ 6,205,141</b>          | <b>\$ 20,246,880</b>   |
| <b>Excess (deficiency) of revenues over expenditures</b>                                      | <b>\$ (5,715,248)</b>   | <b>\$ 48,951</b>      | <b>\$ (6,029,495)</b>        | <b>\$ (11,695,792)</b> |
| <b>Other financing sources (uses):</b>  |                         |                       |                              |                        |
| Operating transfers in  | \$ 0                    | \$ 0                  | \$ 691,033                   | \$ 691,033             |
| Operating transfers out   | (691,033)               | 0                     | 0                            | (691,033)              |
| Operating transfers from/to primary government  | 6,406,281               | 0                     | 0                            | 6,406,281              |
| <b>Total other financing sources (uses)</b>   | <b>\$ 5,715,248</b>     | <b>\$ 0</b>           | <b>\$ 691,033</b>            | <b>\$ 6,406,281</b>    |
| <b>Excess (deficiency) of revenues &amp; other sources over expenditures &amp; other uses</b> | <b>\$ 0</b>             | <b>\$ 48,951</b>      | <b>\$ (5,338,462)</b>        | <b>\$ (5,289,511)</b>  |
| <b>Fund balances at beginning of year</b>   | <b>\$ 0</b>             | <b>\$ 129,359</b>     | <b>\$ 4,152,374</b>          | <b>\$ 4,281,733</b>    |
| <b>Fund balances at end of year</b>   | <b>\$ 0</b>             | <b>\$ 178,310</b>     | <b>\$ (1,186,088)</b>        | <b>\$ (1,007,778)</b>  |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

**COUNTY OF SUSSEX, VIRGINIA**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances --**

**Budget and Actual -- Discretely Presented Component Unit -- School Board**

**Year Ended June 30, 2001**

|   | School Operating Fund |                       |  |
|---|-----------------------|-----------------------|--|
|   | Budget                | Actual                | Variance<br>Favorable<br>(Unfavorable) |
| <b>Revenues:</b>  |                       |                       |  |
| Revenue from use of money and property  | \$ 0                  | \$ 0                  | \$ 0                                   |
| Charges for services  | 0                     | 0                     | 0                                      |
| Miscellaneous   | 50,000                | 133,931               | 83,931                                 |
| <b>Intergovernmental:</b>   |                       |                       |  |
| Commonwealth  | 7,061,503             | 6,823,819             | (237,684)                              |
| Federal   | 532,463               | 701,668               | 169,205                                |
| <b>Total revenues</b>   | <b>\$ 7,643,966</b>   | <b>\$ 7,659,418</b>   | <b>\$ 15,452</b>                       |
| <b>Expenditures:</b>  |                       |                       |  |
| <b>Current:</b>   |                       |                       |  |
| Education   | \$ 12,575,543         | \$ 12,533,134         | \$ 42,409                              |
| Capital projects  | 0                     | 0                     | 0                                      |
| <b>Debt service:</b>  |                       |                       |  |
| Principal retirement  | 579,363               | 394,827               | 184,536                                |
| Interest and other fiscal charges   | 661,489               | 446,705               | 214,784                                |
| <b>Total expenditures</b>   | <b>\$ 13,816,395</b>  | <b>\$ 13,374,666</b>  | <b>\$ 441,729</b>                      |
| <b>Excess (deficiency) of revenues over expenditures</b>                                      | <b>\$ (6,172,429)</b> | <b>\$ (5,715,248)</b> | <b>\$ 457,181</b>                      |
| <b>Other financing sources (uses):</b>  |                       |                       |  |
| Proceeds of general obligation bonds  | \$ 0                  | \$ 0                  | \$ 0                                   |
| Operating transfers in  | 0                     | 0                     | 0                                      |
| Operating transfers out   | (760,731)             | (691,033)             | 69,698                                 |
| Operating transfers from/to primary government  | 6,933,160             | 6,406,281             | (526,879)                              |
| <b>Total other financing sources (uses)</b>   | <b>\$ 6,172,429</b>   | <b>\$ 5,715,248</b>   | <b>\$ (457,181)</b>                    |
| <b>Excess (deficiency) of revenues &amp; other sources over expenditures &amp; other uses</b> | <b>\$ 0</b>           | <b>\$ 0</b>           | <b>\$ 0</b>                            |
| <b>Fund balances at beginning of year</b>   | <b>\$ 0</b>           | <b>\$ 0</b>           | <b>\$ 0</b>                            |
| <b>Fund balances at end of year</b>   | <b>\$ 0</b>           | <b>\$ 0</b>           | <b>\$ 0</b>                            |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

| School Cafeteria Fund |                   |  | School Textbook Fund |               |  |
|-----------------------|-------------------|--|----------------------|---------------|--|
| <u>Budget</u>         | <u>Actual</u>     | Variance<br>Favorable<br>(Unfavorable) | <u>Budget</u>        | <u>Actual</u> | Variance<br>Favorable<br>(Unfavorable) |
| \$ 0                  | \$ 8,179          | \$ 8,179                               | \$ 0                 | \$ 0          | \$ 0                                   |
| 185,695               | 289,509           | 103,814                                | 0                    | 0             | 0                                      |
| 0                     | 7,450             | 7,450                                  | 0                    | 0             | 0                                      |
| 11,305                | 9,201             | (2,104)                                | 0                    | 0             | 0                                      |
| <u>533,000</u>        | <u>401,685</u>    | <u>(131,315)</u>                       | <u>0</u>             | <u>0</u>      | <u>0</u>                               |
| \$ <u>730,000</u>     | \$ <u>716,024</u> | \$ <u>(13,976)</u>                     | \$ <u>0</u>          | \$ <u>0</u>   | \$ <u>0</u>                            |
| \$ 730,000            | \$ 667,073        | \$ 62,927                              | \$ 110,000           | \$ 0          | \$ 110,000                             |
| 0                     | 0                 | 0                                      | 0                    | 0             | 0                                      |
| 0                     | 0                 | 0                                      | 0                    | 0             | 0                                      |
| <u>0</u>              | <u>0</u>          | <u>0</u>                               | <u>0</u>             | <u>0</u>      | <u>0</u>                               |
| \$ <u>730,000</u>     | \$ <u>667,073</u> | \$ <u>62,927</u>                       | \$ <u>110,000</u>    | \$ <u>0</u>   | \$ <u>110,000</u>                      |
| \$ <u>0</u>           | \$ <u>48,951</u>  | \$ <u>48,951</u>                       | \$ <u>(110,000)</u>  | \$ <u>0</u>   | \$ <u>110,000</u>                      |
| \$ 0                  | \$ 0              | \$ 0                                   | \$ 0                 | \$ 0          | \$ 0                                   |
| 0                     | 0                 | 0                                      | 110,000              | 0             | (110,000)                              |
| 0                     | 0                 | 0                                      | 0                    | 0             | 0                                      |
| <u>0</u>              | <u>0</u>          | <u>0</u>                               | <u>0</u>             | <u>0</u>      | <u>0</u>                               |
| \$ <u>0</u>           | \$ <u>0</u>       | \$ <u>0</u>                            | \$ <u>110,000</u>    | \$ <u>0</u>   | \$ <u>(110,000)</u>                    |
| \$ 0                  | \$ 48,951         | \$ 48,951                              | \$ 0                 | \$ 0          | \$ 0                                   |
| <u>0</u>              | <u>129,359</u>    | <u>129,359</u>                         | <u>0</u>             | <u>0</u>      | <u>0</u>                               |
| <u>0</u>              | <u>178,310</u>    | <u>178,310</u>                         | <u>0</u>             | <u>0</u>      | <u>0</u>                               |

**COUNTY OF SUSSEX, VIRGINIA**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances --**

**Budget and Actual -- Discretely Presented Component Unit -- School Board**

**Year Ended June 30, 2001**

|   | School Capital Projects Fund |                              |  |
|---|------------------------------|------------------------------|--|
|   | <u>Budget</u>                | <u>Actual</u>                | Variance<br>Favorable<br>(Unfavorable) |
| <b>Revenues:</b>  |                              |                              |  |
| Revenue from use of money and property  | \$ 0                         | \$ 175,646                   | \$ 175,646                             |
| Charges for services  | 0                            | 0                            | 0                                      |
| Miscellaneous   | 0                            | 0                            | 0                                      |
| <b>Intergovernmental:</b>   |                              |                              |  |
| Commonwealth  | 0                            | 0                            | 0                                      |
| Federal   | 0                            | 0                            | 0                                      |
| <b>Total revenues</b>   | <u>\$ 0</u>                  | <u>\$ 175,646</u>            | <u>\$ 175,646</u>                      |
| <b>Expenditures:</b>  |                              |                              |  |
| <b>Current:</b>   |                              |                              |  |
| Education   | \$ 0                         | \$ 0                         | \$ 0                                   |
| Capital projects  | 8,150,731                    | 6,205,141                    | 1,945,590                              |
| <b>Debt service:</b>  |                              |                              |  |
| Principal retirement  | 0                            | 0                            | 0                                      |
| Interest and other fiscal charges   | 0                            | 0                            | 0                                      |
| <b>Total expenditures</b>   | <u>\$ 8,150,731</u>          | <u>\$ 6,205,141</u>          | <u>\$ 1,945,590</u>                    |
| <b>Excess (deficiency) of revenues over expenditures</b>                                      | <u>\$ (8,150,731)</u>        | <u>\$ (6,029,495)</u>        | <u>\$ 2,121,236</u>                    |
| <b>Other financing sources (uses):</b>  |                              |                              |  |
| Proceeds of general obligation bonds  | \$ 7,500,000                 | \$ 0                         | \$ (7,500,000)                         |
| Operating transfers in  | 650,731                      | 691,033                      | 40,302                                 |
| Operating transfers out   | 0                            | 0                            | 0                                      |
| Operating transfers from/to primary government  | 0                            | 0                            | 0                                      |
| <b>Total other financing sources (uses)</b>   | <u>\$ 8,150,731</u>          | <u>\$ 691,033</u>            | <u>\$ (7,459,698)</u>                  |
| <b>Excess (deficiency) of revenues &amp; other sources over expenditures &amp; other uses</b> | <u>\$ 0</u>                  | <u>\$ (5,338,462)</u>        | <u>\$ (5,338,462)</u>                  |
| <b>Fund balances at beginning of year</b>   | <u>\$ 0</u>                  | <u>\$ 4,152,374</u>          | <u>\$ 4,152,374</u>                    |
| <b>Fund balances at end of year</b>   | <u><u>\$ 0</u></u>           | <u><u>\$ (1,186,088)</u></u> | <u><u>\$ (1,186,088)</u></u>           |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

**Exhibit C-3**

| <u>Totals</u>          |                        |    |   |
|------------------------|------------------------|----|---|
| <u>Budget</u>          | <u>Actual</u>          |    | Variance<br>Favorable<br><u>(Unfavorable)</u> |
| \$ 0                   | \$ 183,825             | \$ | 183,825                                       |
| 185,695                | 289,509                |    | 103,814                                       |
| 50,000                 | 141,381                |    | 91,381  |
| 7,072,808              | 6,833,020              |    | (239,788)                                     |
| <u>1,065,463</u>       | <u>1,103,353</u>       |    | <u>37,890</u>                                 |
| \$ <u>8,373,966</u>    | \$ <u>8,551,088</u>    | \$ | <u>177,122</u>                                |
| <br>                   |                        |    |   |
| \$ 13,415,543          | \$ 13,200,207          | \$ | 215,336                                       |
| 8,150,731              | 6,205,141              |    | 1,945,590                                     |
| 579,363                | 394,827                |    | 184,536                                       |
| <u>661,489</u>         | <u>446,705</u>         |    | <u>214,784</u>                                |
| \$ <u>22,807,126</u>   | \$ <u>20,246,880</u>   | \$ | <u>2,560,246</u>                              |
| <br>                   |                        |    |   |
| \$ <u>(14,433,160)</u> | \$ <u>(11,695,792)</u> | \$ | <u>2,737,368</u>                              |
| <br>                   |                        |    |   |
| \$ 7,500,000           | \$ 0                   | \$ | (7,500,000)                                   |
| 760,731                | 691,033                |    | (69,698)                                      |
| (760,731)              | (691,033)              |    | 69,698  |
| <u>6,933,160</u>       | <u>6,406,281</u>       |    | <u>(526,879)</u>                              |
| \$ <u>14,433,160</u>   | \$ <u>6,406,281</u>    | \$ | <u>(8,026,879)</u>                            |
| <br>                   |                        |    |   |
| \$ 0                   | \$ (5,289,511)         | \$ | (5,289,511)                                   |
| <br>                   |                        |    |   |
| \$ <u>0</u>            | \$ <u>4,281,733</u>    | \$ | <u>4,281,733</u>                              |
| <br>                   |                        |    |   |
| \$ <u>0</u>            | \$ <u>(1,007,778)</u>  | \$ | <u>(1,007,778)</u>                            |

Discretely Presented Component Unit – School Board

Combining Balance Sheet – Fiduciary Funds

At June 30, 2001

|                           | <u>Nonexpendable Trust Funds</u> |  |  |                         |
|---------------------------|----------------------------------|--|--|-------------------------|
|                           | <u>Mitchell<br/>Scholarship</u>  | <u>Waverly/<br/>Wakefield<br/>Rotary<br/>Scholarship</u> | <u>Richard C.<br/>Moore, III<br/>Scholarship</u> | <u>Totals</u>           |
| <u>ASSETS</u>             |                                  |  |  |                         |
| <u>Assets:</u>            |                                  |  |  |                         |
| Cash and cash equivalents | \$ <u>28,730</u>                 | \$ <u>7,709</u>  | \$ <u>9,228</u>                                  | \$ <u>45,667</u>        |
| Total assets              | \$ <u><u>28,730</u></u>          | \$ <u><u>7,709</u></u>                                   | \$ <u><u>9,228</u></u>                           | \$ <u><u>45,667</u></u> |
| <u>EQUITY</u>             |                                  |  |  |                         |
| Fund balances:            |                                  |  |  |                         |
| Reserved for:             |                                  |  |  |                         |
| Scholarships              | \$ <u>28,730</u>                 | \$ <u>7,709</u>  | \$ <u>9,228</u>                                  | \$ <u>45,667</u>        |
| Total fund balances       | \$ <u><u>28,730</u></u>          | \$ <u><u>7,709</u></u>                                   | \$ <u><u>9,228</u></u>                           | \$ <u><u>45,667</u></u> |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

**Discretely Presented Component Unit -- School Board**

**Combining Statement of Revenues, Expenses and Changes in Fund Balances - Nonexpendable Trust Funds**

**Year Ended June 30, 2001**

|  | Nonexpendable<br>Trust Funds    |   |   | Totals    |
|--|---------------------------------|---|---|-----------|
|  | Mitchell<br>Scholarship<br>Fund | Waverly/<br>Wakefield Rotary<br>Scholarship | Richard C.<br>Moore, III<br>Scholarship |           |
| Operating revenues:                    |                                 |   |   |           |
| Revenue from use of money and property | \$ 1,703                        | \$ 457                                      | \$ 473                                  | \$ 2,633  |
| Miscellaneous                          | 0                               | 0   | 2,200                                   | 2,200     |
| Total operating revenues               | \$ 1,703                        | \$ 457                                      | \$ 2,673                                | \$ 4,833  |
| Operating expenses:                    |                                 |   |   |           |
| Scholarships                           | \$ 1,200                        | \$ 0  | \$ 500                                  | \$ 1,700  |
| Total operating expenses               | \$ 1,200                        | \$ 0  | \$ 500                                  | \$ 1,700  |
| Operating income                       | \$ 503                          | \$ 457                                      | \$ 2,173                                | \$ 3,133  |
| Fund balance at beginning of year      | \$ 28,227                       | \$ 7,252                                    | \$ 7,055                                | \$ 42,534 |
| Fund balance at end of year            | \$ 28,730                       | \$ 7,709                                    | \$ 9,228                                | \$ 45,667 |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

**Discretely Presented Component Unit -- School Board**

**Combining Statement of Cash Flows -- Nonexpendable Trust Funds**

**Year Ended June 30, 2001**

|   | Nonexpendable<br>Trust Funds             |  |  | <u>Totals</u>           |
|---|--|--|--|-------------------------|
|   | <u>Mitchell<br/>Scholarship<br/>Fund</u> | <u>Waverly/<br/>Wakefield Rotary<br/>Scholarship</u> | <u>Richard C.<br/>Moore, III<br/>Scholarship</u> |                         |
| <u>Cash Flows From Operating Activities:</u>        |  |  |  |                         |
| Net operating income (loss)                         | \$ <u>503</u>                            | \$ <u>457</u>  | \$ <u>2,173</u>                                  | \$ <u>3,133</u>         |
| Net cash provided by (used in) operating activities | \$ <u>503</u>                            | \$ <u>457</u>  | \$ <u>2,173</u>                                  | \$ <u>3,133</u>         |
| Increase (decrease) in cash and cash equivalents    | \$ <u>503</u>                            | \$ <u>457</u>  | \$ <u>2,173</u>                                  | \$ <u>3,133</u>         |
| Cash and cash equivalents at beginning of year      | <u>28,227</u>                            | <u>7,252</u>   | <u>7,055</u>                                     | <u>42,534</u>           |
| Cash and cash equivalents at end of year            | \$ <u><u>28,730</u></u>                  | \$ <u><u>7,709</u></u>                               | \$ <u><u>9,228</u></u>                           | \$ <u><u>45,667</u></u> |

The independent auditors' report and accompanying notes to financial statements are an integral part of this statement.

## **SUPPORTING SCHEDULES**



**Governmental Funds and Discretely Presented Component Unit**

**Schedule of Revenues -- Budget and Actual**

**Year Ended June 30, 2001**

| <u>Fund, Major and Minor Revenue Source</u>                 | <u>Budget</u>    | <u>Actual</u>    | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|---|------------------|------------------|---|
| <b>Primary Government:</b>                                  |                  |                  |   |
| <b>General Fund:</b>  |                  |                  |   |
| Revenue from local sources:                                 |                  |                  |   |
| General property taxes:                                     |                  |                  |   |
| Real property taxes   | \$ 2,690,607     | \$ 2,628,577     | \$ (62,030)                                     |
| Real and personal public service corporation property taxes | 280,710          | 349,296          | 68,586  |
| Personal property taxes                                     | 1,812,775        | 1,660,644        | (152,131)                                       |
| Mobile home taxes   | 60,148           | 60,475           | 327   |
| Machinery and tools taxes                                   | 665,000          | 659,599          | (5,401)   |
| Merchant's capital taxes                                    | 82,520           | 71,749           | (10,771)  |
| Penalties   | 90,000           | 88,505           | (1,495)   |
| Interest  | 16,500           | 24,839           | 8,339   |
|   | <u>5,698,260</u> | <u>5,543,684</u> | <u>(154,576)</u>                                |
| Total general property taxes                                | \$               | \$               | \$  |
| Other local taxes:  |                  |                  |   |
| Local sales and use taxes                                   | \$ 427,000       | \$ 406,957       | \$ (20,043)                                     |
| Consumers' utility taxes                                    | 145,000          | 155,394          | 10,394  |
| Consumption tax   | 0                | 17,475           | 17,475  |
| Business license taxes                                      | 43,200           | 42,792           | (408)   |
| Franchise license taxes                                     | 0                | 1,187            | 1,187   |
| Motor vehicle licenses                                      | 169,000          | 164,482          | (4,518)   |
| Bank stock taxes  | 4,454            | 4,562            | 108   |
| Taxes on recordation and wills                              | 26,000           | 24,764           | (1,236)   |
|   | <u>814,654</u>   | <u>817,613</u>   | <u>2,959</u>                                    |
| Total other local taxes                                     | \$               | \$               | \$  |
| Permits, privilege fees and regulatory licenses:            |                  |                  |   |
| Animal licenses   | \$ 5,800         | \$ 4,729         | \$ (1,071)                                      |
| Transfer fees   | 450              | 409              | (41)  |
| Building and related permits                                | 32,000           | 35,326           | 3,326   |
| Zoning and subdivision permits                              | 5,000            | 3,914            | (1,086)   |
| Erosion and sediment control permit                         | 100              | 712              | 612   |
| Other permits, fees and licenses                            | 25               | 975              | 950   |
|   | <u>43,375</u>    | <u>46,065</u>    | <u>2,690</u>                                    |
| Total permits, privilege fees and regulatory licenses       | \$               | \$               | \$  |
| Fines and forfeitures:                                      |                  |                  |   |
| Court fines and forfeitures                                 | \$ 240,000       | \$ 160,402       | \$ (79,598)                                     |
|   | <u>240,000</u>   | <u>160,402</u>   | <u>(79,598)</u>                                 |
| Total fines and forfeitures                                 | \$               | \$               | \$  |
| Revenue from use of money and property:                     |                  |                  |   |
| Revenue from use of money                                   | \$ 220,000       | \$ 192,264       | \$ (27,736)                                     |
| Revenue from use of property                                | 75,000           | 63,939           | (11,061)  |
|   | <u>295,000</u>   | <u>256,203</u>   | <u>(38,797)</u>                                 |
| Total revenue from use of money and property                | \$               | \$               | \$  |

**Governmental Funds and Discretely Presented Component Unit**

**Schedule of Revenues -- Budget and Actual**

**Year Ended June 30, 2001**

| <u>Fund, Major and Minor Revenue Source</u> | <u>Budget</u>        | <u>Actual</u>        | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|---|----------------------|----------------------|---|
| <b>Primary Government:</b>                  |                      |                      |   |
| <b>General Fund:</b>                        |                      |                      |   |
| Revenue from local sources:                 |                      |                      |   |
| Charges for services:                       |                      |                      |   |
| Court costs                                 | \$ 750               | \$ 665               | \$ (85)   |
| Charges for Commonwealth's attorney         | 400                  | 407                  | 7   |
| Charges for correction and detention:       |                      |                      |   |
| Care of prisoners - local                   | 4,500                | 14,844               | 10,344  |
| Telephone fees - inmates                    | 0                    | 15,024               | 15,024  |
| Charges for other protection                | 20                   | 15                   | (5)   |
| Charges for sanitation and waste removal:   |                      |                      |   |
| Tipping fees from Atlantic Development      | 3,153,800            | 3,249,950            | 96,150  |
| Quality control fees                        | 138,595              | 116,156              | (22,439)  |
| Charges for Industrial development          | <u>0</u>             | <u>15,000</u>        | <u>15,000</u>                                   |
| Total charges for services                  | \$ <u>3,298,065</u>  | \$ <u>3,412,061</u>  | \$ <u>113,996</u>                               |
| Miscellaneous revenue:                      |                      |                      |   |
| Miscellaneous                               | \$ <u>106,600</u>    | \$ <u>210,219</u>    | \$ <u>103,619</u>                               |
| Total miscellaneous revenue                 | \$ <u>106,600</u>    | \$ <u>210,219</u>    | \$ <u>103,619</u>                               |
| Recovered costs:                            |                      |                      |   |
| Medical expense - sheriff                   | \$ 6,000             | \$ 10,135            | \$ 4,135  |
| Social Security bounty-jail                 | 300                  | 200                  | (100)   |
| Wakefield sheriff's patrol                  | 42,353               | 45,946               | 3,593   |
| Health department                           | 0                    | 4,906                | 4,906   |
| Jail clean-up                               | 48,000               | 48,246               | 246   |
| Juror reimbursement                         | 2,000                | 6,532                | 4,532   |
| Indoor plumbing loan repayments             | 5,000                | 0                    | (5,000)   |
| Clerk's pay-ins                             | 5,450                | 3,887                | (1,563)   |
| VHDA administration                         | <u>27,000</u>        | <u>28,988</u>        | <u>1,988</u>                                    |
| Total recovered costs                       | \$ <u>136,103</u>    | \$ <u>148,840</u>    | \$ <u>12,737</u>                                |
| Total revenue from local sources            | \$ <u>10,632,057</u> | \$ <u>10,595,087</u> | \$ <u>(36,970)</u>                              |
| Revenue from the Commonwealth:              |                      |                      |   |
| Noncategorical aid:                         |                      |                      |   |
| ABC profits                                 | \$ 17,124            | \$ 17,984            | \$ 860  |
| Wine taxes                                  | 9,895                | 10,712               | 817   |
| Mobile home titling taxes                   | 35,000               | 58,192               | 23,192  |
| Tax on Deeds                                | 23,490               | 32,094               | 8,604   |
| Auto rental tax                             | 600                  | 149                  | (451)   |
| Railroad rolling stock taxes                | 76,000               | 71,526               | (4,474)   |
| Personal property tax relief reimbursements | <u>786,555</u>       | <u>736,804</u>       | <u>(49,751)</u>                                 |
| Total noncategorical aid                    | \$ <u>948,664</u>    | \$ <u>927,461</u>    | \$ <u>(21,203)</u>                              |

**Governmental Funds and Discretely Presented Component Unit**

**Schedule of Revenues – Budget and Actual**

**Year Ended June 30, 2001**

| <u>Fund, Major and Minor Revenue Source</u> | <u>Budget</u>    | <u>Actual</u>    | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|---|------------------|------------------|---|
| <b>Primary Government:</b>                  |                  |                  |   |
| <b>General Fund:</b>                        |                  |                  |   |
| Categorical aid:                            |                  |                  |   |
| Shared expenses:                            |                  |                  |   |
| Commonwealth's attorney                     | \$ 207,116       | \$ 207,304       | \$ 188  |
| Sheriff                                     | 1,169,936        | 1,157,047        | (12,889)  |
| Commissioner of the revenue                 | 78,421           | 76,123           | (2,298)   |
| Treasurer                                   | 83,593           | 89,056           | 5,463   |
| Medical examiner                            | 1,000            | 240              | (760)   |
| Registrar/electoral board                   | 37,350           | 41,439           | 4,089   |
| Correction grant - jail                     | 142,000          | 137,529          | (4,471)   |
|   | <u>1,719,416</u> | <u>1,708,738</u> | <u>(10,678)</u>                                 |
| Total shared expenses                       | \$ 1,719,416     | \$ 1,708,738     | \$ (10,678)                                     |
| Welfare:                                    |                  |                  |   |
| Welfare administration and assistance       | \$ 349,505       | \$ 330,580       | \$ (18,925)                                     |
| Abstinence grant                            | 125,000          | 126,188          | 1,188   |
| Comprehensive services                      | 155,000          | 110,203          | (44,797)  |
|   | <u>629,505</u>   | <u>566,971</u>   | <u>(62,534)</u>                                 |
| Total welfare                               | \$ 629,505       | \$ 566,971       | \$ (62,534)                                     |
| Other categorical aid:                      |                  |                  |   |
| Emergency services grants                   | \$ 4,000         | \$ 0             | \$ (4,000)                                      |
| Disaster recovery                           | 0                | 444              | 444   |
| Indoor plumbing grant                       | 45,920           | 180,411          | 134,491   |
| Virginia water project                      | 0                | 12,495           | 12,495  |
| Drug forfeiture                             | 0                | 2,317            | 2,317   |
| VJCCCS grant                                | 18,722           | 18,722           | 0   |
| Victim witness program                      | 11,769           | 10,777           | (992)   |
| Arts grant                                  | 2,500            | 5,000            | 2,500   |
| Payment in lieu of taxes-prison             | 100,000          | 198,370          | 98,370  |
| Fire programs funds                         | 10,000           | 20,000           | 10,000  |
|   | <u>192,911</u>   | <u>448,536</u>   | <u>255,625</u>                                  |
| Total other categorical aid                 | \$ 192,911       | \$ 448,536       | \$ 255,625                                      |
| Total categorical aid                       | \$ 2,541,832     | \$ 2,724,245     | \$ 182,413                                      |
| Total revenue from the Commonwealth         | \$ 3,490,496     | \$ 3,651,706     | \$ 161,210                                      |
| Revenue from the Federal Government:        |                  |                  |   |
| Categorical aid:                            |                  |                  |   |
| Welfare administration and assistance       | \$ 909,626       | \$ 860,371       | \$ (49,255)                                     |
| Disaster recovery                           | 0                | 1,574            | 1,574   |
| Community development block grant           | 0                | 38,096           | 38,096  |
| Emergency food and shelter grant            | 0                | 2,109            | 2,109   |
| BJA block grant                             | 0                | 10,328           | 10,328  |
| Victim witness grant                        | 47,074           | 43,105           | (3,969)   |
| School resource officer                     | 0                | 24,198           | 24,198  |
| Indoor plumbing grant                       | 29,330           | 115,230          | 85,900  |

**Governmental Funds and Discretely Presented Component Unit**

**Schedule of Revenues -- Budget and Actual**

**Year Ended June 30, 2001**

| <u>Fund, Major and Minor Revenue Source</u>        | <u>Budget</u>        | <u>Actual</u>        | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|--|----------------------|----------------------|---|
| <b>Primary Government:</b>                         |                      |                      |   |
| <b>General Fund:</b>                               |                      |                      |   |
| Total categorical aid                              | \$ 986,030           | \$ 1,095,011         | \$ 108,981                                      |
| Total revenue from the Federal Government          | \$ 986,030           | \$ 1,095,011         | \$ 108,981                                      |
| Total General Fund                                 | <u>\$ 15,108,583</u> | <u>\$ 15,341,804</u> | <u>\$ 233,221</u>                               |
| <b>Special Revenue Funds:</b>                      |                      |                      |   |
| <b>Law Library Fund:</b>                           |                      |                      |   |
| Revenue from local sources:                        |                      |                      |   |
| Revenue from use of money and property             | \$ 600               | \$ 1,485             | \$ 885  |
| Charges for services                               | <u>1,300</u>         | <u>1,270</u>         | <u>(30)</u>                                     |
| Total revenue from local sources                   | <u>\$ 1,900</u>      | <u>\$ 2,755</u>      | <u>\$ 855</u>                                   |
| Total Law Library Fund                             | <u>\$ 1,900</u>      | <u>\$ 2,755</u>      | <u>\$ 855</u>                                   |
| <b>E911 Fund:</b>                                  |                      |                      |   |
| Revenue from local sources:                        |                      |                      |   |
| Other local taxes - E911 fees                      | \$ 122,000           | \$ 135,078           | \$ 13,078                                       |
| Revenue from the use of money and property         | 2,600                | 16,025               | 13,425  |
| Miscellaneous revenue                              | <u>600</u>           | <u>642</u>           | <u>42</u>                                       |
| Total revenue from local sources                   | <u>\$ 125,200</u>    | <u>\$ 151,745</u>    | <u>\$ 26,545</u>                                |
| Total E911 Fund                                    | <u>\$ 125,200</u>    | <u>\$ 151,745</u>    | <u>\$ 26,545</u>                                |
| Total Special Revenue Funds                        | <u>\$ 127,100</u>    | <u>\$ 154,500</u>    | <u>\$ 27,400</u>                                |
| <b>Capital Projects Funds:</b>                     |                      |                      |   |
| <b>County Capital Projects Fund:</b>               |                      |                      |   |
| Revenue from local sources:                        |                      |                      |   |
| Revenue from use of money                          | \$ 240,000           | \$ 383,220           | \$ 143,220                                      |
| Charges for services - courthouse maintenance fees | <u>18,000</u>        | <u>26,971</u>        | <u>8,971</u>                                    |
| Total revenue from local sources                   | <u>\$ 258,000</u>    | <u>\$ 410,191</u>    | <u>\$ 152,191</u>                               |
| Revenue from the Commonwealth:                     |                      |                      |   |
| Categorical aid:                                   |                      |                      |   |
| Western water grant                                | \$ 700,000           | \$ 0                 | \$ (700,000)                                    |
| Total County Capital Projects Fund                 | <u>\$ 958,000</u>    | <u>\$ 410,191</u>    | <u>\$ (547,809)</u>                             |
| <b>Grand Total Revenues -- Primary Government</b>  | <u>\$ 16,193,683</u> | <u>\$ 15,906,495</u> | <u>\$ (287,188)</u>                             |

**Governmental Funds and Discretely Presented Component Unit**

**Schedule of Revenues -- Budget and Actual**

**Year Ended June 30, 2001**

| <u>Fund, Major and Minor Revenue Source</u> | <u>Budget</u>       | <u>Actual</u>       | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|---|---------------------|---------------------|---|
| <b>Component Unit -- School Board:</b>      |                     |                     |   |
| <b>School Operating Fund:</b>               |                     |                     |   |
| Revenue from local sources:                 |                     |                     |   |
| Miscellaneous revenue                       | \$ 50,000           | \$ 133,931          | \$ 83,931                                       |
| Total revenue from local sources            | <u>\$ 50,000</u>    | <u>\$ 133,931</u>   | <u>\$ 83,931</u>                                |
| Revenue from the Commonwealth:              |                     |                     |   |
| Categorical aid:                            |                     |                     |   |
| Share of state sales tax                    | \$ 1,057,109        | \$ 1,034,811        | \$ (22,298)                                     |
| Basic school aid                            | 3,174,628           | 3,155,542           | (19,086)  |
| Remedial education                          | 120,261             | 185,490             | 65,229  |
| Primary class size                          | 279,859             | 252,314             | (27,545)  |
| Vocational education                        | 103,640             | 122,890             | 19,250  |
| Special education                           | 439,980             | 449,354             | 9,374   |
| Gifted education                            | 35,198              | 35,052              | (146)   |
| Textbook payments                           | 59,886              | 59,637              | (249)   |
| At risk                                     | 265,364             | 263,921             | (1,443)   |
| School construction                         | 243,900             | 243,523             | (377)   |
| Fringe benefits                             | 403,856             | 393,202             | (10,654)  |
| Maintenance reserve                         | 14,666              | 14,605              | (61)  |
| Technology grant                            | 180,000             | 50,426              | (129,574)                                       |
| Lottery funds                               | 192,111             | 189,145             | (2,966)   |
| Other state aid                             | 384,610             | 267,704             | (116,906)                                       |
| Early reading intervention                  | 50,704              | 50,704              | 0   |
| Teacher incentive payments                  | 55,731              | 55,499              | (232)   |
| Total categorical aid                       | <u>\$ 7,061,503</u> | <u>\$ 6,823,819</u> | <u>\$ (237,684)</u>                             |
| Total revenue from the Commonwealth         | <u>\$ 7,061,503</u> | <u>\$ 6,823,819</u> | <u>\$ (237,684)</u>                             |
| Revenue from the federal government:        |                     |                     |   |
| Categorical aid:                            |                     |                     |   |
| Title I                                     | \$ 363,606          | \$ 330,569          | \$ (33,037)                                     |
| Chapter II                                  | 13,857              | 16,177              | 2,320   |
| Title II                                    | 0                   | 5,500               | 5,500   |
| Goals 2000                                  | 0                   | 15,345              | 15,345  |
| Class size reduction                        | 0                   | 11,041              | 11,041  |
| Title VI -- B -- special education          | 85,000              | 247,759             | 162,759   |
| Drug free schools                           | 0                   | 5,850               | 5,850   |
| AP grant                                    | 0                   | 423                 | 423   |
| Vocational education                        | 40,000              | 39,004              | (996)   |
| School to work                              | 30,000              | 30,000              | 0   |
| Total revenue from the federal government   | <u>\$ 532,463</u>   | <u>\$ 701,668</u>   | <u>\$ 169,205</u>                               |
| Total School Operating Fund                 | <u>\$ 7,643,966</u> | <u>\$ 7,659,418</u> | <u>\$ 15,452</u>                                |

**Governmental Funds and Discretely Presented Component Unit**

**Schedule of Revenues -- Budget and Actual**

**Year Ended June 30, 2001**

| <u>Fund, Major and Minor Revenue Source</u>                   | <u>Budget</u>              | <u>Actual</u>              | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|---|----------------------------|----------------------------|---|
| <b>Component Unit -- School Board:</b>                        |                            |                            |   |
| <b>School Cafeteria Fund:</b>                                 |                            |                            |   |
| Revenue from local sources:                                   |                            |                            |   |
| Revenue from use of money and property - use of money         | \$ <u>0</u>                | \$ <u>8,179</u>            | \$ <u>8,179</u>                                 |
| Charges for services - cafeteria sales                        | \$ <u>185,695</u>          | \$ <u>289,509</u>          | \$ <u>103,814</u>                               |
| Miscellaneous revenue   | \$ <u>0</u>                | \$ <u>7,450</u>            | \$ <u>7,450</u>                                 |
| Total revenue from local sources                              | \$ <u>185,695</u>          | \$ <u>305,138</u>          | \$ <u>119,443</u>                               |
| Revenue from the Commonwealth:                                |                            |                            |   |
| Categorical aid:  |                            |                            |   |
| School food program grant                                     | \$ <u>11,305</u>           | \$ <u>9,201</u>            | \$ <u>(2,104)</u>                               |
| Revenue from the federal government:                          |                            |                            |   |
| Categorical aid:  |                            |                            |   |
| School food program grant                                     | \$ <u>533,000</u>          | \$ <u>401,685</u>          | \$ <u>(131,315)</u>                             |
| Total School Cafeteria Fund                                   | \$ <u>730,000</u>          | \$ <u>716,024</u>          | \$ <u>(13,976)</u>                              |
| Total Special Revenue Funds                                   | \$ <u>8,373,966</u>        | \$ <u>8,375,442</u>        | \$ <u>1,476</u>                                 |
| <b>Component Unit -- School Board:</b>                        |                            |                            |   |
| <b>School Capital Projects Fund:</b>                          |                            |                            |   |
| Revenue from local sources:                                   |                            |                            |   |
| Revenue from use of money and property - use of money         | \$ <u>0</u>                | \$ <u>175,646</u>          | \$ <u>175,646</u>                               |
| Total revenue from local sources                              | \$ <u>0</u>                | \$ <u>175,646</u>          | \$ <u>175,646</u>                               |
| Total School Capital Projects Fund                            | \$ <u>0</u>                | \$ <u>175,646</u>          | \$ <u>175,646</u>                               |
| <b>Grand Total Revenues -- Component Unit -- School Board</b> | <b>\$ <u>8,373,966</u></b> | <b>\$ <u>8,551,088</u></b> | <b>\$ <u>177,122</u></b>                        |

**Governmental Funds and Discretely Presented Component Unit**

**Schedule of Expenditures -- Budget and Actual**

**Year Ended June 30, 2001**

| <u>Fund, Function, Activity and Elements</u>   | <u>Budget</u> | <u>Actual</u> | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|--|---------------|---------------|---|
| <b>Primary Government:</b>                     |               |               |   |
| <b>General Fund:</b>                           |               |               |   |
| General government administration:             |               |               |   |
| Legislative:                                   |               |               |   |
| Board of supervisors                           | \$ 77,286     | \$ 83,473     | \$ (6,187)                                      |
| General and financial administration:          |               |               |   |
| County administrator                           | \$ 190,348    | \$ 192,672    | \$ (2,324)                                      |
| Legal services                                 | 95,973        | 60,128        | 35,845  |
| Independent auditor                            | 19,200        | 17,800        | 1,400   |
| Commissioner of the revenue                    | 174,332       | 156,314       | 18,018  |
| Equalization board                             | 11,250        | 3,256         | 7,994   |
| License bureau                                 | 38,830        | 31,641        | 7,189   |
| Treasurer                                      | 200,299       | 187,253       | 13,046  |
| Central accounting                             | 10,000        | 16,200        | (6,200)   |
| Other general government services              | 0             | 22,240        | (22,240)  |
| Total general and financial administration     | \$ 740,232    | \$ 687,504    | \$ 52,728                                       |
| Board of Elections:                            |               |               |   |
| Registrar/electoral board and officials        | \$ 102,239    | \$ 100,952    | \$ 1,287  |
| Total general government administration        | \$ 919,757    | \$ 871,929    | \$ 47,828                                       |
| Judicial administration:                       |               |               |   |
| Courts:  |               |               |   |
| Circuit court                                  | \$ 16,752     | \$ 22,435     | \$ (5,683)                                      |
| General district court                         | 21,500        | 11,293        | 10,207  |
| Special magistrates                            | 4,095         | 5,904         | (1,809)   |
| Juvenile and domestic relations district court | 26,635        | 16,350        | 10,285  |
| Clerk of the circuit court                     | 65,975        | 63,377        | 2,598   |
| Total courts                                   | \$ 134,957    | \$ 119,359    | \$ 15,598                                       |
| Commonwealth's attorney:                       |               |               |   |
| Commonwealth's attorney                        | \$ 307,772    | \$ 293,750    | \$ 14,022                                       |
| Total judicial administration                  | \$ 442,729    | \$ 413,109    | \$ 29,620                                       |
| Public safety:                                 |               |               |   |
| Law enforcement and traffic control:           |               |               |   |
| Sheriff  | \$ 1,879,512  | \$ 1,815,893  | \$ 63,619                                       |
| Wakefield sheriff patrol                       | 42,353        | 37,330        | 5,023   |
| Criminal justice and Victim witness protection | 58,843        | 54,157        | 4,686   |
| Total law enforcement and traffic control      | \$ 1,980,708  | \$ 1,907,380  | \$ 73,328                                       |

**Governmental Funds and Discretely Presented Component Unit**

**Schedule of Expenditures -- Budget and Actual**

**Year Ended June 30, 2001**

| <u>Fund, Function, Activity and Elements</u>                     | <u>Budget</u>       | <u>Actual</u>       | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|--|---------------------|---------------------|---|
| <b>Primary Government:</b>                                       |                     |                     |   |
| <b>General Fund:</b>   |                     |                     |   |
| Fire and rescue services:  |                     |                     |   |
| Volunteer fire department  | \$ 75,025           | \$ 267,151          | \$ (192,126)                                    |
| Ambulance and rescue service                                     | 180,500             | 165,603             | 14,897  |
| Division of forestry   | <u>12,516</u>       | <u>12,516</u>       | <u>0</u>  |
| Total fire and rescue services                                   | \$ <u>268,041</u>   | \$ <u>445,270</u>   | \$ <u>(177,229)</u>                             |
| Correction and detention:  |                     |                     |   |
| Sheriff  | \$ 373,966          | \$ 316,824          | \$ 57,142                                       |
| Crater Criminal Justice Academy                                  | 6,061               | 6,089               | (28)  |
| Drug forfeiture  | 0                   | 3,385               | (3,385)   |
| Crater Juvenile Detention Home                                   | <u>34,000</u>       | <u>44,204</u>       | <u>(10,204)</u>                                 |
| Total correction and detention                                   | \$ <u>414,027</u>   | \$ <u>370,502</u>   | \$ <u>43,525</u>                                |
| Inspections:   |                     |                     |   |
| Building   | \$ <u>91,873</u>    | \$ <u>88,647</u>    | \$ <u>3,226</u>                                 |
| Other protection:  |                     |                     |   |
| Animal control   | \$ 56,006           | \$ 52,103           | \$ 3,903  |
| Medical examiner (coroner)                                       | 1,000               | 400                 | 600   |
| Emergency services (civil defense)                               | <u>2,000</u>        | <u>45</u>           | <u>1,955</u>                                    |
| Total other protection   | \$ <u>59,006</u>    | \$ <u>52,548</u>    | \$ <u>6,458</u>                                 |
| Total public safety  | \$ <u>2,813,655</u> | \$ <u>2,864,347</u> | \$ <u>(50,692)</u>                              |
| Public works:  |                     |                     |   |
| Maintenance of highways, streets, bridges and sidewalks:         |                     |                     |   |
| Street lights  | \$ 9,500            | \$ 11,140           | \$ (1,640)                                      |
| Wastewater treatment plant                                       | <u>55,000</u>       | <u>29,035</u>       | <u>25,965</u>                                   |
| Total maintenance of highways, streets,<br>bridges and sidewalks | \$ <u>64,500</u>    | \$ <u>40,175</u>    | \$ <u>24,325</u>                                |
| Sanitation and waste removal:                                    |                     |                     |   |
| Sanitation disposal  | \$ <u>145,785</u>   | \$ <u>182,689</u>   | \$ <u>(36,904)</u>                              |
| Total sanitation and waste removal                               | \$ <u>145,785</u>   | \$ <u>182,689</u>   | \$ <u>(36,904)</u>                              |
| Maintenance of general buildings and grounds:                    |                     |                     |   |
| General properties   | \$ <u>266,999</u>   | \$ <u>292,988</u>   | \$ <u>(25,989)</u>                              |
| Total maintenance of general buildings and grounds               | \$ <u>266,999</u>   | \$ <u>292,988</u>   | \$ <u>(25,989)</u>                              |

**Governmental Funds and Discretely Presented Component Unit**

**Schedule of Expenditures -- Budget and Actual**

**Year Ended June 30, 2001**

| <u>Fund, Function, Activity and Elements</u> | <u>Budget</u> | <u>Actual</u> | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|--|---------------|---------------|---|
| <b>Primary Government:</b>                   |               |               |   |
| <b>General Fund:</b>                         |               |               |   |
| Public Works (continued):                    |               |               |   |
| Total public works                           | \$ 477,284    | \$ 515,852    | \$ (38,568)                                     |
| Health and welfare:                          |               |               |   |
| Health:                                      |               |               |   |
| Local health department                      | \$ 139,982    | \$ 139,982    | \$ 0  |
| Total health                                 | \$ 139,982    | \$ 139,982    | \$ 0  |
| Mental health and mental retardation:        |               |               |   |
| Chapter X board                              | \$ 47,396     | \$ 47,396     | \$ 0  |
| Total mental health and mental retardation   | \$ 47,396     | \$ 47,396     | \$ 0  |
| Welfare:                                     |               |               |   |
| Welfare administration                       | \$ 1,592,103  | \$ 1,495,997  | \$ 96,106                                       |
| Comprehensive services act                   | 200,000       | 158,863       | 41,137  |
| Local area agency on aging                   | 4,422         | 3,394         | 1,028   |
| Total welfare                                | \$ 1,796,525  | \$ 1,658,254  | \$ 138,271                                      |
| Total health and welfare                     | \$ 1,983,903  | \$ 1,845,632  | \$ 138,271                                      |
| Education:                                   |               |               |   |
| Contributions to community colleges          | \$ 1,746      | \$ 1,746      | \$ 0  |
| Tri-City Literacy Council                    | 1,000         | 1,000         | 0   |
| Abstinence education initiative              | 125,000       | 122,420       | 2,580   |
| Contributions headstart and other programs   | 51,409        | 51,409        | 0   |
| Total education                              | \$ 179,155    | \$ 176,575    | \$ 2,580  |
| Parks, recreation and cultural:              |               |               |   |
| Cultural enrichment:                         |               |               |   |
| Carpenter museum                             | \$ 6,410      | \$ 11,000     | \$ (4,590)                                      |
| Wakefield foundation                         | 2,910         | 2,910         | 0   |
| Total cultural enrichment                    | \$ 9,320      | \$ 13,910     | \$ (4,590)                                      |
| Library:                                     |               |               |   |
| Regional library                             | \$ 86,131     | \$ 98,301     | \$ (12,170)                                     |
| Total library                                | \$ 86,131     | \$ 98,301     | \$ (12,170)                                     |
| Total parks, recreation and cultural         | \$ 95,451     | \$ 112,211    | \$ (16,760)                                     |

**Governmental Funds and Discretely Presented Component Unit**

**Schedule of Expenditures -- Budget and Actual**

**Year Ended June 30, 2001**

| <u>Fund, Function, Activity and Elements</u> | <u>Budget</u>           | <u>Actual</u>           | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|--|-------------------------|-------------------------|---|
| <b>Primary Government:</b>                   |                         |                         |   |
| <b>General Fund:</b>                         |                         |                         |   |
| Community development:                       |                         |                         |   |
| Planning and community development:          |                         |                         |   |
| Planning                                     | \$ 116,186              | \$ 101,676              | \$ 14,510                                       |
| Crater Planning District Commission          | 8,100                   | 8,100                   | 0   |
| Board of zoning appeals                      | 2,450                   | 459                     | 1,991   |
| Industrial development authority             | 1,350                   | 1,159                   | 191   |
| Economic development                         | 97,050                  | 22,050                  | 75,000  |
| Indoor plumbing                              | 80,250                  | 344,963                 | (264,713)                                       |
| Housing programs                             | 61,136                  | 61,670                  | (534)   |
|  | <u>366,522</u>          | <u>540,077</u>          | <u>(173,555)</u>                                |
| Total planning and community development     | \$                      | \$                      | \$  |
| Environmental management:                    |                         |                         |   |
| Soil and water conservation district         | \$ 6,105                | \$ 6,105                | \$ 0  |
| Environmental management                     | 138,595                 | 106,695                 | 31,900  |
|  | <u>144,700</u>          | <u>112,800</u>          | <u>31,900</u>                                   |
| Total environmental management               | \$                      | \$                      | \$  |
| Cooperative extension program:               |                         |                         |   |
| VPI extension service                        | \$ 50,586               | \$ 28,853               | \$ 21,733                                       |
|  | <u>561,808</u>          | <u>681,730</u>          | <u>(119,922)</u>                                |
| Total community development                  | \$                      | \$                      | \$  |
| Total General Fund                           | <u><u>7,473,742</u></u> | <u><u>7,481,385</u></u> | <u><u>(7,643)</u></u>                           |
| <b>Special Revenue Funds:</b>                |                         |                         |   |
| <b>Law Library Fund:</b>                     |                         |                         |   |
| Judicial administration:                     |                         |                         |   |
| Courts:                                      |                         |                         |   |
| Law library                                  | \$ 3,000                | \$ 2,856                | \$ 144  |
| <b>E911 Fund:</b>                            |                         |                         |   |
| Public safety:                               |                         |                         |   |
| E911 system                                  | \$ 118,988              | \$ 80,447               | \$ 38,541                                       |
|  | <u><u>121,988</u></u>   | <u><u>83,303</u></u>    | <u><u>38,685</u></u>                            |
| Total Special Revenue Funds                  | \$                      | \$                      | \$  |

**Governmental Funds and Discretely Presented Component Unit**

**Schedule of Expenditures -- Budget and Actual**

**Year Ended June 30, 2001**

| <u>Fund, Function, Activity and Elements</u>              | <u>Budget</u>                   | <u>Actual</u>                  | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|---|---------------------------------|--------------------------------|---|
| <b>Primary Government:</b>                                |                                 |                                |   |
| <b>Capital Projects Funds:</b>                            |                                 |                                |   |
| <b>County Capital Projects Fund:</b>                      |                                 |                                |   |
| Capital Projects:   |                                 |                                |   |
| New radio communication system                            | \$ 30,000                       | \$ 0                           | \$ 30,000                                       |
| Remove underground storage tanks                          | 0                               | 96,899                         | (96,899)  |
| Pocahontas project  | 0                               | 31,662                         | (31,662)  |
| Old social services building renovation                   | 10,000                          | 0                              | 10,000  |
| Water and sewer for high school                           | 1,000,000                       | 475,606                        | 524,394   |
| County office building                                    | 25,000                          | 7,070                          | 17,930  |
| Wakefield Airport Commission                              | 5,000                           | 5,000                          | 0   |
| Western Water Grant                                       | 800,000                         | 289,746                        | 510,254   |
| Special projects  | <u>125,000</u>                  | <u>0</u>                       | <u>125,000</u>                                  |
| <br>Total capital projects                                | <br><u>\$ 1,995,000</u>         | <br><u>\$ 905,983</u>          | <br><u>\$ 1,089,017</u>                         |
| <br>Debt service:   |                                 |                                |   |
| Principal retirement                                      | \$ 415,000                      | \$ 415,000                     | \$ 0  |
| Interest and fiscal charges                               | <u>146,203</u>                  | <u>187,435</u>                 | <u>(41,232)</u>                                 |
| <br>Total debt service                                    | <br><u>\$ 561,203</u>           | <br><u>\$ 602,435</u>          | <br><u>\$ (41,232)</u>                          |
| <br>Total County Capital Projects Fund                    | <br><u>\$ 2,556,203</u>         | <br><u>\$ 1,508,418</u>        | <br><u>\$ 1,047,785</u>                         |
| <br><b>Grand Total Expenditures -- Primary Government</b> | <br><b><u>\$ 10,151,933</u></b> | <br><b><u>\$ 9,073,106</u></b> | <br><b><u>\$ 1,078,827</u></b>                  |
| <br><b>Component Unit -- School Board:</b>                |                                 |                                |   |
| <b>School Operating Fund:</b>                             |                                 |                                |   |
| Education:  |                                 |                                |   |
| Administration of schools:                                |                                 |                                |   |
| Administration, attendance and health                     | \$ <u>415,345</u>               | \$ <u>1,832,346</u>            | \$ <u>(1,417,001)</u>                           |
| <br>Instruction Costs:                                    |                                 |                                |   |
| Elementary and secondary schools                          | \$ <u>9,866,322</u>             | \$ <u>8,407,138</u>            | \$ <u>1,459,184</u>                             |
| <br>Operating costs:                                      |                                 |                                |   |
| Pupil transportation                                      | \$ 1,181,780                    | \$ 1,199,542                   | \$ (17,762)                                     |
| Maintenance of school plant                               | <u>1,112,096</u>                | <u>1,094,108</u>               | <u>17,988</u>                                   |
| <br>Total operating costs                                 | <br><u>\$ 2,293,876</u>         | <br><u>\$ 2,293,650</u>        | <br><u>\$ 226</u>                               |
| <br>Total education                                       | <br><u>\$ 12,575,543</u>        | <br><u>\$ 12,533,134</u>       | <br><u>\$ 42,409</u>                            |

**Governmental Funds and Discretely Presented Component Unit**

**Schedule of Expenditures -- Budget and Actual**

**Year Ended June 30, 2001**

| <u>Fund, Function, Activity and Elements</u>                  | <u>Budget</u>               | <u>Actual</u>               | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|---|-----------------------------|-----------------------------|---|
| <b>Component Unit -- School Board:</b>                        |                             |                             |   |
| <b>School Operating Fund:</b>                                 |                             |                             |   |
| Debt service:   |                             |                             |   |
| Principal retirement  | \$ 579,363                  | 394,827                     | 184,536   |
| Interest and fiscal charges                                   | <u>661,489</u>              | <u>446,705</u>              | <u>214,784</u>                                  |
| Total debt service  | \$ <u>1,240,852</u>         | \$ <u>841,532</u>           | \$ <u>399,320</u>                               |
| Total School Operating Fund                                   | \$ <u>13,816,395</u>        | \$ <u>13,374,666</u>        | \$ <u>441,729</u>                               |
| <b>School Cafeteria Fund:</b>                                 |                             |                             |   |
| Education:  |                             |                             |   |
| Operating costs:  |                             |                             |   |
| School food services  | \$ <u>730,000</u>           | \$ <u>667,073</u>           | \$ <u>62,927</u>                                |
| <b>School Textbook Fund:</b>                                  |                             |                             |   |
| Education:  |                             |                             |   |
| Purchase of textbooks   | \$ <u>110,000</u>           | \$ <u>0</u>                 | \$ <u>110,000</u>                               |
| <b>School Capital Project Fund:</b>                           |                             |                             |   |
| Capital projects  | \$ <u>8,150,731</u>         | \$ <u>6,205,141</u>         | \$ <u>1,945,590</u>                             |
| <b>Grand Total Expenditures -Component Unit -School Board</b> | <b>\$ <u>22,807,126</u></b> | <b>\$ <u>20,246,880</u></b> | <b>\$ <u>2,560,246</u></b>                      |

**Schedule of the Treasurer's Accountability**

**At June 30, 2001**

|   |                      |
|---|----------------------|
| Assets held by the Treasurer:                     |                      |
| Cash on hand                                      | \$ 2,662             |
| Cash in banks:                                    |                      |
| Checking and Money Market:                        |                      |
| The Bank of Sussex and Surry                      | 11,454               |
| James River Bank                                  | 828,273              |
| Bank of Southside Virginia                        | 15,534               |
| Certificate of deposit and repurchase agreements: |                      |
| United Community Bank                             | 1,000,000            |
| Bank of Southside Virginia                        | 0                    |
| Investments:                                      |                      |
| Mentor mutual fund                                | 1,587,627            |
| Virginia State Non-arbitrage fund                 | 829,100              |
| Local Government Investment Pool                  | 5,308,949            |
| Bank of New York--U.S. Treasury Notes             | 492,617              |
|   | <hr/>                |
| Total assets                                      | \$ <u>10,076,216</u> |
| Liabilities of the Treasurer:                     |                      |
| Balance of County funds (Schedule 4)              | \$ 10,075,609        |
| Treasurer's deferred account                      | <hr/> 607            |
|   | <hr/>                |
| Total liabilities                                 | \$ <u>10,076,216</u> |

NOTE: This schedule is recorded on a cash basis. Assets and liabilities reflected in the other supplementary data and basic financial statements are recorded on the accrual and/or modified accrual basis, except as otherwise noted.

**COUNTY OF SUSSEX, VIRGINIA**

**Schedule of the Treasurer's Accountability to the County**

**All County Funds and Component Unit**

**Year Ended June 30, 2001**

|   | Governmental Funds         |                          |                            |
|---|----------------------------|--------------------------|----------------------------|
|   | <u>General</u>             | <u>Special Revenue</u>   | <u>Capital Projects</u>    |
| Balance July 1, 2000                            | \$ 2,592,140               | \$ 280,712               | \$ 7,123,251               |
| Receipts (Net):                                 |                            |                          |                            |
| General property taxes                          | \$ 5,574,542               | \$ 0                     | \$ 0                       |
| Other local taxes                               | 802,354                    | 130,433                  | 0                          |
| Permits, privilege fees and regulatory licenses | 46,058                     | 0                        | 0                          |
| Fines and forfeitures                           | 154,728                    | 0                        | 0                          |
| Revenue from use of money and property          | 256,203                    | 17,511                   | 383,220                    |
| Charges for services                            | 3,188,359                  | 1,289                    | 26,600                     |
| Miscellaneous                                   | 210,232                    | 642                      | 0                          |
| Recovered costs                                 | 148,840                    | 0                        | 0                          |
| Intergovernmental                               | 4,813,494                  | 0                        | 0                          |
| Total receipts                                  | \$ <u>15,194,810</u>       | \$ <u>149,875</u>        | \$ <u>409,820</u>          |
| Total receipts and balance                      | \$ <u>17,786,950</u>       | \$ <u>430,587</u>        | \$ <u>7,533,071</u>        |
| Disbursements (Net):                            |                            |                          |                            |
| Warrants (checks) issued                        | \$ 7,503,314               | \$ 86,417                | \$ 832,614                 |
| Retirement of indebtedness                      | 0                          | 0                        | 415,000                    |
| Interest and other debt costs                   | 0                          | 0                        | 187,435                    |
| Total disbursements                             | \$ <u>7,503,314</u>        | \$ <u>86,417</u>         | \$ <u>1,435,049</u>        |
| Interfund transfers:                            |                            |                          |                            |
| Transfers in                                    | \$ 0                       | \$ 0                     | \$ 1,889,087               |
| Transfers out                                   | <u>7,593,395</u>           | <u>0</u>                 | <u>715,806</u>             |
| Balance June 30, 2001                           | \$ <u><u>2,690,241</u></u> | \$ <u><u>344,170</u></u> | \$ <u><u>7,271,303</u></u> |

Note: These receipts and disbursements are recorded on a cash basis. Revenues and expenditures reflected in the other supplementary data and basic financial statements are recorded on the accrual and/or modified accrual basis, except as otherwise noted.

**Schedule 4**

| <u>Fiduciary<br/>Funds</u>    | <u>Component Unit</u>      | <u>Total</u>                 |
|-------------------------------|----------------------------|------------------------------|
| <u>Trust &amp;<br/>Agency</u> | <u>School<br/>Board</u>    | <u>"Memorandum<br/>Only"</u> |
| \$ 2,704                      | \$ 4,870,175               | \$ 14,868,982                |
| \$ 0                          | \$ 0                       | \$ 5,574,542                 |
| 0                             | 0                          | 932,787                      |
| 0                             | 0                          | 46,058                       |
| 0                             | 0                          | 154,728                      |
| 120                           | 186,458                    | 843,512                      |
| 0                             | 289,509                    | 3,505,757                    |
| 16,442                        | 369,443                    | 596,759                      |
| 0                             | 0                          | 148,840                      |
| <u>0</u>                      | <u>7,987,617</u>           | <u>12,801,111</u>            |
| \$ <u>16,562</u>              | \$ <u>8,833,027</u>        | \$ <u>24,604,094</u>         |
| \$ <u>19,266</u>              | \$ <u>13,703,202</u>       | \$ <u>39,473,076</u>         |
| \$ 16,482                     | \$ 19,514,673              | \$ 27,953,500                |
| 0                             | 394,827                    | 809,827                      |
| <u>0</u>                      | <u>446,705</u>             | <u>634,140</u>               |
| \$ <u>16,482</u>              | \$ <u>20,356,205</u>       | \$ <u>29,397,467</u>         |
| \$ 0                          | \$ 7,111,147               | \$ 9,000,234                 |
| <u>0</u>                      | <u>691,033</u>             | <u>9,000,234</u>             |
| \$ <u><u>2,784</u></u>        | \$ <u><u>(232,889)</u></u> | \$ <u><u>10,075,609</u></u>  |

**Schedule of the Treasurer's Accountability to the Commonwealth**

**Year Ended June 30, 2001**

|                                       | Balance<br>July 1,<br><u>2000</u> |    | <u>Receipts</u>   |    | <u>Remittances</u> |    | Balance<br>June 30,<br><u>2001</u> |
|---------------------------------------|-----------------------------------|----|-------------------|----|--------------------|----|------------------------------------|
| 2001 Taxes:                           |                                   |    |                   |    |                    |    |                                    |
| Estimated income taxes                | \$ 0                              | \$ | 58,413            | \$ | 58,413             | \$ | 0                                  |
| 2000 Taxes:                           |                                   |    |                   |    |                    |    |                                    |
| Taxable year income taxes             | 0                                 |    | 121,134           |    | 121,134            |    | 0                                  |
| Estimated income taxes                | 0                                 |    | 90,025            |    | 90,025             |    | 0                                  |
| 1999 Taxes:                           |                                   |    |                   |    |                    |    |                                    |
| Taxable Year Income Taxes             | 0                                 |    | 13,293            |    | 13,293             |    | 0                                  |
| Other Collections:                    |                                   |    |                   |    |                    |    |                                    |
| Penalty                               | 0                                 |    | 1,161             |    | 1,161              |    | 0                                  |
| Interest                              | 0                                 |    | 222               |    | 222                |    | 0                                  |
| Share of fees of sheriff and deputies | 0                                 |    | 12,311            |    | 12,311             |    | 0                                  |
|                                       | <u>0</u>                          |    | <u>296,559</u>    |    | <u>296,559</u>     |    | <u>0</u>                           |
| Totals                                | \$ <u>0</u>                       | \$ | \$ <u>296,559</u> | \$ | \$ <u>296,559</u>  | \$ | \$ <u>0</u>                        |

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

## STATISTICAL TABLES



**COUNTY OF SUSSEX, VIRGINIA**

**Schedule 6**

**General Governmental Revenues by Source (1)**

**Last Ten Fiscal Years**

| Fiscal Year | General Property Taxes | Other Local Taxes | Permits Privilege Fees and Regulatory Licenses | Fines and Forfeitures | Revenue from use Money and Property | Charges for Services | Miscellaneous | Recovered Costs | Inter-Governmental | Total      |
|-------------|------------------------|-------------------|--|-----------------------|-------------------------------------|----------------------|---------------|-----------------|--------------------|------------|
|             |                        |                   |  |                       |                                     |                      |               |                 |                    |            |
| 1991-92     | \$ 3,380,438           | 591,205           | 36,397   | 185,172               | 161,610                             | 498,374              | 159,574       | 15,325          | 6,946,159          | 11,974,254 |
| 1992-93     | 3,383,251              | 663,809           | 76,743   | 213,888               | 96,339                              | 570,569              | 753,999       | 0               | 7,315,363          | 13,073,961 |
| 1993-94     | 3,439,086              | 767,749           | 47,241   | 185,092               | 121,426                             | 392,301              | 158,192       | 0               | 7,360,275          | 12,471,362 |
| 1994-95     | 4,153,311              | 813,609           | 39,496   | 154,491               | 148,660                             | 3,707,008            | 252,138       | 322,072         | 8,264,960          | 17,855,745 |
| 1995-96     | 4,278,027              | 817,764           | 40,183   | 171,501               | 254,465                             | 4,412,657            | 165,018       | 447,027         | 8,578,341          | 19,164,983 |
| 1996-97     | 4,787,425              | 888,133           | 41,384   | 227,220               | 245,399                             | 3,156,485            | 170,067       | 185,120         | 9,154,555          | 18,855,788 |
| 1997-98     | 5,262,481              | 880,718           | 40,842   | 208,588               | 274,522                             | 2,952,781            | 91,963        | 174,317         | 9,500,122          | 19,386,334 |
| 1998-99     | 5,609,959              | 884,390           | 50,589   | 220,399               | 328,724                             | 5,206,929            | 280,197       | 202,469         | 10,415,647         | 23,199,303 |
| 1999-00     | 5,337,214              | 893,865           | 46,704   | 172,973               | 305,305                             | 1,792,885            | 182,337       | 460,200         | 11,499,325         | 20,690,808 |
| 2000-01     | 5,543,684              | 952,691           | 46,065   | 160,402               | 281,892                             | 3,702,840            | 352,242       | 148,840         | 12,683,090         | 23,871,746 |

Note: (1) Includes General and Special Revenue Funds of primary government and its discretely presented component units.

**Governmental Expenditures by Function (1)(2)**

**Last Ten Fiscal Years**

| Fiscal Year | General Government Administration | Judicial Administration | Public Safety | Public Works | Health and Welfare | Parks Recreation & Cultural | Community Development | Debt Service | Total      |
|-------------|-----------------------------------|-------------------------|---------------|--------------|--------------------|-----------------------------|-----------------------|--------------|------------|
|             |                                   |                         |               |              |                    |                             |                       |              |            |
| 1991-92     | \$ 915,674                        | 377,820                 | 1,581,045     | 490,103      | 1,111,385          | 59,004                      | 135,753               | 148,449      | 12,143,134 |
| 1992-93     | 738,026                           | 144,021                 | 1,765,776     | 500,610      | 1,230,486          | 59,004                      | 183,506               | 101,135      | 12,510,464 |
| 1993-94     | 692,575                           | 373,016                 | 1,535,984     | 699,197      | 1,345,849          | 59,004                      | 116,551               | 101,029      | 13,248,118 |
| 1994-95     | 880,525                           | 413,636                 | 1,726,103     | 628,069      | 1,354,432          | 67,774                      | 280,581               | 166,408      | 14,910,305 |
| 1995-96     | 967,558                           | 1,543,602               | 609,146       | 630,714      | 1,475,222          | 70,872                      | 219,798               | 393,951      | 16,053,713 |
| 1996-97     | 999,410                           | 223,898                 | 2,470,454     | 573,385      | 1,630,290          | 73,372                      | 459,109               | 720,510      | 17,914,172 |
| 1997-98     | 842,385                           | 237,714                 | 2,133,921     | 505,302      | 1,612,811          | 82,041                      | 369,145               | 691,284      | 17,460,113 |
| 1998-99     | 817,864                           | 270,534                 | 2,500,284     | 393,097      | 1,809,742          | 82,329                      | 303,116               | 689,003      | 18,827,966 |
| 1999-00     | 957,030                           | 371,764                 | 2,525,773     | 589,031      | 1,783,652          | 88,911                      | 763,384               | 690,129      | 21,031,343 |
| 2000-01     | 871,929                           | 415,965                 | 2,944,794     | 515,852      | 1,845,632          | 112,211                     | 681,730               | 841,532      | 21,606,427 |

Note: (1) Includes General and Special Revenue Funds' Current Expenditures and Debt Service of the primary government and its discretely presented component unit.

(2) Capital projects are not included.

**Assessed Value of Taxable Property**

**Last Ten Fiscal Years**

| Fiscal Year | Real Estate   | Personal Property | Machinery and Tools | Merchant's Capital | Public Utility (2) |                   | Total         |
|-------------|---------------|-------------------|---------------------|--------------------|--------------------|-------------------|---------------|
|             |               |                   |                     |                    | Real Estate        | Personal Property |               |
| 1991-92     | \$286,727,232 | \$33,762,609      | \$6,622,036         | \$6,470,724        | \$33,159,112       | \$0               | \$366,741,713 |
| 1992-93     | 289,892,299   | 36,776,893        | 4,312,560           | 4,522,717          | 29,947,570         | 0                 | 365,452,039   |
| 1993-94     | 291,104,758   | 35,289,463        | 5,613,685           | 7,070,848          | 33,995,573         | 339,348           | 373,413,675   |
| 1994-95     | 378,294,704   | 39,899,452        | 11,033,386          | 6,574,177          | 45,358,444         | 445,010           | 481,605,173   |
| 1995-96     | 381,008,878   | 43,498,794        | 7,569,491           | 6,561,372          | 43,405,567         | 405,071           | 482,449,173   |
| 1996-97     | 380,072,877   | 48,976,201        | 4,992,659           | 5,476,854          | 44,019,220         | 345,682           | 483,883,493   |
| 1997-98     | 379,892,374   | 52,860,634        | 10,274,170          | 5,617,472          | 44,055,442         | 411,002           | 493,111,094   |
| 1998-99     | 383,338,454   | 53,903,376        | 15,518,719          | 5,234,145          | 45,557,087         | 362,278           | 503,914,059   |
| 1999-00     | 381,439,198   | 58,584,106        | 14,971,013          | 8,284,597          | 44,374,336         | 298,348           | 507,951,598   |
| 2000-01     | 444,221,403   | 60,610,361        | 13,978,885          | 7,687,320          | 55,929,508         | 282,863           | 582,710,340   |

- Notes: (1) Real estate is assessed at 100% of fair market value.  
 (2) Assessed values are established by the State Corporation Commission.

**Property Tax Rates (1)**

**Last Ten Fiscal Years**

| Fiscal Year | Real Estate | Personal Property | Mobile Homes | Machinery And Tools | Merchant's Capital | Public Service |                   |
|-------------|-------------|-------------------|--------------|---------------------|--------------------|----------------|-------------------|
|             |             |                   |              |                     |                    | Real Estate    | Personal Property |
| 1991-92     | \$0.52      | \$4.75            | \$0.52       | \$4.75              | \$1.00             | \$0.52         | \$4.75            |
| 1992-93     | 0.52        | 4.75              | 0.52         | 4.75                | 1.00               | 0.52           | 4.75              |
| 1993-94     | 0.52        | 4.75              | 0.52         | 4.75                | 1.00               | 0.52           | 4.75              |
| 1994-95     | 0.50        | 4.75              | 0.50         | 4.75                | 1.00               | 0.50           | 4.75              |
| 1995-96     | 0.50        | 4.75              | 0.50         | 4.75                | 1.00               | 0.50           | 4.75              |
| 1996-97     | 0.54        | 4.75              | 0.54         | 4.75                | 1.00               | 0.54           | 4.75              |
| 1997-98     | 0.54        | 4.85              | 0.54         | 4.85                | 1.00               | 0.54           | 4.85              |
| 1998-99     | 0.59        | 4.85              | 0.59         | 4.85                | 1.00               | 0.59           | 4.85              |
| 1999-00     | 0.60        | 4.85              | 0.60         | 4.85                | 1.00               | 0.60           | 4.85              |
| 2000-01     | 0.60        | 4.85              | 0.60         | 4.85                | 1.00               | 0.60           | 4.85              |

- Note: (1) Per \$100 of assessed value.

**Property Tax Levies and Collections**

**Last Ten Fiscal Years**

| Fiscal Year | Total (1) Tax Levy | Current Tax (1) Collections | Percent of Levy Collected | Delinquent (1) Tax (2) Collections | Total Tax Collections | Percent of Total Tax Collections to Tax Levy | Outstanding Delinquent Taxes (1) | Percent of Delinquent Taxes to Tax Levy |
|-------------|--------------------|-----------------------------|---------------------------|------------------------------------|-----------------------|--|----------------------------------|---|
| 1991-92     | \$3,331,572        | \$3,238,872                 | 97.22%                    | \$87,424                           | \$3,326,296           | 99.84%                                       | \$198,176                        | 5.95%                                   |
| 1992-93     | 3,358,141          | 3,244,008                   | 96.60%                    | 89,728                             | 3,333,736             | 99.27%                                       | 183,509                          | 5.46%                                   |
| 1993-94     | 3,411,257          | 3,294,441                   | 96.58%                    | 87,011                             | 3,381,452             | 99.13%                                       | 196,752                          | 5.77%                                   |
| 1994-95     | 4,067,217          | 3,972,283                   | 97.67%                    | 113,827                            | 4,086,110             | 100.46%                                      | 260,289                          | 6.40%                                   |
| 1995-96     | 4,272,744          | 4,109,080                   | 96.17%                    | 103,723                            | 4,212,803             | 98.60%                                       | 239,393                          | 5.60%                                   |
| 1996-97     | 4,728,576          | 4,560,642                   | 96.45%                    | 132,342                            | 4,692,984             | 99.25%                                       | 260,006                          | 5.50%                                   |
| 1997-98     | 5,238,240          | 5,050,891                   | 96.42%                    | 120,386                            | 5,171,277             | 98.72%                                       | 248,057                          | 4.74%                                   |
| 1998-99     | 5,584,118          | 5,386,072                   | 96.45%                    | 107,664                            | 5,493,736             | 98.38%                                       | 368,912                          | 6.61%                                   |
| 1999-00     | 5,691,184          | 5,462,550                   | 95.98%                    | 162,311                            | 5,624,861             | 98.83%                                       | 437,248                          | 7.68%                                   |
| 2000-01     | 6,176,669          | 6,030,907                   | 97.64%                    | 136,235                            | 6,167,142             | 99.85%                                       | 378,078                          | 6.12%                                   |

Notes: (1) Exclusive of penalties and interest. Includes Commonwealth's reimbursements for personal property taxes and balance outstanding.  
 (2) Does not include land redemptions.

**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) | Less:                         |                                       |                 | Ratio of Net General Obligation Bonded Debt to Assessed Value | Net Bonded Debt Per Capita |
|-------------|----------------|--------------------|-----------------------|-------------------------------|---------------------------------------|-----------------|---|----------------------------|
|             |                |                    |                       | Debt Service Monies Available | Debt Payable from Enterprise Revenues | Net Bonded Debt |   |                            |
| 1991-92     | 10,248         | 366,741,713        | 176,350               | 0                             | 0                                     | 176,350         | 0.0005  | 17                         |
| 1992-93     | 10,248         | 365,452,039        | 194,047               | 0                             | 0                                     | 194,047         | 0.0005  | 19                         |
| 1993-94     | 10,248         | 373,413,675        | 101,050               | 0                             | 0                                     | 101,050         | 0.0003  | 10                         |
| 1994-95     | 10,248         | 481,605,173        | 63,400                | 0                             | 0                                     | 63,400          | 0.0001  | 6                          |
| 1995-96     | 10,248         | 482,449,173        | 25,750                | 0                             | 0                                     | 25,750          | 0.0001  | 3                          |
| 1996-97     | 10,248         | 483,883,493        | 0                     | 0                             | 0                                     | 0               | 0.0000  | 0                          |
| 1997-98     | 10,248         | 493,111,094        | 0                     | 0                             | 0                                     | 0               | 0.0000  | 0                          |
| 1998-99     | 10,248         | 503,914,059        | 7,430,000             | 0                             | 0                                     | 7,430,000       | 0.0147  | 725                        |
| 1999-00     | 10,248         | 507,951,598        | 7,430,000             | 0                             | 0                                     | 7,430,000       | 0.0146  | 725                        |
| 2000-01     | 12,504         | 582,710,340        | 7,055,000             | 0                             | 0                                     | 7,055,000       | 0.0121  | 564                        |

Notes: (1) Bureau of Census for 1990 Census and Weldon Cooper Center for Public Service for 2000 Census.  
 (2) From Schedule 8  
 (3) Includes all long-term general obligation bonded debt, Bond Anticipation Notes, and Literary Fund loans. Excludes revenue bonds, capital leases, early retirement incentive and compensated absences.



## COMPLIANCE



# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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### TO THE BOARD OF SUPERVISORS COUNTY OF SUSSEX, VIRGINIA

We have audited the financial statements of the County of Sussex, Virginia, as of and for the year ended June 30, 2001, and have issued our report thereon dated November 2, 2001, which was qualified due to the lack of a general fixed asset account group. 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 Audit of Counties, Cities, and Towns, issued by the Auditor of Public Accounts of the Commonwealth of Virginia.

#### COMPLIANCE

As part of obtaining reasonable assurance about whether the County of Sussex, Virginia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under Government Auditing Standards.

#### INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the County of Sussex, Virginia's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that we have reported to management of the County of Sussex, Virginia in a separate letter dated November 2, 2001.

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

A handwritten signature in black ink, appearing to read "Tom Tracy", followed by a horizontal line extending to the right.

Richmond, Virginia  
November 2, 2001

# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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### TO THE BOARD OF SUPERVISORS COUNTY OF SUSSEX, VIRGINIA

#### COMPLIANCE

We have audited the compliance of the County of Sussex, 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, 2001. The County of Sussex, 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 Sussex, Virginia's management. Our responsibility is to express an opinion on the County of Sussex, 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 Sussex, 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 Sussex, Virginia's compliance with those requirements.

In our opinion, the County of Sussex, 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, 2001.

#### INTERNAL CONTROL OVER COMPLIANCE

The management of the County of Sussex, Virginia is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County of Sussex, 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 and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

A handwritten signature in black ink, appearing to read "Paula F. G.", followed by a long horizontal flourish.

Richmond, Virginia  
November 2, 2001

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2001

| <b>Federal Grantor/State Pass - Through Grantor/<br/>Program Title (Pass - Through Grantor's Number)</b> | <b>Federal<br/>Catalog<br/>Number</b> | <b>Expenditures</b> |
|--|---------------------------------------|---------------------|
| Department of Agriculture:   |                                       |                     |
| Direct payments:   |                                       |                     |
| Summer Food Program  | 10.559                                | \$ 44,704           |
| Pass - through payments:   |                                       |                     |
| State Department of Agriculture:   |                                       |                     |
| National School Lunch Program - Commodities  | 10.555                                | 37,441              |
| Department of Social Services:   |                                       |                     |
| State Administrative Matching Grants   | 10.561                                | 185,664             |
| Department of Education:   |                                       |                     |
| National School Lunch Program  | 10.555/10.553                         | 356,981             |
| Total Department of Agriculture  |                                       | <u>\$ 624,790</u>   |
| Department of Health and Human Services:   |                                       |                     |
| Pass Through Payments:   |                                       |                     |
| Department of Social Services:   |                                       |                     |
| Refugee and Entrant Assistance   | 93.566                                | \$ 376              |
| Low income energy assistance   | 93.568                                | 12,718              |
| Family preservation  | 93.556                                | 13,413              |
| Social Services Block Grant  | 93.667                                | 115,554             |
| Foster Care  | 93.658                                | 123,432             |
| Subsidized Adoption  | 93.659                                | 15,575              |
| Day Care   | 93.596                                | 52,460              |
| Child Care Assistance  | 93.575                                | 102,945             |
| Temporary Assistance to needy families   | 93.558                                | 102,260             |
| State Child Insurance Program  | 93.767                                | 5,926               |
| Medical Assistance Program   | 93.778                                | 130,048             |
| Total Department of Health and Human Services  |                                       | <u>\$ 674,707</u>   |
| Department of Emergency Services:  |                                       |                     |
| Pass Through Payments:   |                                       |                     |
| Emergency Management Assistance  | 83.544                                | <u>\$ 1,574</u>     |
| Federal Emergency Management Agency:   |                                       |                     |
| Direct payments:   |                                       |                     |
| Emergency Food and Shelter National Board Program  | 83.523                                | \$ 2,109            |
| Pass Through Payments:   |                                       |                     |
| Department of Education:   |                                       |                     |
| LEA Partnerships   | 83.340                                | <u>11,041</u>       |
|  |                                       | <u>\$ 13,150</u>    |
| Department of Housing and Urban Development:   |                                       |                     |
| Pass Through Payments:   |                                       |                     |
| Department of Housing and Community Development:   |                                       |                     |
| Community Development Block Grants   | 14.228                                | \$ 38,096           |
| Home Investment Partnerships Program   | 14.239                                | <u>115,230</u>      |
|  |                                       | <u>\$ 153,326</u>   |

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2001

| <u>Federal Grantor/State Pass - Through Grantor/<br/>Program Title (Pass - Through Grantor's Number)</u>                            | <u>Federal<br/>Catalog<br/>Number</u> | <u>Expenditures</u> |
|---|---------------------------------------|---------------------|
| Department of Criminal Justice Services:  |                                       |                     |
| Pass Through Payments:  |                                       |                     |
| Office of Justice Programs  |                                       |                     |
| Crime Victim Assistance   | 16.575                                | \$ 43,105           |
| Local law enforcement block grant   | 16.592                                | 10,328              |
| Drug grant  | 16.579                                | 24,198              |
| Total Department of Criminal Justice Services   |                                       | <u>\$ 77,631</u>    |
| Department of Education:  |                                       |                     |
| Pass Through Payments:  |                                       |                     |
| Department of Education:  |                                       |                     |
| Education Consolidation and Improvement Act of 1981:  |                                       |                     |
| Title I:  |                                       |                     |
| Grants to Local Educational Agencies  | 84.010                                | \$ 330,569          |
| Chapter II:   |                                       |                     |
| Improving School Programs State Block Grant   | 84.298                                | 16,177              |
| Elementary and Secondary Education Act (ESEA):  |                                       |                     |
| Title VI-B:   |                                       |                     |
| Special Education - Grants to States  | 84.027                                | 240,830             |
| Special Education - Preschool grants  | 84.173                                | 6,929               |
| Title VI-D:   |                                       |                     |
| Vocational Education:   |                                       |                     |
| Basic Grants to States  | 84.048                                | 39,004              |
| Goals 2000:   |                                       |                     |
| State and Local Education Systemic Improvement Grants   | 84.276                                | 15,345              |
| Special Projects:   |                                       |                     |
| State Grants for Strengthening the Skills of Teachers<br>and Instruction in Mathematics, Foreign Languages and<br>Computer Learning | 84.164                                |                     |
| Drug Free Schools and Communities   | 84.186                                | 5,850               |
| Advanced placement  | 84.330                                | 423                 |
| Eisenhower math and science   | 84.281                                | 5,500               |
| Total Department of Education   |                                       | <u>\$ 660,627</u>   |
| Other Assistance:   |                                       |                     |
| Department of Labor:  |                                       |                     |
| Pass Through Payments:  |                                       |                     |
| Department of Education:  |                                       |                     |
| School to work transition   | 17.249                                | \$ 30,000           |
| Total Expenditures of Federal Awards  |                                       | <u>\$ 2,235,805</u> |

**Notes to Schedule of Expenditures of Federal Awards**

Note A - Basis of Accounting

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting.

Note B - Food Distribution

Nonmonetary assistance is reported in schedule at the fair market value of the commodities received and disbursed. At June 30, 2001, the School Board had food commodities totaling \$3,522 in inventory.

Schedule of Findings and Questioned Costs
For the year ended June 30, 2001

Section I-Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: qualified

Internal control over financial reporting:

- A. Material weaknesses identified? \_\_\_ yes \_\_\_X\_\_\_ no
B. Reportable conditions identified that are not considered to be material weaknesses? \_\_\_ yes \_\_\_X\_\_\_ none reported

Noncompliance material to financial statements noted? \_\_\_ yes \_\_\_X\_\_\_ no

Federal Awards

Internal control over major programs:

- Material weaknesses identified? \_\_\_ yes \_\_\_X\_\_\_ no
- Reportable conditions identified that are not considered to be material weaknesses? \_\_\_ yes \_\_\_X\_\_\_ no

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

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

Identification of major programs:

Table with 2 columns: CFDA Numbers and Name of Federal Program or Cluster. Rows include Nutrition Cluster-School Breakfast Program, Nutrition Cluster-National School Lunch Program, Nutrition Cluster-Food Distribution, Food Stamp Administration, Title I Program, and Title VI-B.

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

Auditee qualified as low-risk auditee? \_\_\_ yes \_\_\_X\_\_\_ no

Section II-Financial Statement Findings

None

Section III-Federal Award Findings and Questioned Costs

None

