

AGENDA
NELSON COUNTY BOARD OF SUPERVISORS
January 14, 2014

**THE REGULAR MEETING CONVENES AT 2:00 P.M. IN THE GENERAL DISTRICT
COURTROOM AT THE COURTHOUSE IN LOVINGSTON**

I. Call to Order

- A. Moment of Silence
- B. Pledge of Allegiance

II. Reorganization of the Board

- A. Election of Chair
- B. Election and Appointment of Vice-Chair
- C. Resolution- **R2014-01** Annual Meeting of the Board

III. Consent Agenda

- A. Resolution – **R2014-02** COR Refunds
- B. Resolution – **R2014-03** FY13-14 Budget Amendment
- C. Resolution – **R2014-04** Authorization for Public Hearing, Zoning Fee Ordinance

IV. Public Comments and Presentations

- A. Public Comments
- B. Presentation – Robinson, Farmer, Cox Associates, FY13 Audit Report (D. Foley)
- C. VDOT Report
 - 1. 2015-2020 Secondary Six Year Plan (SSYP)

V. New Business/ Unfinished Business

- A. Conditional Rezoning #2013-004 –Mr. Taylor Smack / Blue Mountain Brewery
- B. Referral of Proposed Amendments to Zoning & Subdivision Ordinance to Planning Commission – Stormwater Management (**R2014-05**)
- C. Sheriff's Department Request for Funding – New Vehicle Radios
- D. Amendment of Annual Leave and Sick Leave Policy for Hybrid Plan Employees (**R2014-06**)
- E. Draft Ordinance to Amend Chapter 4, Article II, Div IV Unsafe Buildings and Structures (**R2014-07**)

VI. Reports, Appointments, Directives, and Correspondence

- A. Reports
 - 1. County Administrator's Report
 - 2. Board Reports
- B. Appointments
- C. Correspondence
- D. Directives

VII. Adjournment - Evening Session Is Cancelled

	<u>Chair</u>	<u>Vice Chair</u>
2014	Constance Brennan	Larry D. Saunders
2013	Thomas H. Bruguiera	Constance Brennan
2012	Thomas D. Harvey	Thomas H. Bruguiera
2011	Joe Dan Johnson	Thomas H. Bruguiera
2010	Constance Brennan	Joe Dan Johnson
2009	Allen M. Hale	Constance Brennan
2008	Thomas D. Harvey	Allen M. Hale
2007	Thomas H. Bruguiera	Thomas D. Harvey
2006	Harry S. Harris	Thomas H. Bruguiera
2005	Gary E. Wood	Constance Brennan
2004	Constance Brennan	Gary E. Wood
2003	Thomas D. Harvey	Constance Brennan
2002	Thomas H. Bruguiera	Thomas D. Harvey
2001	Gary E. Wood	Thomas H. Bruguiera
2000	Harry S. Harris	Gary E. Wood

**RESOLUTION R2014-01
NELSON COUNTY BOARD OF SUPERVISORS
ANNUAL MEETING**

JANUARY 14, 2014

WHEREAS, pursuant to the applicable provisions of Title 15.2 of the Code of VA and Chapter 2, Article 2 of the Code of the County of Nelson, VA, the Nelson County Board of Supervisors conducts an annual organizational meeting at the Board's first meeting in January of each year; and,

WHEREAS, matters to be determined by the Board of Supervisors in addition to the appointment of a Chairman and Vice-Chairman include the establishment of a schedule of regular and, as applicable, special meetings, the establishment of rules of order, the establishment of (a) meeting agenda(s), and the establishment of Board appointments, including a Clerk and Deputy Clerk to the Board of Supervisors, a Zoning Administrator and a Hazardous Material Coordinator.

NOW THEREFORE BE IT RESOLVED, by the Nelson County Board of Supervisors as follows:

Regular meetings of the Board of Supervisors shall be conducted during Calendar Year 2014 in the General District Courtroom located in the Nelson County Courthouse in Lovingston, VA on the second Tuesday of each month, beginning at 2:00 p.m., and reconvening thereafter at 7:00 p.m. and on the fourth Thursday of each month beginning at 7:00 p.m., except for the months of November and December. Should the regular meetings fall on any legal holiday, the meeting shall be held on the next following regular business day, without action of any kind by the Board; unless otherwise cancelled. Should the Chairman or Vice Chairman (if the Chairman is unable to act) find and declare that weather or other conditions are such that it is hazardous for members to attend regular meetings; the meeting(s) will be continued on the following Tuesday. Such finding shall be communicated to the members, staff, and the press as promptly as possible. All hearings and other matters previously advertised shall be conducted at the continued meeting(s) and no further advertisement is required.

Special meetings of the Board of Supervisors may be convened from time to time, as determined by the Board of Supervisors in accordance with the applicable provisions of the Code of VA and the Code of the County of Nelson, VA.

In accordance with the Code of the County of Nelson, VA, Robert's Rules of Order Newly Revised In Brief, shall be observed as the rules for conducting the business of the Board of Supervisors and the agenda for all meetings of the Board of Supervisors shall be established by the Clerk of the Board in consultation with the Chairman.

Board of Supervisors appointments for Calendar Year 2014 shall be as follows:

Thomas Jefferson Planning District Commission:	Allen M. Hale
Thomas Jefferson Planning District Commission:	Tim Padalino
Director of Emergency Services:	Thomas D. Harvey
Emergency Services Coordinator:	Jaime O. Miller
Piedmont Workforce Network Council:	Larry D. Saunders
Clerk to the Nelson County Board of Supervisors:	Stephen A. Carter
Deputy Clerk to the Nelson County Board of Supervisors:	Candice W. McGarry
Zoning Administrator:	Tim Padalino
Hazardous Materials Coordinator:	Jaime O. Miller
Thomas Jefferson EMS Council:	Jaime O. Miller
Nelson County EMS Council:	Thomas H. Bruguire, Jr.
Thomas Jefferson Community Criminal Justice Board:	Constance Brennan
Nelson County Social Services Board:	Constance Brennan

Adopted: January 14, 2014

Attest: _____, Clerk
Nelson County Board of Supervisors

§ 15.2-1416. Regular meetings.

The governing body shall assemble at a public place as the governing body may prescribe, in regular session in January for counties and in July for cities and towns. Future meetings shall be held on such days as may be prescribed by resolution of the governing body but in no event shall less than six meetings be held in each fiscal year.

The days, times and places of regular meetings to be held during the ensuing months shall be established at the first meeting which meeting may be referred to as the annual or organizational meeting; however, if the governing body subsequently prescribes any public place other than the initial public meeting place, or any day or time other than that initially established, as a meeting day, place or time, the governing body shall pass a resolution as to such future meeting day, place or time. The governing body shall cause a copy of such resolution to be posted on the door of the courthouse or the initial public meeting place and inserted in a newspaper having general circulation in the county or municipality at least seven days prior to the first such meeting at such other day, place or time. Should the day established by the governing body as the regular meeting day fall on any legal holiday, the meeting shall be held on the next following regular business day, without action of any kind by the governing body.

At its annual meeting the governing body may fix the day or days to which a regular meeting shall be continued if the chairman or mayor, or vice-chairman or vice-mayor if the chairman or mayor is unable to act, finds and declares that weather or other conditions are such that it is hazardous for members to attend the regular meeting. Such finding shall be communicated to the members and the press as promptly as possible. All hearings and other matters previously advertised shall be conducted at the continued meeting and no further advertisement is required.

Regular meetings, without further public notice, may be adjourned from day to day or from time to time or from place to place, not beyond the time fixed for the next regular meeting, until the business before the governing body is completed.

Notwithstanding the provisions of this section, any city or town that holds an organizational meeting in compliance with its charter or code shall be deemed to be in compliance with this section.

(Code 1950, § 15-241; 1950, p. 8; 1954, c. 286; 1958, c. 291; 1960, c. 33; 1962, cc. 218, 623, § 15.1-536; 1964, c. 403; 1980, c. 420; 1994, cc. [371](#), [591](#); 1997, c. [587](#); 2004, c. [549](#).)

- NELSON COUNTY CODE
Chapter 2 - ADMINISTRATION
ARTICLE II. - BOARD OF SUPERVISORS

DIVISION 2. CONDUCT OF MEETINGS

DIVISION 2. CONDUCT OF MEETINGS

[Sec. 2-41. Scope.](#)

[Sec. 2-42. Rules of order.](#)

[Sec. 2-43. Chairman.](#)

[Sec. 2-44. Vice-chairman.](#)

[Sec. 2-45. Terms of officers.](#)

[Sec. 2-46. Clerk.](#)

[Sec. 2-47. Annual meeting.](#)

[Sec. 2-48. Regular meetings.](#)

Sec. 2-41. Scope.

The rules of procedure in this division shall govern the conduct of the board of supervisors' meetings.

Sec. 2-42. Rules of order.

Robert's Rules of Order shall be observed as the rules for conducting the business of the board of supervisors.

(Res. of 9-13-72)

Sec. 2-43. Chairman.

The board of supervisors shall, at its first meeting after election, elect one (1) of its number as chairman. The chairman, if present, shall preside at such meeting and at all other meetings during the term for which so elected.

(Res. of 3-11-80, § A)

State law reference— Similar provisions, Code of Virginia, § 15.1-528.

Sec. 2-44. Vice-chairman.

The board of supervisors shall, at its first meeting after election, elect one (1) of its number as vice-chairman. The vice-chairman shall preside at meetings in the absence of the chairman and shall discharge any other duties of the chairman during the chairman's absence or disability.

(Res. of 3-11-80, § A)

State law reference— Similar provisions, Code of Virginia, § 15.1-528.

- NELSON COUNTY CODE
Chapter 2 - ADMINISTRATION
ARTICLE II. - BOARD OF SUPERVISORS

DIVISION 2. CONDUCT OF MEETINGS

Sec. 2-45. Terms of officers.

The chairman and vice-chairman of the board of supervisors shall be elected for one-year terms; but either or both may be reelected for one (1) or more additional terms.

(Res. of 3-11-80, § A)

State law reference— Authority for above section, Code of Virginia, § 15.1-528.

Sec. 2-46. Clerk.

The board of supervisors shall, at its first meeting after election, designate the county administrator as clerk, who shall serve at the pleasure of the board and whose duties shall be those set forth by Virginia Code Sections 15.1-531 and 15.1-532 and resolution of the board as adopted from time to time. The minutes of the board shall be duly drawn by the clerk.

(Res. of 3-11-80, § B)

Sec. 2-47. Annual meeting.

The first meeting held after the newly elected members of the board of supervisors have qualified, and the first meeting held in the corresponding month of each succeeding year, shall be known as the annual meeting. At such annual meeting, the board shall establish the days, times and places for regular meetings of the board for the ensuing twelve (12) months.

(Res. of 3-11-80, § C)

State law reference— Similar provisions, Code of Virginia, § 15.1-536.

Sec. 2-48. Regular meetings.

Except as otherwise provided by law, the board of supervisors shall meet in regular session not less often than once each month upon such day or days as may be established. The board may, however, subsequently establish different days, times or places for such regular meetings by passing a resolution to that effect in accord with Virginia Code Section 15.1-536. When the day established as a regular meeting day falls on a legal holiday, the meeting shall be held on the next following regular business day.

(Res. of 3-11-80, § C)

State law reference— Similar provisions, Code of Virginia, § 15.1-536.

RESOLUTION R2014-02
NELSON COUNTY BOARD OF SUPERVISORS
APPROVAL OF COMMISSIONER OF REVENUE REFUNDS

RESOLVED, by the Nelson County Board of Supervisors that the following refunds, as certified by the Nelson County Commissioner of Revenue and County Attorney pursuant to §58.1-3981 of the Code of Virginia, be and hereby are approved for payment.

<u>Amount</u>	<u>Category</u>	<u>Payee</u>
\$ 19.77	2013 PP Taxes	Lucas Sherman Preston Furrow 334 River View Lane Faber, VA 22938
\$177.18	2013 PP Tax & Vehicle License Fee	Harold A. VanHout, III 1770 Sugar Maple Court Charlottesville, VA 22903
\$866.29	2012 & 2013 PP Tax & Vehicle License Fee	Christopher Mark Vinet P.O. Box 202 Piney River, VA 22964
\$1,106.40	2013 RE Taxes – Disabled Veteran Exemption	Edward J. Solomon RR 1 Box 812 Roseland, VA 22967

Approved: January 14, 2014

Attest: _____, Clerk
Nelson County Board of Supervisors

COUNTY OF NELSON
JEAN W. PAYNE
COMMISSIONER OF REVENUE
P. O. Box 246
Lovington, VA 22949

Telephone: 434-263-7070
Fax: 434-263-7074
Email: jpayne@nelsoncountv.org

December 18, 2013

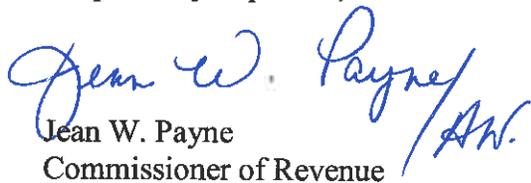
Mr. Thomas Bruguere, Chairman
Nelson County Board of Supervisors
P. O. Box 336
Lovington, VA 22949

Re: Furrow, Lucas Sherman Preston
334 River View Lane Faber, VA 22938
2006 Proline Dump Trailer #9861 – sold prior to 2013

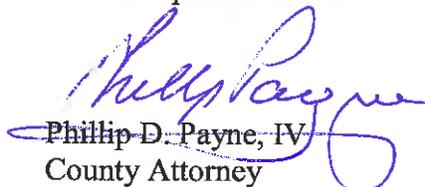
This letter shall serve as written request that a 2013 personal property tax refund of \$19.77 be issued to the above referenced taxpayer.

Supporting data is available in this office for you review.

Respectfully requested,


Jean W. Payne
Commissioner of Revenue

The undersigned has reviewed the request of the Commissioner and consents to the refund requested above.


Phillip D. Payne, IV
County Attorney

COUNTY OF NELSON
JEAN W. PAYNE
COMMISSIONER OF REVENUE
P. O. Box 246
Lovington, VA 22949

Telephone: 434-263-7070
Fax: 434-263-7074
Email: ipayne@nelsoncountv.org

January 2, 2014

Mr. Thomas Bruguiere, Chairman
Nelson County Board of Supervisors
P. O. Box 336
Lovington, VA 22949

Re: VanHout, III Harold Anton
1770 Sugar Maple Court Charlottesville, VA 22903
2004 Honda Accord #5947

This letter shall serve as written request that a 2013 personal property tax and vehicle license fee refund of \$177.18 be issued to the above referenced taxpayer. The above referenced vehicle was moved to Albemarle County November 1, 2012.

Supporting data is available in this office for you review.

Respectfully requested,


Jean W. Payne
Commissioner of Revenue

The undersigned has reviewed the request of the Commissioner and consents to the refund requested above.


Phillip D. Payne, IV
County Attorney

COUNTY OF NELSON
JEAN W. PAYNE
COMMISSIONER OF REVENUE
P. O. Box 246
Lovington, VA 22949

Telephone: 434-263-7070
Fax: 434-263-7074
Email: jpayne@nelsoncounty.org

January 2, 2014

Mr. Thomas Bruguere, Chairman
Nelson County Board of Supervisors
P. O. Box 336
Lovington, VA 22949

Re: Vinet, Christopher Mark
P O Box 202 Piney River, VA 22964
2007 Nissan #7010, 2005 Triumph #4170, 2009 Nissan #9136

This letter shall serve as written request that a 2012/2013 personal property tax and vehicle license fee refund of **\$866.29** be issued to the above referenced taxpayer. Physical garage jurisdiction is Amherst County.

Supporting data is available in this office for you review.

Respectfully requested,


Jean W. Payne
Commissioner of Revenue

The undersigned has reviewed the request of the Commissioner and consents to the refund requested above.


Phillip D. Payne, IV
County Attorney

COUNTY OF NELSON
JEAN W. PAYNE
COMMISSIONER OF REVENUE
P. O. Box 246
Lovingston, VA 22949

Telephone: 434-263-7070
Fax: 434-263-7074
email: jpayne@nelsoncounty.org

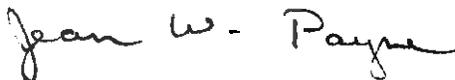
January 3, 2014

Mr. Thomas Bruguere, Chairman
Nelson County Board of Supervisors
P O Box 336
Lovingston, Va. 22949

Dear Tommy,

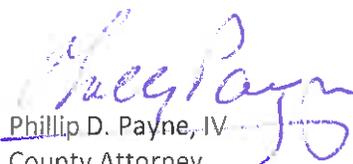
This letter shall serve as a written request that a refund of \$1106.40 be issued to Mr. Edward J. Solomon RR 1, Box 812, Roseland, Va. 22967. Mr. Solomon is a disabled veteran and has completed the application for the exemption. This refund is for the taxes that have already been paid for the 2nd half of 2013.

Sincerely,



Jean W. Payne
Commissioner of the Revenue

The undersigned has reviewed the request of the Commissioner and consents to the refund requested above.



Phillip D. Payne, IV
County Attorney

**RESOLUTION R2014-03
 NELSON COUNTY BOARD OF SUPERVISORS
 AMENDMENT OF FISCAL YEAR 2013-2014 BUDGET
 NELSON COUNTY, VA
 January 14, 2014**

BE IT RESOLVED by the Board of Supervisors of Nelson County that the Fiscal Year 2013-2014 Budget be hereby amended as follows:

I. Appropriation of Funds (General Fund)

<u>Amount</u>	<u>Revenue Account (-)</u>	<u>Expenditure Account (+)</u>
\$ 83,811.00	3-100-003303-0105	4-100-031020-5420

II. Transfer of Funds (General Fund)

<u>Amount</u>	<u>Credit Account (-)</u>	<u>Debit Account (+)</u>
\$ 86.00	4-100-999000-9905	4-100-013010-1003
\$ 350.00	4-100-999000-9905	4-100-013010-1010
\$ 26.00	4-100-999000-9905	4-100-013010-5201
\$ 67.00	4-100-999000-9905	4-100-013010-5401
\$ 1,733.00	4-100-999000-9905	4-100-013010-5413
\$ 524.00	4-100-999000-9905	4-100-013010-5501
\$ 93.00	4-100-999000-9905	4-100-013010-5503
\$ 17,729.00	4-100-999000-9905	4-100-043040-7005
\$ 5,500.00	4-100-999000-9905	4-100-043040-5409
<u>\$ 26,108.00</u>		

Adopted: January 14, 2014

Attest: _____, Clerk
 Nelson County Board of Supervisors

EXPLANATION OF BUDGET AMENDMENT

- I. The **General Fund Appropriation** reflects an appropriation request by the Sheriff's Department in the amount of **\$83,811** for expenditure of Treasury Forfeiture funds distributed from the VA Attorney General's Office. These funds have been allocated for tasers, firearms, and ballistic shields.

- II. The **Transfer of Funds** includes a transfer from General Fund Contingency totaling **\$2,879** for local costs associated with the election recount (Attorney General). Also included is a transfer from General Fund Contingency in the amount of **\$23,229** (\$17,729-vehicle and \$5,500-vehicle equipping) for an additional Sheriff's vehicle which was approved by the Board on December 10, 2013.

RESOLUTION R2014-04
NELSON COUNTY BOARD OF SUPERVISORS
AUTHORIZATION FOR PUBLIC HEARING TO AMEND THE CODE OF
NELSON COUNTY, VIRGINIA – APPENDIX A, ZONING ORDINANCE,
APPLICATION FEES

BE IT RESOLVED, that pursuant to §15.2-1427, §15.2-2204, §15.2-2285, §15.2-2286 and §15.2-107 of the Code of Virginia 1950 as amended, and **Resolution R2013-34** dated May 23, 2013 , the County Administrator is hereby authorized to advertise a public hearing to be held on **February 11, 2014** at 7:00 p.m. in the General District Courtroom in the Courthouse in Lovingson, Virginia. The purpose of said public hearing is to receive public input on an ordinance proposed for passage to amend Appendix A, Zoning Ordinance in accordance with the Planning Commission’s recommendations as modified by the Board of Supervisors on January 14, 2014 as follows:

<u>Fee Type</u>	<u>Current Fee</u>	<u>Proposed Fee</u>
Special Use Permit	\$45	\$200
Rezoning	\$25	\$300
Variance	\$25	\$150
Appeal	\$25	\$150

Adopted: January 14, 2013

Attest: _____, Clerk
Nelson County Board of Supervisors

§ 15.2-107. Advertisement and enactment of certain fees and levies.

All levies and fees imposed or increased by a locality pursuant to the provisions of Chapters 21 (§ [15.2-2100](#) et seq.) or 22 (§ [15.2-2200](#) et seq.) shall be adopted by ordinance. The advertising requirements of subsection F of § [15.2-1427](#), or § [15.2-2204](#), as appropriate, shall apply, except as modified in this section.

The advertisement shall include the following:

1. The time, date, and place of the public hearing.
2. The actual dollar amount or percentage change, if any, of the proposed levy, fee or increase.
3. A specific reference to the Code of Virginia section or other legal authority granting the legal authority for enactment of such proposed levy, fee, or increase.
4. A designation of the place or places where the complete ordinance, and information concerning the documentation for the proposed fee, levy or increase are available for examination by the public no later than the time of the first publication.

(1987, c. 389, § 15.1-29.14; 1997, c. [587](#); 2005, c. [72](#).)

§ 15.2-1427. Adoption of ordinances and resolutions generally; amending or repealing ordinances.

A. Unless otherwise specifically provided for by the Constitution or by other general or special law, an ordinance may be adopted by majority vote of those present and voting at any lawful meeting.

B. On final vote on any ordinance or resolution, the name of each member of the governing body voting and how he voted shall be recorded; however, votes on all ordinances and resolutions adopted prior to February 27, 1998, in which an unanimous vote of the governing body was recorded, shall be deemed to have been validly recorded. The governing body may adopt an ordinance or resolution by a recorded voice vote unless otherwise provided by law, or any member calls for a roll call vote. An ordinance shall become effective upon adoption or upon a date fixed by the governing body.

C. All ordinances or resolutions heretofore adopted by a governing body shall be deemed to have been validly adopted, unless some provision of the Constitution of Virginia or the Constitution of the United States has been violated in such adoption.

D. An ordinance may be amended or repealed in the same manner, or by the same procedure, in which, or by which, ordinances are adopted.

E. An amendment or repeal of an ordinance shall be in the form of an ordinance which shall become effective upon adoption or upon a date fixed by the governing body, but, if no effective date is specified, then such ordinance shall become effective upon adoption.

F. In counties, except as otherwise authorized by law, no ordinance shall be passed until after descriptive notice of an intention to propose the ordinance for passage has been published once a week for two successive weeks prior to its passage in a newspaper having a general circulation in the county. The second publication shall not be sooner than one calendar week after the first publication. The publication shall include a statement either that the publication contains the full text of the ordinance or that a copy of the full text of the ordinance is on file in the clerk's office of the circuit court of the county or in the office of the county administrator; or in the case of any county organized under the form of government set out in Chapter 5, 7 or 8 of this title, a statement that a copy of the full text of the ordinance is on file in the office of the clerk of the county board. Even if the publication contains the full text of the ordinance, a complete copy shall be available for public inspection in the offices named herein.

In counties, emergency ordinances may be adopted without prior notice; however, no such ordinance shall be enforced for more than sixty days unless readopted in conformity with the provisions of this Code.

G. In towns, no tax shall be imposed except by a two-thirds vote of the council members.

(Code 1950, §§ 15-8, 15-10; 1950, p. 113; 1954, c. 529; 1956, cc. 218, 664; 1956, Ex. Sess., c. 40; 1958, cc. 190, 279; 1960, c. 606; 1962, c. 623, § 15.1-504; 1966, cc. 405, 612; 1968, c. 625; 1970, c. 581; 1972, cc. 41, 837; 1973, c. 380; 1978, c. 235; 1983, c. 11; 1997, c. [587](#); 1998, c. [823](#); 2000, c. [895](#).)

§ 15.2-2204. Advertisement of plans, ordinances, etc.; joint public hearings; written notice of certain amendments.

A. Plans or ordinances, or amendments thereof, recommended or adopted under the powers conferred by this chapter need not be advertised in full, but may be advertised by reference. Every such advertisement shall contain a descriptive summary of the proposed action and a reference to the place or places within the locality where copies of the proposed plans, ordinances or amendments may be examined.

The local planning commission shall not recommend nor the governing body adopt any plan, ordinance or amendment thereof until notice of intention to do so has been published once a week for two successive weeks in some newspaper published or having general circulation in the locality; however, the notice for both the local planning commission and the governing body may be published concurrently. The notice shall specify the time and place of hearing at which persons affected may appear and present their views, not less than five days nor more than 21 days after the second advertisement appears in such newspaper. The local planning commission and governing body may hold a joint public hearing after public notice as set forth hereinabove. If a joint hearing is held, then public notice as set forth above need be given only by the governing body. The term "two successive weeks" as used in this paragraph shall mean that such notice shall be published at least twice in such newspaper with not less than six days elapsing between the first and second publication. After enactment of any plan, ordinance or amendment, further publication thereof shall not be required.

B. When a proposed amendment of the zoning ordinance involves a change in the zoning map classification of 25 or fewer parcels of land, then, in addition to the advertising as required by subsection A, written notice shall be given by the local planning commission, or its representative, at least five days before the hearing to the owner or owners, their agent or the occupant, of each parcel involved; to the owners, their agent or the occupant, of all abutting property and property immediately across the street or road from the property affected, including those parcels which lie in other localities of the Commonwealth; and, if any portion of the affected property is within a planned unit development, then to such incorporated property owner's associations within the planned unit development that have members owning property located within 2,000 feet of the affected property as may be required by the commission or its agent. However, when a proposed amendment to the zoning ordinance involves a tract of land not less than 500 acres owned by the Commonwealth or by the federal government, and when the proposed change affects only a portion of the larger tract, notice need be given only to the owners of those properties that are adjacent to the affected area of the larger tract. Notice sent by registered or certified mail to the last known address of such owner as shown on the current real estate tax assessment books or current real estate tax assessment records shall be deemed adequate compliance with this requirement. If the hearing is continued, notice shall be remailed. Costs of any notice required under this chapter shall be taxed to the applicant.

When a proposed amendment of the zoning ordinance involves a change in the zoning map classification of more than 25 parcels of land, or a change to the applicable zoning ordinance text regulations that decreases the allowed dwelling unit density of any parcel of land, then, in addition to the advertising as required by subsection A, written notice shall be given by the local planning commission, or its representative, at least five days before the hearing to the owner, owners, or their agent of each parcel of land involved, provided, however, that written notice of such changes to zoning ordinance text regulations shall not have to be mailed to the owner, owners, or their agent of lots shown on a subdivision plat approved and recorded pursuant to the provisions of Article 6 (§ [15.2-2240](#) et seq.) where such lots are less than 11,500 square feet. One notice sent by first class mail to the last known address of such owner as shown on the current real estate tax assessment books or current real estate tax assessment records shall be deemed adequate compliance with this requirement, provided that a representative of the local commission shall make affidavit that such mailings have been made and file such affidavit with the papers in the case. Nothing in this subsection shall be construed as to invalidate any subsequently adopted amendment or ordinance because of the inadvertent failure by the representative of the local commission to give written notice to the owner, owners or their agent of any parcel involved.

The governing body may provide that, in the case of a condominium or a cooperative, the written notice may be mailed to the unit owners' association or proprietary lessees' association, respectively, in lieu of each individual

unit owner.

Whenever the notices required hereby are sent by an agency, department or division of the local governing body, or their representative, such notices may be sent by first class mail; however, a representative of such agency, department or division shall make affidavit that such mailings have been made and file such affidavit with the papers in the case.

A party's actual notice of, or active participation in, the proceedings for which the written notice provided by this section is required shall waive the right of that party to challenge the validity of the proceeding due to failure of the party to receive the written notice required by this section.

C. When a proposed comprehensive plan or amendment thereto; a proposed change in zoning map classification; or an application for special exception for a change in use or to increase by greater than 50 percent of the bulk or height of an existing or proposed building, but not including renewals of previously approved special exceptions, involves any parcel of land located within one-half mile of a boundary of an adjoining locality of the Commonwealth, then, in addition to the advertising and written notification as required by this section, written notice shall also be given by the local commission, or its representative, at least 10 days before the hearing to the chief administrative officer, or his designee, of such adjoining locality.

D. When (i) a proposed comprehensive plan or amendment thereto, (ii) a proposed change in zoning map classification, or (iii) an application for special exception for a change in use involves any parcel of land located within 3,000 feet of a boundary of a military base, military installation, military airport, excluding armories operated by the Virginia National Guard, or licensed public-use airport then, in addition to the advertising and written notification as required by this section, written notice shall also be given by the local commission, or its representative, at least 30 days before the hearing to the commander of the military base, military installation, military airport, or owner of such public-use airport, and the notice shall advise the military commander or owner of such public-use airport of the opportunity to submit comments or recommendations.

E. The adoption or amendment prior to July 1, 1996, of any plan or ordinance under the authority of prior acts shall not be declared invalid by reason of a failure to advertise or give notice as may be required by such act or by this chapter, provided a public hearing was conducted by the governing body prior to such adoption or amendment. Every action contesting a decision of a locality based on a failure to advertise or give notice as may be required by this chapter shall be filed within 30 days of such decision with the circuit court having jurisdiction of the land affected by the decision. However, any litigation pending prior to July 1, 1996, shall not be affected by the 1996 amendment to this section.

F. Notwithstanding any contrary provision of law, general or special, the City of Richmond may cause such notice to be published in any newspaper of general circulation in the city.

G. When a proposed comprehensive plan or amendment of an existing plan designates or alters previously designated corridors or routes for electric transmission lines of 150 kilovolts or more, written notice shall also be given by the local planning commission, or its representative, at least 10 days before the hearing to each electric utility with a certificated service territory that includes all or any part of such designated electric transmission corridors or routes.

H. When any applicant requesting a written order, requirement, decision, or determination from the zoning administrator, other administrative officer, or a board of zoning appeals that is subject to the appeal provisions contained in § [15.2-2311](#) or [15.2-2314](#), is not the owner or the agent of the owner of the real property subject to the written order, requirement, decision or determination, written notice shall be given to the owner of the property within 10 days of the receipt of such request. Such written notice shall be given by the zoning administrator or other administrative officer or, at the direction of the administrator or officer, the requesting applicant shall be required to give the owner such notice and to provide satisfactory evidence to the zoning administrator or other administrative officer that the notice has been given. Written notice mailed to the owner at the last known address of the owner as shown on the current real estate tax assessment books or current real estate tax assessment records shall satisfy the notice requirements of this subsection.

This subsection shall not apply to inquiries from the governing body, planning commission, or employees of the locality made in the normal course of business.

(Code 1950, § 15-961.4; 1962, c. 407, § 15.1-431; 1964, c. 632; 1968, cc. 354, 714; 1973, cc. 117, 334; 1974, cc. 100, 570; 1975, c. 641; 1976, c. 642; 1977, c. 65; 1982, c. 291; 1990, c. 61; 1992, cc. 353, 757; 1993, cc. 128, 734; 1994, c. [774](#); 1995, c. [178](#); 1996, cc. [613](#), [667](#); 1997, c. [587](#); 2001, c. [406](#); 2002, c. [634](#); 2004, cc. [539](#), [799](#); 2005, c. [514](#); 2007, cc. [761](#), [813](#); 2011, c. [457](#); 2012, c. [548](#); 2013, cc. [149](#), [213](#).)

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§ 15.2-2285. Preparation and adoption of zoning ordinance and map and amendments thereto; appeal.

A. The planning commission of each locality may, and at the direction of the governing body shall, prepare a proposed zoning ordinance including a map or maps showing the division of the territory into districts and a text setting forth the regulations applying in each district. The commission shall hold at least one public hearing on a proposed ordinance or any amendment of an ordinance, after notice as required by § [15.2-2204](#), and may make appropriate changes in the proposed ordinance or amendment as a result of the hearing. Upon the completion of its work, the commission shall present the proposed ordinance or amendment including the district maps to the governing body together with its recommendations and appropriate explanatory materials.

B. No zoning ordinance shall be amended or reenacted unless the governing body has referred the proposed amendment or reenactment to the local planning commission for its recommendations. Failure of the commission to report 100 days after the first meeting of the commission after the proposed amendment or reenactment has been referred to the commission, or such shorter period as may be prescribed by the governing body, shall be deemed approval, unless the proposed amendment or reenactment has been withdrawn by the applicant prior to the expiration of the time period. In the event of and upon such withdrawal, processing of the proposed amendment or reenactment shall cease without further action as otherwise would be required by this subsection.

C. Before approving and adopting any zoning ordinance or amendment thereof, the governing body shall hold at least one public hearing thereon, pursuant to public notice as required by § [15.2-2204](#), after which the governing body may make appropriate changes or corrections in the ordinance or proposed amendment. In the case of a proposed amendment to the zoning map, the public notice shall state the general usage and density range of the proposed amendment and the general usage and density range, if any, set forth in the applicable part of the comprehensive plan. However, no land may be zoned to a more intensive use classification than was contained in the public notice without an additional public hearing after notice required by § [15.2-2204](#). Zoning ordinances shall be enacted in the same manner as all other ordinances.

D. Any county which has adopted an urban county executive form of government provided for under Chapter 8 (§ [15.2-800](#) et seq.) may provide by ordinance for use of plans, profiles, elevations, and other such demonstrative materials in the presentation of requests for amendments to the zoning ordinance.

E. The adoption or amendment prior to March 1, 1968, of any plan or ordinance under the authority of prior acts shall not be declared invalid by reason of a failure to advertise, give notice or conduct more than one public hearing as may be required by such act or by this chapter, provided a public hearing was conducted by the governing body prior to the adoption or amendment.

F. Every action contesting a decision of the local governing body adopting or failing to adopt a proposed zoning ordinance or amendment thereto or granting or failing to grant a special exception shall be filed within thirty days of the decision with the circuit court having jurisdiction of the land affected by the decision. However, nothing in this subsection shall be construed to create any new right to contest the action of a local governing body.

(Code 1950, §§ 15-822, 15-846, 15-968.7; 1962, c. 407, § 15.1-493; 1964, c. 279; 1968, c. 652; 1970, c. 216; 1972, c. 818; 1975, c. 641; 1984, c. 175; 1988, cc. 573, 733, 856; 1989, c. 359; 1990, c. 475; 1991, c. 235; 1996, c. [867](#); 1997, c. [587](#).)

§ 15.2-2286. Permitted provisions in zoning ordinances; amendments; applicant to pay delinquent taxes; penalties.

A. A zoning ordinance may include, among other things, reasonable regulations and provisions as to any or all of the following matters:

1. For variances or special exceptions, as defined in § [15.2-2201](#), to the general regulations in any district.
2. For the temporary application of the ordinance to any property coming into the territorial jurisdiction of the governing body by annexation or otherwise, subsequent to the adoption of the zoning ordinance, and pending the orderly amendment of the ordinance.
3. For the granting of special exceptions under suitable regulations and safeguards; notwithstanding any other provisions of this article, the governing body of any locality may reserve unto itself the right to issue such special exceptions. Conditions imposed in connection with residential special use permits, wherein the applicant proposes affordable housing, shall be consistent with the objective of providing affordable housing. When imposing conditions on residential projects specifying materials and methods of construction or specific design features, the approving body shall consider the impact of the conditions upon the affordability of housing.

The governing body or the board of zoning appeals of the City of Norfolk may impose a condition upon any special exception relating to retail alcoholic beverage control licensees which provides that such special exception will automatically expire upon a change of ownership of the property, a change in possession, a change in the operation or management of a facility or upon the passage of a specific period of time.

The governing body of the City of Richmond may impose a condition upon any special use permit issued after July 1, 2000, relating to retail alcoholic beverage licensees which provides that such special use permit shall be subject to an automatic review by the governing body upon a change in possession, a change in the owner of the business, or a transfer of majority control of the business entity. Upon review by the governing body, it may either amend or revoke the special use permit after notice and a public hearing as required by § [15.2-2206](#).

4. For the administration and enforcement of the ordinance including the appointment or designation of a zoning administrator who may also hold another office in the locality. The zoning administrator shall have all necessary authority on behalf of the governing body to administer and enforce the zoning ordinance. His authority shall include (i) ordering in writing the remedying of any condition found in violation of the ordinance; (ii) insuring compliance with the ordinance, bringing legal action, including injunction, abatement, or other appropriate action or proceeding subject to appeal pursuant to § [15.2-2311](#); and (iii) in specific cases, making findings of fact and, with concurrence of the attorney for the governing body, conclusions of law regarding determinations of rights accruing under § [15.2-2307](#) or subsection C of § [15.2-2311](#).

Whenever the zoning administrator has reasonable cause to believe that any person has engaged in or is engaging in any violation of a zoning ordinance that limits occupancy in a residential dwelling unit, which is subject to a civil penalty that may be imposed in accordance with the provisions of § [15.2-2209](#), and the zoning administrator, after a good faith effort to obtain the data or information necessary to determine whether a violation has occurred, has been unable to obtain such information, he may request that the attorney for the locality petition the judge of the general district court for his jurisdiction for a subpoena duces tecum against any such person refusing to produce such data or information. The judge of the court, upon good cause shown, may cause the subpoena to be issued. Any person failing to comply with such subpoena shall be subject to punishment for contempt by the court issuing the subpoena. Any person so subpoenaed may apply to the judge who issued the subpoena to quash it.

Notwithstanding the provisions of § [15.2-2311](#), a zoning ordinance may prescribe an appeal period of less than 30 days, but not less than 10 days, for a notice of violation involving temporary or seasonal commercial uses, parking of commercial trucks in residential zoning districts, maximum occupancy limitations of a residential dwelling unit, or similar short-term, recurring violations.

Where provided by ordinance, the zoning administrator may be authorized to grant a modification from any provision contained in the zoning ordinance with respect to physical requirements on a lot or parcel of land, including but not limited to size, height, location or features of or related to any building, structure, or improvements, if the administrator finds in writing that: (i) the strict application of the ordinance would produce undue hardship; (ii) such hardship is not shared generally by other properties in the same zoning district and the same vicinity; and (iii) the authorization of the modification will not be of substantial detriment to adjacent property and the character of the zoning district will not be changed by the granting of the modification. Prior to the granting of a modification, the zoning administrator shall give, or require the applicant to give, all adjoining property owners written notice of the request for modification, and an opportunity to respond to the request within 21 days of the date of the notice. The zoning administrator shall make a decision on the application for modification and issue a written decision with a copy provided to the applicant and any adjoining landowner who responded in writing to the notice sent pursuant to this paragraph. The decision of the zoning administrator shall constitute a decision within the purview of § [15.2-2311](#), and may be appealed to the board of zoning appeals as provided by that section. Decisions of the board of zoning appeals may be appealed to the circuit court as provided by § [15.2-2314](#).

The zoning administrator shall respond within 90 days of a request for a decision or determination on zoning matters within the scope of his authority unless the requester has agreed to a longer period.

5. For the imposition of penalties upon conviction of any violation of the zoning ordinance. Any such violation shall be a misdemeanor punishable by a fine of not less than \$10 nor more than \$1,000. If the violation is uncorrected at the time of the conviction, the court shall order the violator to abate or remedy the violation in compliance with the zoning ordinance, within a time period established by the court. Failure to remove or abate a zoning violation within the specified time period shall constitute a separate misdemeanor offense punishable by a fine of not less than \$10 nor more than \$1,000, and any such failure during any succeeding 10-day period shall constitute a separate misdemeanor offense for each 10-day period punishable by a fine of not less than \$100 nor more than \$1,500.

However, any conviction resulting from a violation of provisions regulating the number of unrelated persons in single-family residential dwellings shall be punishable by a fine of up to \$2,000. Failure to abate the violation within the specified time period shall be punishable by a fine of up to \$5,000, and any such failure during any succeeding 10-day period shall constitute a separate misdemeanor offense for each 10-day period punishable by a fine of up to \$7,500. However, no such fine shall accrue against an owner or managing agent of a single-family residential dwelling unit during the pendency of any legal action commenced by such owner or managing agent of such dwelling unit against a tenant to eliminate an overcrowding condition in accordance with Chapter 13 or Chapter 13.2 of Title 55, as applicable. A conviction resulting from a violation of provisions regulating the number of unrelated persons in single-family residential dwellings shall not be punishable by a jail term.

6. For the collection of fees to cover the cost of making inspections, issuing permits, advertising of notices and other expenses incident to the administration of a zoning ordinance or to the filing or processing of any appeal or amendment thereto.

7. For the amendment of the regulations or district maps from time to time, or for their repeal. Whenever the public necessity, convenience, general welfare, or good zoning practice requires, the governing body may by ordinance amend, supplement, or change the regulations, district boundaries, or classifications of property. Any such amendment may be initiated (i) by resolution of the governing body; (ii) by motion of the local planning commission; or (iii) by petition of the owner, contract purchaser with the owner's written consent, or the owner's agent therefor, of the property which is the subject of the proposed zoning map amendment, addressed to the governing body or the local planning commission, who shall forward such petition to the governing body; however, the ordinance may provide for the consideration of proposed amendments only at specified intervals of time, and may further provide that substantially the same petition will not be reconsidered within a specific period, not exceeding one year. Any such resolution or motion by such governing body or commission proposing the rezoning shall state the above public purposes therefor.

In any county having adopted such zoning ordinance, all motions, resolutions or petitions for amendment to the zoning ordinance, and/or map shall be acted upon and a decision made within such reasonable time as may be necessary which shall not exceed 12 months unless the applicant requests or consents to action beyond such period or unless the applicant withdraws his motion, resolution or petition for amendment to the zoning ordinance or map, or both. In the event of and upon such withdrawal, processing of the motion, resolution or petition shall cease without further action as otherwise would be required by this subdivision.

8. For the submission and approval of a plan of development prior to the issuance of building permits to assure compliance with regulations contained in such zoning ordinance.

9. For areas and districts designated for mixed use developments or planned unit developments as defined in § [15.2-2201](#).

10. For the administration of incentive zoning as defined in § [15.2-2201](#).

11. For provisions allowing the locality to enter into a voluntary agreement with a landowner that would result in the downzoning of the landowner's undeveloped or underdeveloped property in exchange for a tax credit equal to the amount of excess real estate taxes that the landowner has paid due to the higher zoning classification. The locality may establish reasonable guidelines for determining the amount of excess real estate tax collected and the method and duration for applying the tax credit. For purposes of this section, "downzoning" means a zoning action by a locality that results in a reduction in a formerly permitted land use intensity or density.

12. Provisions for requiring and considering Phase I environmental site assessments based on the anticipated use of the property proposed for the subdivision or development that meet generally accepted national standards for such assessments, such as those developed by the American Society for Testing and Materials, and Phase II environmental site assessments, that also meet accepted national standards, such as, but not limited to, those developed by the American Society for Testing and Materials, if the locality deems such to be reasonably necessary, based on findings in the Phase I assessment, and in accordance with regulations of the United States Environmental Protection Agency and the American Society for Testing and Materials. A reasonable fee may be charged for the review of such environmental assessments. Such fees shall not exceed an amount commensurate with the services rendered, taking into consideration the time, skill, and administrative expense involved in such review.

13. Provisions for requiring disclosure and remediation of contamination and other adverse environmental conditions of the property prior to approval of subdivision and development plans.

14. For the enforcement of provisions of the zoning ordinance that regulate the number of persons permitted to occupy a single-family residential dwelling unit, provided such enforcement is in compliance with applicable local, state and federal fair housing laws.

15. For the issuance of inspection warrants by a magistrate or court of competent jurisdiction. The zoning administrator or his agent may present sworn testimony to a magistrate or court of competent jurisdiction and if such sworn testimony establishes probable cause that a zoning ordinance violation has occurred, request that the magistrate or court grant the zoning administrator or his agent an inspection warrant to enable the zoning administrator or his agent to enter the subject dwelling for the purpose of determining whether violations of the zoning ordinance exist. The zoning administrator or his agent shall make a reasonable effort to obtain consent from the owner or tenant of the subject dwelling prior to seeking the issuance of an inspection warrant under this section.

B. Prior to the initiation of an application by the owner of the subject property, the owner's agent, or any entity in which the owner holds an ownership interest greater than 50 percent, for a special exception, special use permit, variance, rezoning or other land disturbing permit, including building permits and erosion and sediment control permits, or prior to the issuance of final approval, the authorizing body may require the applicant to produce satisfactory evidence that any delinquent real estate taxes, nuisance charges, stormwater management utility fees, and any other charges that constitute a lien on the subject property, that are owed to the locality and have been

properly assessed against the subject property, have been paid.

(Code 1950, § 15-968.5; 1962, c. 407, § 15.1-491; 1964, c. 564; 1966, c. 455; 1968, cc. 543, 595; 1973, c. 286; 1974, c. 547; 1975, cc. 99, 575, 579, 582, 641; 1976, cc. 71, 409, 470, 683; 1977, c. 177; 1978, c. 543; 1979, c. 182; 1982, c. 44; 1983, c. 392; 1984, c. 238; 1987, c. 8; 1988, cc. 481, 856; 1989, cc. 359, 384; 1990, cc. 672, 868; 1992, c. 380; 1993, c. 672; 1994, c. [802](#); 1995, cc. [351](#), [475](#), [584](#), [603](#); 1996, c. [451](#); 1997, cc. [529](#), [543](#), [587](#); 1998, c. [385](#); 1999, c. [792](#); 2000, cc. [764](#), [817](#); 2001, c. [240](#); 2002, cc. [547](#), [703](#); 2005, cc. [625](#), [677](#); 2006, cc. [304](#), [514](#), [533](#), [903](#); 2007, cc. [821](#), [937](#); 2008, cc. [297](#), [317](#), [343](#), [581](#), [593](#), [720](#), [777](#); 2009, c. [721](#); 2012, cc. [304](#), [318](#).)

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COUNTY OF NELSON, VIRGINIA
FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2013

COUNTY OF NELSON, VIRGINIA
FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2013

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COUNTY OF NELSON, VIRGINIA
DIRECTORY OF PRINCIPAL OFFICIALS
FISCAL YEAR ENDED JUNE 30, 2013

BOARD OF SUPERVISORS

Thomas H. Bruguiera, Jr., Chairman
Constance Brennan, Vice-Chairman

Allen M. Hale, East District
Thomas D. Harvey, North District
Larry D. Saunders, South District

COUNTY SCHOOL BOARD

Amy Snapp	David Parr, Chairperson Margaret Clair, Vice-Chairperson	Mary Cunningham Jane Mays
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COUNTY SOCIAL SERVICES BOARD

Connie Brennan Cliff Savell	Joe Williamson, Chairperson Joan Giles, Vice-Chairperson	Pauline Page Donald Gray
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OTHER OFFICIALS

Michael Gamble
Judy Smythers
Anthony Martin
Jean W. Payne
Angela F. Johnson
David Brooks
Roger D. Collins
Michael Kohl
Stephen A. Carter

Judge of the Circuit Court
Clerk of the Circuit Court
Commonwealth's Attorney
Commissioner of the Revenue
Treasurer
Sheriff
Superintendent of Schools
Director of Social Services
County Administrator

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Independent Auditors' Report

To the Honorable Members of the Board of Supervisors
County of Nelson, Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of County of Nelson, Virginia, as of and for the year ended Financial June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Nelson, Virginia, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 1 to the financial statements, in 2013, the County adopted new accounting guidance, GASB Statement Nos. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-12, budgetary comparison information, and schedule of pension and OPEB funding progress be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Nelson, Virginia's basic financial statements. The introductory section, other supplementary information and statistical information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

Other Information (continued)

The other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 2013, on our consideration of the County of Nelson, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Nelson, Virginia's internal control over financial reporting and compliance.

Robinson, Farnell, Cox Associates

Charlottesville, Virginia
January 3, 2013

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a narrative overview and analysis of the financial activities of the County of Nelson, Virginia for the fiscal year ended June 30, 2013.

Financial Highlights

Government-wide Financial Statements

The assets of the County of Nelson, Virginia exceeded its liabilities at the close of the most recent fiscal year by \$31,426,136. Of this amount, \$21,152,665 is unrestricted (an increase of \$773,527 from the previous fiscal year), and may be used to meet the government's ongoing obligations to creditors and citizens. Of the total net position, there is \$10,244,563 invested in capital assets net of related debt (an increase of \$1,418,214 from the previous fiscal year). The School Board's net position was \$13,294,006 of which there is unrestricted net position in the deficit amount of \$310,221 (a decrease of \$397,244 from the previous year). (See Exhibit 1.)

The net position of the Primary Government increased by \$2,198,048. The School Board's net position decreased by \$92,450 (See Exhibit 2.)

Fund Financial Statements

At the end of the current fiscal year, the unassigned fund balance for the general fund was \$18,614,064. (See Exhibit 3.) This amount includes taxes and accounts receivable reflected in the fiscal year 2012-13 budget. At the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$22,654,956 of which \$18,614,064 is available for spending at the government's discretion (unassigned fund balance). (See Exhibit 3.)

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Nelson County's basic financial statements. These statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains the required supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

Government-wide financial statements provide financial statement users with a general overview of County finances. The statements include all assets and liabilities using the accrual basis of accounting. All current year revenue and expenses are taken into account regardless of when cash is received or paid. Both the financial overview and accrual accounting factors are used in the reporting of a private-sector business. Two financial statements are used to present this information: 1) the statement of net position and 2) the statement of activities.

The statement of net position presents all of the County's permanent accounts or assets, liabilities, deferred outflows, deferred inflows and the resulting net position. The difference between assets (including deferred outflows of resources) and liabilities (including deferred inflows of resources) is reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Other non-financial factors will also need to be considered to determine the overall financial position of the County.

Overview of the Financial Statements (Continued)

Government-wide Financial Statements (Continued)

The statement of activities presents information showing how the government's net position changed during the fiscal year. The statement is focused on the gross and net cost of various government functions that are supported by general tax and other revenue. The statement of activities presents expenses before revenues, emphasizing that in governments, revenues are generated for the express purpose of providing services rather than as an end in themselves.

Both government-wide financial statements separate government activities and business-type activities of the County. The primary source of funding for government activities is taxes and intergovernmental revenues. Government activities include general government administration, judicial administration, public safety, public works, health and welfare, education, parks, recreation and cultural, and community development. Business-type activities recover all or a significant portion of their costs through user fees and charges. The County currently classifies the Piney River public water and sewer system and the Nelson County Broadband Authority as business-type activities.

The government-wide financial statements include, in addition to the primary government or County, two component units: 1) the Nelson County School Board and 2) the Nelson County Economic Development Authority. Although the component units are legally separate entities, the County is accountable or financially accountable for them. A primary government is accountable for an organization if the primary government appoints a majority of the organization's governing body. A primary government is financially accountable if, in addition, either the government is able to impose its will on the organization or the organization is capable of imposing specific financial burdens on the primary government. For example, the primary government may approve debt issuances, rate structures and/or provide significant operational funding of the component unit.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The County's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions, or services, reported as governmental activities in the government-wide financial statements. Whereas, the government-wide financial statements are prepared on the accrual basis of accounting, the government fund financial statements are prepared on the modified accrual basis of accounting. The focus of modified accrual reporting is on near-term inflows and outflows of financial resources and the balance of financial resources available at the end of the fiscal year. Since the governmental funds focus is narrower than that of the government-wide financial statements a reconciliation between the two methods is provided after the governmental fund balance sheet on Exhibit 4 and after the governmental fund statement of revenues, expenditures and changes in fund balances on Exhibit 6.

The County maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, and the Capital Projects Fund, all of which are considered to be major funds. Data for other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Overview of the Financial Statements (Continued)

Proprietary funds

There are two types of proprietary funds: enterprise funds which are established to account for the delivery of goods and services to the general public and internal service funds which account for the delivery of goods and services to other departments or agencies of the government. Proprietary funds use accrual basis accounting, similar to private sector business.

The financial statements for the Piney River public water and sewer system and the Nelson County Broadband Authority are reported as enterprise funds in the County's fund financial statements. The Piney River public water and sewer system's operation provides for the delivery of public water and sewer service to County residents in designated areas of Nelson County. The Nelson County Broadband Authority operates a middle mile broadband network. The County does not have any internal service funds.

Fiduciary funds

Fiduciary funds account for assets held by the government as a trustee or agent for another organization or individual. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position (Exhibit 10). Fiduciary funds are not reflected in the government-wide financial statements because the funds are not available to support the County's own activities. These funds consist of the Special Welfare and EMS Loan Funds.

Notes to the financial statements

The notes provide additional information that is needed to fully understand the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension benefits to its employees.

The combining statements mentioned earlier in connection with non-major governmental funds are presented as other supplementary information.

Government-wide Financial Analysis

As previously noted, net position may serve as a useful indicator of a government's financial position. For the County of Nelson, assets exceeded liabilities by \$31,426,136 at the end of the fiscal year.

The County's net position are divided into three categories: 1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted.

County of Nelson's Net Position As of June 30, 2013

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 35,338,307	\$ 34,878,782	\$ 439,571	\$ 249,343	\$ 35,777,878	\$ 35,128,125
Capital assets	31,653,018	32,760,049	8,420,670	7,584,521	40,073,688	40,344,570
Total assets	<u>66,991,325</u>	<u>67,638,831</u>	<u>8,860,241</u>	<u>7,833,864</u>	<u>75,851,566</u>	<u>75,472,695</u>
Deferred Outflow of Resources	\$ 421,576	\$ 466,440	\$ -	\$ -	\$ 421,576	\$ 466,440
Long-term liabilities	\$ 32,452,384	\$ 34,233,172	\$ 1,116,838	\$ 1,130,506	\$ 33,569,222	\$ 35,363,678
Other liabilities	1,082,855	1,233,371	24,833	201,974	1,107,688	1,435,345
Total liabilities	<u>\$ 33,535,239</u>	<u>\$ 35,466,543</u>	<u>\$ 1,141,671</u>	<u>\$ 1,332,480</u>	<u>\$ 34,676,910</u>	<u>\$ 36,799,023</u>
Deferred Inflows of Resources	\$ 10,170,096	\$ 9,912,024	\$ -	\$ -	\$ 10,170,096	\$ 9,912,024
Net Position:						
Invested in capital assets, net of related debt	2,940,731	2,372,334	7,303,832	6,454,015	10,244,563	8,826,349
Restricted for:						
Debt service and bond covenants	-	-	28,908	22,601	28,908	22,601
Unrestricted	20,766,835	20,354,370	385,830	24,768	21,152,665	20,379,138
Total net position	<u>\$ 23,707,566</u>	<u>\$ 22,726,704</u>	<u>\$ 7,718,570</u>	<u>\$ 6,501,384</u>	<u>\$ 31,426,136</u>	<u>\$ 29,228,088</u>

For the County, investment in capital assets (i.e., land, buildings, machinery and equipment), net of related debt used to acquire those assets that is still outstanding, represents 32.6 percent of total net position. The County uses these capital assets to provide services to citizens therefore; these assets are not available for future spending. Although, the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from assets restricted for that purpose or other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The County has restricted net position for debt service and bond covenants (\$28,908) at June 30, 2013. The remaining balance of unrestricted net position, which is \$21,152,665 or 67.3 percent of total net position, may be used to meet government's ongoing obligations to citizens and creditors.

At the end of the fiscal year, the County is able to report a positive balance in total net position. The governmental activities reported positive balances of \$ 2,940,731 in net position invested in capital assets, net of related debt and \$20,766,835 in unrestricted net position. The business-type activities reported positive balances of \$7,303,832 in net position invested in capital assets, net of related debt and \$385,830 in unrestricted net position.

The government's total net position increased by \$2,198,048 during the current fiscal year, compared to an increase of \$3,065,824 in FY 2012.

Government-wide Financial Analysis

Governmental and Business-type Activities

Governmental activities increased the County's net position by \$980,862. Business-type activities increased the County's net position by \$1,217,186. Key elements of these changes are as follows:

County of Nelson's Changes in Net Position For the Year Ended June 30, 2013

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Revenues:						
Program Revenues:						
Charges for services	\$ 680,137	\$ 633,223	\$ 132,451	\$ 108,553	\$ 812,588	\$ 741,776
Operating grants & contributions	2,725,650	2,659,104	-	-	2,725,650	2,659,104
Capital grants & contributions	651,166	1,710,321	476,944	1,043,118	1,128,110	2,753,439
General revenues:						
General property taxes	21,421,597	20,120,918	-	-	21,421,597	20,120,918
Other local taxes	3,912,469	3,610,714	-	-	3,912,469	3,610,714
Use of money and property	110,011	154,369	-	-	110,011	154,369
Miscellaneous	120,335	68,990	-	-	120,335	68,990
Grants and contributions not restricted to specific programs	2,526,847	2,395,975	-	-	2,526,847	2,395,975
Transfers	(1,228,667)	(261,686)	1,228,667	261,686	-	-
Total revenues	<u>\$ 30,919,545</u>	<u>\$ 31,091,928</u>	<u>\$ 1,838,062</u>	<u>\$ 1,413,357</u>	<u>\$ 32,757,607</u>	<u>\$ 32,505,285</u>
Expenses:						
General government	\$ 2,218,102	\$ 1,985,357	\$ -	\$ -	\$ 2,218,102	\$ 1,985,357
Judicial administration	725,905	692,589	-	-	725,905	692,589
Public safety	4,204,470	4,131,423	-	-	4,204,470	4,131,423
Public works	2,068,094	1,866,516	620,876	349,440	2,688,970	2,215,956
Health and welfare	2,418,330	2,272,554	-	-	2,418,330	2,272,554
Education	14,983,417	15,227,323	-	-	14,983,417	15,227,323
Parks, recreation and cultural	534,768	599,470	-	-	534,768	599,470
Community development	1,411,994	812,186	-	-	1,411,994	812,186
Interest on long-term debt	1,373,603	1,502,603	-	-	1,373,603	1,502,603
Total expenses	<u>\$ 29,938,683</u>	<u>\$ 29,090,021</u>	<u>\$ 620,876</u>	<u>\$ 349,440</u>	<u>\$ 30,559,559</u>	<u>\$ 29,439,461</u>
Increase (decrease) in net position	\$ 980,862	\$ 2,001,907	\$ 1,217,186	\$ 1,063,917	\$ 2,198,048	\$ 3,065,824
Beginning net position	22,726,704	20,724,797	6,501,384	5,437,467	29,228,088	26,162,264
Ending net position	<u>\$ 23,707,566</u>	<u>\$ 22,726,704</u>	<u>\$ 7,718,570</u>	<u>\$ 6,501,384</u>	<u>\$ 31,426,136</u>	<u>\$ 29,228,088</u>

- Overall revenues increased by \$252,322. The most significant increases in revenue was due to increased general property tax collections of \$1,300,679 and other local taxes of \$301,755, which were offset by a reduction in capital grants in the amount of \$1,625,329 and normal fluctuations in other revenue categories.
- Capital grants included in program revenues for governmental activities reflected a net decrease of \$1,059,155. A Public Safety Interoperable Communications Grant in the amount of \$1,310,000 was received in FY12 and the projected completed. An increase in the CDBG Grant for the Blue Ridge Medical Center dental project of \$412,831 was also sustained in FY13.
- Capital grants included in program revenues for Business-type Activities reflect a decrease of \$566,174 relative to a reduction in receipts of a National Telecommunications and Information Administration Grant for Broadband as this project was completed during Fiscal Year 2012-2013.
- Operating grants and contributions for governmental activities increased by \$66,546. Various categorical aid from both state and federal sources increased, including grant funding in the amount of \$59,193 for a USDA Specialty Crop Grant.

Government-wide Financial Analysis (Continued)

Governmental and Business-type Activities (Continued)

- The revenues from the use of money and property included in program revenues for governmental activities decreased by \$44,358. This is primarily due to reductions in interest earnings and a reduction in rent proceeds resulting from the relocation of the Nelson County Health Department.
- The revenues from general property taxes increased by \$1,300,679 primarily due to an increase in the real property tax rate for 2012.
- Expenses reflected an overall net increase of \$1,120,098.
- General government expenses increased by \$848,662 predominantly due to increases in community development expenditures.
- The community development function reports an increase in expenditures of \$599,808. This is mainly attributable to the CDBG Dental Center renovation project, which increased by \$415,532, the USDA Specialty Crop Grant, which consisted of \$59,193 in expenditures, and an increase in Blue Ridge Railway Trail expenditures for FY13 of \$76,822.
- The business activities reported an increase in operational expenses of \$271,436. This primarily reflects the operating expenses of the Nelson County broadband network of \$286,358, which was placed in operation during Fiscal Year 2012-2013.

Financial Analysis of the Government's Funds

The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of financial resources. Such information is useful in assessing the County's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the fiscal year, the County's governmental funds reported combined ending fund balances of \$22,654,956, an increase of \$491,373 from the prior year. Approximately, 82.2 percent of this total amount constitutes the unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is classified to indicate that it is not available for new spending because it is constrained as follows:

- Nonspendable fund balance of \$44,953
- Restricted fund balance of \$1,653,346
- Committed fund balance of \$2,342,593

Details of these classifications can be found in Note 1 (O) of these financial statements.

Financial Analysis of the Government's Funds: (Continued)

The general fund is the chief operating fund of the County. As of June 30, 2013, total fund balance of the general fund was \$20,343,110, of which \$18,614,064 was unassigned. As a measure of the general fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to total general fund expenditures. The unassigned fund balance represents 68.3 percent of total general fund expenditures, which includes transfers to the School Board component unit of \$13,236,117. Total fund balance represents 74.7 percent of total general fund expenditures.

The fund balance of the County's general fund increased by \$620,450 during the current fiscal year. Key factors in this increase are as follows:

- Collections of general property taxes increased by \$1,565,530 primarily attributable to an increase in the real estate tax rate for 2012.
- Collections of other local taxes increased by \$301,755 primarily attributable to the growth in the following: meals tax-\$94,577, transient occupancy tax-\$33,068, recordation taxes-\$39,182, motor vehicles licenses-\$48,024, local sales and use tax-\$56,519.
- Revenue from the Federal Government decreased by \$1,256,414 primarily due to completion of a Public Safety Interoperable Communications Grant project for which grant funds in the amount of \$1,310,000 were received in FY12. This was not recurring funding.

Proprietary funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements and in more detail.

Unrestricted net position of the Piney River Water and Sewer Fund at the end of the fiscal year were \$78,992. This is a decrease from the prior year of \$10,622.

Unrestricted net position of the Broadband Authority at the end of the fiscal year were \$306,838 primarily attributable to a \$250,000 transfer in from the Capital Projects Fund. This funding was allocated to allow for upfront payment of installation expenses relative to amortized customer installations.

General Fund Budgetary Highlights

The final amended budget appropriations for the General Fund were \$65,853 more than the original budgeted expenditure appropriations, which is 0.2 percent of the total original budget, and can be briefly summarized as follows:

- A supplemental appropriation to provide furnishings for the Health Department's new location of \$71,972 accounts for the majority of the change. The state provided additional lease payments in the period from July 2001 through December 2004 for this purpose.
- Contingency reserves also provided for various transfers within the General Fund appropriated budget.
- The Board approved various other supplemental appropriations. Refer to Schedule 2 for details of the increases and decreases by department.

Capital Asset and Debt Administration

Capital Assets

The County's investment in capital assets for its governmental activities as of June 30, 2013 is \$31,653,018 (net of accumulated depreciation and is a decrease of \$1,107,031 from the previous fiscal year). This investment in capital assets includes land, infrastructure, buildings and improvements, machinery and equipment, and construction in progress.

County of Nelson, Virginia Capital Assets for Governmental Activities (net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 425,761	\$ 425,761	\$ 40,000	\$ 40,000	\$ 465,761	\$ 465,761
Infrastructure	-	-	5,289,086	5,481,576	5,289,086	5,481,576
Buildings and improvements	27,088,285	29,209,225	-	-	27,088,285	29,209,225
Machinery and equipment	2,154,196	2,443,402	3,091,584	-	5,245,780	2,443,402
Construction in progress	1,984,776	681,661	-	2,062,945	1,984,776	2,744,606
Total	\$ 31,653,018	\$ 32,760,049	\$ 8,420,670	\$ 7,584,521	\$ 40,073,688	\$ 40,344,570

Additional information on the County's capital assets can be found in the notes to the financial statements.

Long-term debt

At the end of the fiscal year the County had the following outstanding debt:

County of Nelson's Outstanding Debt For the Year Ended June 30, 2013

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Lease Revenue School Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lease Revenue Refunding	9,510,000	9,990,000	-	-	9,510,000	9,990,000
Lease Revenue Bonds	-	6,705,490	-	-	-	6,705,490
General Obligation Bonds	9,645,000	10,510,000	-	-	9,645,000	10,510,000
State Literary Fund Loans	-	1,750,000	-	-	-	1,750,000
Revenue Bonds	2,765,000	3,040,000	1,116,838	1,130,506	3,881,838	4,170,506
Refunding Revenue Bonds	7,305,000	-	-	-	-	-
Capital Leases	-	-	-	-	-	-
Retirement Incentive Loan	290,563	338,076	-	-	290,563	338,076
Total	\$ 29,515,563	\$ 32,333,566	\$ 1,116,838	\$ 1,130,506	\$ 23,327,401	\$ 33,464,072

All debt reported by the Discretely Presented Component Unit - School Board, has been assumed by the Primary Government as required by Section 15.2-1800.1, Code of Virginia, 1950, as amended.

Additional information on the County's long-term debt can be found in the notes of the financial statements.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County was 5.7 percent (June 2013), which is an increase from the rate of 5.5 percent a year ago (June 2012). This compares favorably to the state's average unemployment rate of 5.9 percent (June 2013) and the national average rate of 7.6 percent (June 2013). These rates were obtained from the Virginia Employment Commission's Labor Market Data.
- Due to current housing market conditions, the County anticipates flat but stable receipts of building permit fees and recordation taxes as has been the trend in the last four fiscal years. The County does not anticipate recovery of the housing market to generate building permit fees at the level realized in fiscal year 2007-2008.
- The County anticipates some reductions in state funding at least in the next two fiscal years due to concerns about declining federal funding. The full extent of these reductions is not known at this time.
- A property reassessment effective for 2014 is in progress. Initial work indicates that property values are anticipated to decline approximately 18% below values established in the 2008 reassessment.

All of these factors were considered in preparing the County's budget for the 2013-2014 fiscal year.

Requests for Information

This financial report is designed to provide readers with a general overview of the County of Nelson's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the County Administrator, County of Nelson, Post Office Box 336, Lovingson, Virginia 22949.

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Basic Financial Statements

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Government-wide Financial Statements

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Statement of Net Position
At June 30, 2013

	Governmental Activities	Business-type Activities	Total	Component Units	
				School Board	Economic Development Authority
ASSETS					
Cash and cash equivalents	\$ 20,478,651	\$ 377,273	20,855,924	\$ 1,706,091	\$ 36,869
Restricted cash	-	28,908	28,908	-	-
Investments	2,304	-	2,304	-	-
Receivables (net of allowance for uncollectibles):					
Taxes receivable	12,380,461	-	12,380,461	-	-
Accounts receivable	375,003	33,390	408,393	10,802	49,280
Notes receivable	-	-	-	-	128,000
Due from component unit	558,404	-	558,404	-	-
Due from other governmental units	1,498,531	-	1,498,531	544,774	-
Inventories	-	-	-	96,519	-
Prepaid items	44,953	-	44,953	17,948	-
Capital assets (net of accumulated depreciation):					
Land and improvements	425,761	40,000	465,761	851,210	-
Buildings and improvements	27,088,285	-	27,088,285	11,376,609	-
Infrastructure and equipment	-	8,380,670	8,380,670	-	-
Machinery and equipment	2,154,196	-	2,154,196	1,376,408	-
Construction in progress	1,984,776	-	1,984,776	-	-
Total assets	\$ 66,991,325	\$ 8,860,241	\$ 75,851,566	\$ 15,980,361	\$ 214,149
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount on refunding	\$ 421,576	\$ -	\$ 421,576	\$ -	\$ -
LIABILITIES					
Accounts payable	\$ 595,123	\$ 21,875	\$ 616,998	\$ 84,575	\$ 2,331
Accrued liabilities	-	-	-	1,475,205	-
Amounts held for others	85,464	-	85,464	-	-
Accrued interest payable	402,268	2,958	405,226	-	-
Due to other funds	-	-	-	-	-
Due to primary government	-	-	-	558,404	-
Long-term liabilities:					
Due within one year	2,434,444	14,275	2,448,719	38,487	-
Due in more than one year	30,017,940	1,102,563	31,120,503	529,684	-
Total liabilities	\$ 33,535,239	\$ 1,141,671	\$ 34,676,910	\$ 2,686,355	\$ 2,331
DEFERRED INFLOWS OF RESOURCES					
Unearned revenue - taxes	\$ 10,170,096	\$ -	\$ 10,170,096	\$ -	\$ -
NET POSITION					
Net investment in capital assets	\$ 2,940,731	\$ 7,303,832	\$ 10,244,563	\$ 13,604,227	\$ -
Restricted for:					
Debt service and bond covenants	-	28,908	28,908	-	-
Unrestricted (deficit)	20,766,835	385,830	21,152,665	(310,221)	211,818
Total net position	\$ 23,707,566	\$ 7,718,570	\$ 31,426,136	\$ 13,294,006	\$ 211,818

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

COUNTY OF NELSON, VIRGINIA

Statement of Activities
For the Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental activities:				
General government administration	\$ 2,218,102	\$ -	\$ 196,769	\$ -
Judicial administration	725,905	296,928	418,789	-
Public safety	4,204,470	187,909	875,791	-
Public works	2,068,094	145,506	9,442	-
Health and welfare	2,418,330	-	1,160,666	-
Education	14,983,417	-	-	-
Parks, recreation, and cultural	534,768	48,016	5,000	-
Community development	1,411,994	1,778	59,193	651,166
Interest on long-term debt	1,373,603	-	-	-
Total governmental activities	\$ 29,938,683	\$ 680,137	\$ 2,725,650	\$ 651,166
Business-type activities:				
Piney River Water & Sewer	334,518	106,381	-	-
Nelson County Broadband Authority	286,358	26,070	-	476,944
Total primary government	\$ 30,559,559	\$ 812,588	\$ 2,725,650	\$ 1,128,110
COMPONENT UNITS:				
School Board	\$ 24,852,241	\$ 450,615	\$ 9,496,188	\$ -
Nelson County Economic Development Authority	12,062	8,745	6,720	-
Total component units	\$ 24,864,303	\$ 459,360	\$ 9,502,908	\$ -
General revenues:				
General property taxes				
Local sales and use taxes				
Consumers' utility taxes				
Meals taxes				
Transient occupancy tax				
Motor vehicle licenses				
Other local taxes				
Payment from County of Nelson -- Education				
Unrestricted revenues from use of money and property				
Miscellaneous				
Grants and contributions not restricted to specific programs				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - beginning				
Net position - ending				

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

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	School Board	Economic Development Authority
\$ (2,021,333)	\$ -	\$ (2,021,333)		
(10,188)	-	(10,188)		
(3,140,770)	-	(3,140,770)		
(1,913,146)	-	(1,913,146)		
(1,257,664)	-	(1,257,664)		
(14,983,417)	-	(14,983,417)		
(481,752)	-	(481,752)		
(699,857)	-	(699,857)		
(1,373,603)	-	(1,373,603)		
<u>\$ (25,881,730)</u>	<u>\$ -</u>	<u>\$ (25,881,730)</u>		
-	(228,137)	(228,137)		
-	216,656	216,656		
<u>\$ (25,881,730)</u>	<u>\$ (11,481)</u>	<u>\$ (25,893,211)</u>		
			\$ (14,905,438)	\$ -
			<u>-</u>	<u>3,403</u>
			<u>\$ (14,905,438)</u>	<u>\$ 3,403</u>
\$ 21,421,597	\$ -	\$ 21,421,597	\$ -	\$ -
1,045,178	-	1,045,178	-	-
479,765	-	479,765	-	-
827,211	-	827,211	-	-
433,692	-	433,692	-	-
708,474	-	708,474	-	-
418,149	-	418,149	-	-
-	-	-	14,465,742	-
110,011	-	110,011	87	8,974
120,335	-	120,335	347,159	-
2,526,847	-	2,526,847	-	-
(1,228,667)	1,228,667	-	-	-
<u>\$ 26,862,592</u>	<u>\$ 1,228,667</u>	<u>\$ 28,091,259</u>	<u>\$ 14,812,988</u>	<u>\$ 8,974</u>
\$ 980,862	\$ 1,217,186	\$ 2,198,048	\$ (92,450)	\$ 12,377
<u>22,726,704</u>	<u>6,501,384</u>	<u>29,228,088</u>	<u>13,386,456</u>	<u>199,441</u>
<u>\$ 23,707,566</u>	<u>\$ 7,718,570</u>	<u>\$ 31,426,136</u>	<u>\$ 13,294,006</u>	<u>\$ 211,818</u>

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Fund Financial Statements

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Balance Sheet
 Governmental Funds
 At June 30, 2013

	General Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Fund	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 18,095,471	\$ 165,001	\$ 2,218,129	\$ 50	\$ 20,478,651
Investments	2,304	-	-	-	2,304
Receivables (net of allowance):					
Property taxes receivable, net	12,380,461	-	-	-	12,380,461
Accounts receivable	375,003	-	-	-	375,003
Due from component unit	558,404	-	-	-	558,404
Due from other governmental units	1,489,531	-	-	9,000	1,498,531
Prepaid items	44,953	-	-	-	44,953
Total assets	\$ 32,946,127	\$ 165,001	\$ 2,218,129	\$ 9,050	\$ 35,338,307
Liabilities					
Accounts payable	\$ 514,789	\$ 1,000	\$ 70,334	\$ 9,000	\$ 595,123
Amounts held for others	85,464	-	-	-	85,464
Total liabilities	\$ 600,253	\$ 1,000	\$ 70,334	\$ 9,000	\$ 680,587
Deferred Inflows of Resources					
Unavailable revenue - prepaid taxes	\$ 188,135	\$ -	\$ -	\$ -	\$ 188,135
Unavailable revenue - taxes	11,814,629	-	-	-	11,814,629
Total deferred inflows of resources	\$ 12,002,764	\$ -	\$ -	\$ -	\$ 12,002,764
Fund balance					
Nonspendable	\$ 44,953	\$ -	\$ -	\$ -	\$ 44,953
Restricted	1,645,080	8,266	-	-	1,653,346
Committed	39,013	155,735	2,147,795	50	2,342,593
Unassigned	18,614,064	-	-	-	18,614,064
Total fund balances	\$ 20,343,110	\$ 164,001	\$ 2,147,795	\$ 50	\$ 22,654,956
Total liabilities, deferred inflows of resources, and fund balances	\$ 32,946,127	\$ 165,001	\$ 2,218,129	\$ 9,050	\$ 35,338,307

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

Reconciliation of the Balance Sheet of Governmental Funds
 To the Statement of Net Position
 At June 30, 2013

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds \$ 22,654,956

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

Land and improvements	\$ 425,761	
Construction in progress	1,984,776	
Buildings and improvements, net of depreciation	11,323,661	
Equipment, net of depreciation	2,154,196	
School Board capital assets, net of depreciation	<u>15,764,624</u>	31,653,018

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. 1,832,668

Compensated absences are not payable with current assets and accordingly are not reported as fund liabilities. (341,383)

Long-term liabilities and related interest are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued interest on debt	\$ (402,268)	
Bonds, notes and capital leases payable	(29,225,000)	
Bond premiums	(1,562,209)	
Deferred charge on refunding	421,576	
Early retirement incentive obligation	(290,563)	
Accrued landfill remediation costs	<u>(1,007,230)</u>	(32,065,694)

Net OPEB obligation not reported in the funds (25,999)

Net position of governmental activities \$ 23,707,566

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

Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2013

	General Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
General property taxes	\$ 21,529,646	\$ -	\$ -	\$ -	\$ 21,529,646
Other local taxes	3,912,469	-	-	-	3,912,469
Permits, privilege fees, and regulatory licenses	176,921	-	-	-	176,921
Fines and forfeitures	278,688	-	-	-	278,688
Revenue from the use of money and property	109,932	-	79	-	110,011
Charges for services	224,528	-	-	-	224,528
Miscellaneous	124,531	-	-	-	124,531
Recovered costs	684,674	-	-	-	684,674
Intergovernmental revenues:					
Revenue from the Commonwealth	4,603,001	-	-	-	4,603,001
Revenue from the Federal Government	718,596	-	-	582,066	1,300,662
Total revenues	<u>\$ 32,362,986</u>	<u>\$ -</u>	<u>\$ 79</u>	<u>\$ 582,066</u>	<u>\$ 32,945,131</u>
Expenditures					
Current:					
General government administration	\$ 1,885,620	\$ -	\$ -	\$ -	\$ 1,885,620
Judicial administration	733,316	-	-	-	733,316
Public safety	4,452,145	-	-	-	4,452,145
Public works	1,766,078	-	-	-	1,766,078
Health and welfare	2,446,824	-	-	-	2,446,824
Education	13,239,167	-	-	-	13,239,167
Parks, recreation, and cultural	465,924	-	-	-	465,924
Community development	944,992	-	-	557,766	1,502,758
Nondepartmental	87,166	-	-	-	87,166
Capital projects	1,224,680	-	239,044	-	1,463,724
Debt service:					
Principal retirement	-	10,564,394	-	-	10,564,394
Interest and other fiscal charges	-	1,391,364	-	-	1,391,364
Total expenditures	<u>\$ 27,245,912</u>	<u>\$ 11,955,758</u>	<u>\$ 239,044</u>	<u>\$ 557,766</u>	<u>\$ 39,998,480</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 5,117,074</u>	<u>\$ (11,955,758)</u>	<u>\$ (238,965)</u>	<u>\$ 24,300</u>	<u>\$ (7,053,349)</u>
Other financing sources (uses)					
Transfers in	\$ -	\$ 3,542,257	\$ 332,118	\$ -	\$ 3,874,375
Transfers out	(4,496,624)	(332,118)	(250,000)	(24,300)	(5,103,042)
Issuance of long-term debt	-	7,692,136	54,255	-	7,746,391
Bond premium	-	1,026,998	-	-	1,026,998
Total other financing sources (uses)	<u>\$ (4,496,624)</u>	<u>\$ 11,929,273</u>	<u>\$ 136,373</u>	<u>\$ (24,300)</u>	<u>\$ 7,544,722</u>
Net change in fund balances	\$ 620,450	\$ (26,485)	\$ (102,592)	\$ -	\$ 491,373
Fund balance, beginning of year	<u>19,722,660</u>	<u>190,486</u>	<u>2,250,387</u>	<u>50</u>	<u>22,163,583</u>
Fund balance, end of year	<u>\$ 20,343,110</u>	<u>\$ 164,001</u>	<u>\$ 2,147,795</u>	<u>\$ 50</u>	<u>\$ 22,654,956</u>

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

Reconciliation of Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2013

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

Net change in fund balances - total governmental funds - Exhibit 5 \$ 491,373

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

Capital asset additions	\$ 1,604,180	
Depreciation expense	(1,402,394)	
Adjustment for jointly owned capital assets	(1,229,625)	(1,027,839)

Governmental funds do not report capital assets or the related accumulated depreciation; therefore, no loss is recognized when a net capital asset is retired. A loss on retirement is recorded in the statement of activities. (79,192)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (108,049)

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

Debt issued:		
Issuance of Lease revenue bond	\$ (441,391)	
Issuance of General revenue bond	(7,305,000)	
Bond premium	(1,026,998)	
Increase in landfill liability	(25,212)	
Repayments:		
Lease revenue refunding bonds	480,000	
Less: Amortization of deferred charge on refunding	(44,864)	
General obligation school bonds	865,000	
Plus: Amortization of issuance premium	49,191	
Lease revenue bonds	7,146,881	
State Literary Fund loans	1,750,000	
Infrastructure revenue bonds	275,000	
Plus: Amortization of issuance premium	44,789	
Early retirement incentive obligation	47,513	
Net adjustment		1,814,909

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

Compensated absences	\$ (76,431)	
Net OPEB obligation	(2,554)	
Accrued interest payable	(31,355)	(110,340)

Change in net position of governmental activities \$ 980,862

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

Statement of Net Position
 Proprietary Funds
 At June 30, 2013

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Piney River Water & Sewer Fund</u>	<u>Broadband Authority</u>	<u>Total</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 64,361	\$ 312,912	\$ 377,273
Restricted cash	28,908	-	28,908
Accounts receivable, net	22,829	10,561	33,390
Total current assets	<u>\$ 116,098</u>	<u>\$ 323,473</u>	<u>\$ 439,571</u>
Noncurrent assets:			
Land	\$ 40,000	\$ -	\$ 40,000
Other capital assets, net of accumulated depreciation	5,289,086	3,091,584	8,380,670
Total noncurrent assets	<u>\$ 5,329,086</u>	<u>\$ 3,091,584</u>	<u>\$ 8,420,670</u>
Total assets	<u>\$ 5,445,184</u>	<u>\$ 3,415,057</u>	<u>\$ 8,860,241</u>
Liabilities:			
Current liabilities:			
Accounts payable	\$ 5,240	\$ 16,635	\$ 21,875
Accrued interest payable	2,958	-	2,958
Current portion of bonds payable	14,275	-	14,275
Total current liabilities	<u>\$ 22,473</u>	<u>\$ 16,635</u>	<u>\$ 39,108</u>
Long-term liabilities			
Bonds payable, net of current portion	<u>\$ 1,102,563</u>	<u>\$ -</u>	<u>\$ 1,102,563</u>
Total long-term liabilities	<u>1,102,563</u>	<u>-</u>	<u>1,102,563</u>
Total liabilities	<u>\$ 1,125,036</u>	<u>\$ 16,635</u>	<u>\$ 1,141,671</u>
Net Position:			
Net investment in capital assets	\$ 4,212,248	\$ 3,091,584	\$ 7,303,832
Restricted for:			
Debt service and bond covenants	28,908	-	28,908
Unrestricted	<u>78,992</u>	<u>306,838</u>	<u>385,830</u>
Total net position	<u>\$ 4,320,148</u>	<u>\$ 3,398,422</u>	<u>\$ 7,718,570</u>

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

Statement of Revenues, Expenses, and Changes in Net Position
 Proprietary Funds
 For the Year Ended June 30, 2013

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Piney River Water & Sewer Fund</u>	<u>Broadband Authority</u>	<u>Total</u>
Operating revenues:			
Charges for services, net	\$ 106,381	\$ 26,070	\$ 132,451
Total operating revenues	<u>\$ 106,381</u>	<u>\$ 26,070</u>	<u>\$ 132,451</u>
Operating expenses:			
Water & sewer service	\$ 34,185	\$ -	\$ 34,185
Maintenance & repairs	43,494	2,180	45,674
Other charges	14,982	114,423	129,405
Depreciation expense	192,490	169,755	362,245
Total operating expenses	<u>\$ 285,151</u>	<u>\$ 286,358</u>	<u>\$ 571,509</u>
Operating income (loss)	<u>\$ (178,770)</u>	<u>\$ (260,288)</u>	<u>\$ (439,058)</u>
Nonoperating expense:			
Interest expense	\$ 49,367	\$ -	\$ 49,367
Net nonoperating expense	<u>\$ 49,367</u>	<u>\$ -</u>	<u>\$ 49,367</u>
Income(loss) before capital contributions and transfers	<u>\$ (228,137)</u>	<u>\$ (260,288)</u>	<u>\$ (488,425)</u>
Capital contributions:			
Capital grant - NTIA	\$ -	\$ 476,944	\$ 476,944
Total capital contributions	<u>\$ -</u>	<u>\$ 476,944</u>	<u>\$ 476,944</u>
Transfers:			
Transfers in	\$ 45,000	\$ 1,183,667	\$ 1,228,667
Total transfers	<u>\$ 45,000</u>	<u>\$ 1,183,667</u>	<u>\$ 1,228,667</u>
Change in net position	\$ (183,137)	\$ 1,400,323	\$ 1,217,186
Net position, beginning of year	<u>4,503,285</u>	<u>1,998,099</u>	<u>6,501,384</u>
Net position, end of year	<u>\$ 4,320,148</u>	<u>\$ 3,398,422</u>	<u>\$ 7,718,570</u>

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

Statement of Cash Flows
 Proprietary Fund
 For the Year Ended June 30, 2013

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Piney River</u>		
	<u>Water & Sewer Fund</u>	<u>Broadband Authority</u>	<u>Total</u>
Cash flows from operating activities			
Receipts from customers	\$ 106,559	\$ 15,509	\$ 122,068
Payments to suppliers	<u>(94,010)</u>	<u>(292,359)</u>	<u>(386,369)</u>
Net cash provided by (used for) operating activities	<u>\$ 12,549</u>	<u>\$ (276,850)</u>	<u>\$ (264,301)</u>
Cash flows from capital and related financing activities			
Purchases of capital assets, net of related payable	\$ -	\$ (1,198,394)	\$ (1,198,394)
Capital grants	-	552,422	552,422
Principal repayments on bonds payable	(13,668)	-	(13,668)
Interest paid on bonds payable	<u>(49,403)</u>	<u>-</u>	<u>(49,403)</u>
Net cash provided by (used for) capital and related financing activities	<u>\$ (63,071)</u>	<u>\$ (645,972)</u>	<u>\$ (709,043)</u>
Cash flows from noncapital financing activities			
Transfers from local government	<u>\$ 45,000</u>	<u>\$ 1,183,667</u>	<u>\$ 1,228,667</u>
Net increase (decrease) in cash and cash equivalents	<u>\$ (5,522)</u>	<u>\$ 260,845</u>	<u>\$ 255,323</u>
Cash and cash equivalents, beginning of year	<u>98,791</u>	<u>52,067</u>	<u>150,858</u>
Cash and cash equivalents, end of year (including restricted cash of \$28,908)	<u><u>\$ 93,269</u></u>	<u><u>\$ 312,912</u></u>	<u><u>\$ 406,181</u></u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (178,770)	\$ (260,288)	\$ (439,058)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation expense	192,490	169,755	362,245
Changes in assets and liabilities:			
Accounts receivable	178	(10,561)	(10,383)
Accounts payable	<u>(1,349)</u>	<u>(175,756)</u>	<u>(177,105)</u>
Net cash provided by (used for) operating activities	<u>\$ 12,549</u>	<u>\$ (276,850)</u>	<u>\$ (264,301)</u>
Supplemental information:			
Interest paid during year	\$ 49,403	\$ -	\$ 49,403
Change in accrued interest payable	<u>(36)</u>	<u>-</u>	<u>(36)</u>
Interest expense for year	<u><u>\$ 49,367</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 49,367</u></u>

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

Statement of Fiduciary Net Position
 At June 30, 2013

	<u>Agency Funds</u>
Assets:	
Cash and cash equivalents	\$ 713,726
Other receivables	<u>5,903</u>
Total assets	<u><u>\$ 719,629</u></u>
Liabilities:	
Amounts held for others	<u>\$ 719,629</u>
Total liabilities	<u><u>\$ 719,629</u></u>

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

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Narrative Profile

The County of Nelson (the County), located in central Virginia and bordered by the counties of Augusta, Rockbridge, Amherst, Appomattox, Buckingham, and Albemarle, was founded in 1807. The County has a population of 15,161 and land area of 471 square miles.

The County is governed under the County Administrator - Board of Supervisors form of government. Nelson County engages in a comprehensive range of municipal services, including general government administration; public safety and administration of justice; education; health, welfare, and human service programs; planning and community development; and recreation and cultural activities.

The financial statements of the County have been prepared in conformity with the specifications promulgated by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia, and the accounting principles generally accepted in the United States as specified by the Governmental Accounting Standards Board. The more significant of the government's accounting policies are described below.

A. Management's Discussion and Analysis

GASB Statement No. 34 requires that financial statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "Management's Discussion and Analysis" (MD&A). This analysis is similar to the analysis the private sector provides in their annual reports.

B. Financial Reporting Entity

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable.

Blended Component Units - Nelson County Broadband Authority - The Nelson County Broadband Authority serves all the citizens of the government and is governed by a board comprised of the government's elected supervisors. The rates for user charges and bond issuance authorizations are approved by the government's board. The Authority operates on a fiscal year which ends June 30. The Authority is presented as an enterprise fund in the County's financial statements for the fiscal year ended June 30, 2013.

Discretely Presented Component Units - The component unit columns in the financial statements include the financial data of the County's discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the County.

The Nelson County School Board is responsible for elementary and secondary education within the County. The members of the governing board are elected by the County voters. The School Board is fiscally dependent upon the County because the County's Board of Supervisors approves the School Board budget, provides substantial funding for operations and must approve any debt issuance. The Nelson County School Board does not prepare separate financial statements.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

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

B. Financial Reporting Entity: (Continued)

The Economic Development Authority of Nelson County, Virginia was created to issue industrial development revenue bonds for businesses located within the County. The Authority board members are appointed by the County Board of Supervisors. All debt issuance must be approved by the County Board of Supervisors and the County has incurred a moral obligation to provide funding for the payment of the Authority debt. The Authority is presented as a proprietary fund type. A copy of the Authority's financial statements may be obtained from the Nelson County Administrator's office.

Related Organizations - The County's officials are also responsible for appointing the members of boards of other organizations, but the County's accountability for these organizations does not extend beyond making the Board appointment. The Nelson County Service Authority board members are appointed by the County Board of Supervisors. The County's accountability for the Authority does not extend beyond making the appointments. The County appropriated \$156,000 to the Authority for operating grants for fire protection services in fiscal year 2013 and provides space for its administrative offices. The County also paid \$162,812 to the Authority for its share of the debt service of the Colleen water line. The Authority is not included in the reporting entity. A copy of the Authority's financial statements can be obtained from the Authority administrative office located in Lovingston, Virginia.

Jointly Governed Organizations - The County appoints representative members of the governing bodies of the Jefferson-Madison Regional Library, the Region Ten Community Services Board, and the Thomas Jefferson Planning District Commission. The County does not retain ongoing financial interests in these organizations. During the year, the County contributed \$260,648 for operations to the Jefferson-Madison Regional Library, \$72,078 to the Region Ten Community Services Board, \$17,210 to the Thomas Jefferson Planning District Commission, \$610,032 to the Albemarle-Charlottesville Regional Jail Authority, and \$90,000 to the Jefferson Area Board for Aging.

In June 2008, the County entered into a Use Agreement with the Region 2000 Services Authority to make use of its facilities. The Region 2000 Services Authority was formed by five participating jurisdictions to operate solid waste disposal landfills. The operating and debt service costs of the Region 2000 Services Authority are funded through the charging of tipping fees. In 2013, the County paid the Region 2000 Services Authority \$268,121 in tipping fees. See Note 18 for further discussion of the Use Agreement.

C. Government-wide and fund financial statements

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

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

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

C. Government-wide and fund financial statements: (Continued)

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

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

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

D. Measurement focus, basis of accounting, and financial statement presentation

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

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Accordingly, real and personal property taxes are recorded as revenues and receivables when billed, net of allowances for uncollectible amounts. Property taxes not collected within 60 days after year-end are reflected as unavailable 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 in the month preceding receipt by the County.

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

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

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

D. Measurement focus, basis of accounting, and financial statement presentation: (Continued)

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

The following is a brief description of the specific funds used by the County in fiscal year 2013.

1. Governmental Funds:

- a. General Fund: The General Fund is the government's primary operating fund. It accounts for and reports all financial resources of the general government, except those required to be accounted for and reported in another fund. The General Fund is considered a major fund for financial reporting purposes.

The following is a brief description of the specific funds used by the County in fiscal year 2013.

2. Governmental Funds:

- b. Debt Service Fund: The Debt Service Fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should also be used to report financial resources being accumulated for future debt service. The Debt Service Fund is considered a major fund for financial reporting purposes.
- c. Special Revenue Funds: Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Special Revenue Funds consist of the Housing Improvement Fund and the Street Lights Fund.
- d. Capital Projects Fund: The Capital Projects Fund accounts for and reports all financial resources that are restricted, committed, or assigned to expenditure for capital outlays, except for those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments. The Capital Projects Fund is considered a major fund for financial reporting purposes.

3. Proprietary Funds

Proprietary Funds account for operations that are financed in a manner similar to private business enterprises. Proprietary Funds utilize the accrual basis of accounting where the measurement focus is upon the determination of net income, financial position, and changes in financial position.

Proprietary funds operating revenue consist of charges for services and related revenues. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. Nonoperating revenues consist of contributions, grants, investment earnings, and other revenues not directly derived from the providing of services.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

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

D. Measurement focus, basis of accounting, and financial statement presentation: (Continued)

3. Proprietary Funds: (Continued)

Proprietary Funds consist of the Piney River Water & Sewer Fund and the Nelson County Broadband Authority. The Piney River Water & Sewer Fund and the Nelson County Broadband Authority are Enterprise Funds. An Enterprise Fund is a proprietary fund that accounts for the financing of services to the general public where all or most of the operating expenses involved are recorded in the form of charges to users of such services.

4. Fiduciary Funds (Trust and Agency Funds):

Fiduciary Funds (Trust and Agency Funds) account for assets held by a governmental unit in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds.

Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency Funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the government holds for others in an agency capacity. The Agency Funds consist of the Special Welfare and EMS Loan Funds.

The County has no Trust Funds.

5. Component Units:

a. Nelson County School Board: The Nelson County School Board has the following fund:

– Governmental Fund:

~ School Operating Fund - This fund is the primary operating fund of the School Board and accounts for all revenues and expenditures applicable to the general operations of the public school system. Revenues are derived primarily from charges for services, appropriations from the County of Nelson and state and federal grants. The School Operating Fund is considered a major fund of the School Board for financial reporting purposes. This fund also accounts for the operations of the School Board's food service and textbook purchase programs.

b. Economic Development Authority: The Economic Development Authority operates on a proprietary fund basis where revenues and expenditures are recognized on the accrual basis of accounting, where the measurement focus is on the determination of net income, financial position, and changes in financial position. The Economic Development Authority is an enterprise fund. Enterprise funds account for the financing of services to the general public where all or most of the operating expenses involved are recorded in the form of charges to users of such services.

E. Cash and Cash Equivalents

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

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

F. Investments

Investments for the County, as well as for its component units, are reported at fair value.

G. Restricted Cash:

Restricted cash has been recorded for funds held for restricted purposes.

The Piney River Water and Sewer Fund has recorded \$28,908 in restricted cash. This amount represents the reserve required to be established by the loan agreement. See Note 7 for further discussion.

H. Property Taxes

Property is assessed at its value on January 1. Property taxes attach as an enforceable lien on property as of January 1. The County bills and collects its own property taxes. Personal property taxes are prorated based on the date property is located within the County. However, the value as of January 1 is used to compute the tax.

Real estate and personal property taxes are payable in semi-annual installments due June 5 and December 5.

I. Budgets and Budgetary Accounting

The Board of Supervisors annually adopts budgets for the various funds of the primary government and component unit School Board. All appropriations are legally controlled at the department level for the primary government funds. The School Board appropriation is determined by the Board of Supervisors and controlled in total by the primary government.

The budgets are integrated into the accounting system, and the budgetary data, as presented in the financial statements for all major funds with annual budgets, compare the expenditures with the amended budgets. All budgets are presented on the modified accrual basis of accounting. Accordingly, the Budgetary Comparison Schedule for the major funds presents actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. Unexpended appropriations on annual budgets lapse at the end of each fiscal year.

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 NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

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

I. Budgets and Budgetary Accounting: (Continued)

4. Formal budgetary integration is employed as a management control device during the year for the General Fund, the Housing Improvement Fund, the Piney River Water & Sewer Fund, the Street Lights Fund, the Capital Projects Fund, the Debt Service Fund, and the School Operating Fund.
5. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Appropriations lapse on June 30, for all County units.
7. All budgetary data presented in the accompanying financial statements is the original budget as of June 30, 2013, as adopted, appropriated and legally amended.

The expenditure budget is enacted through an annual appropriations ordinance. Appropriations are made at the departmental level for the primary government and at the function level for the School Board. If budget amendments exceed 1% of the original adopted budget the Board of Supervisors may legally amend the budget only by following procedures used in the adoption of the original budget. Public hearings are required to amend the budget if amendments exceed 1% of the original adopted budget. There was no budget amendment during the year that exceeded the 1% limitation. The Board of Supervisors must approve all appropriations and transfers of appropriated amounts.

J. 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 \$1,151,730 at June 30, 2013. The allowance is comprised of property taxes, landfill fees, EMS charges, and sewer charges.

K. Capital Assets

Capital assets, which include property, plant, and equipment and infrastructure, are reported in the applicable governmental columns in the government-wide financial statements. The County, Component Unit School Board, and Component Unit Economic Development Authority do not have any infrastructure in their capital assets since roads, streets, bridges, and similar assets within its boundaries are property of the Commonwealth of Virginia. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical costs or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Maintenance, repairs, and minor equipment and infrastructure are charged to operations when incurred. Expenses that materially change the capacities or extend the useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

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

Buildings and improvements	10 to 40 years
Furniture and other equipment	5 to 12 years

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

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

L. Compensated Absences

The County and Component Unit School Board incur liabilities related to compensated absences (annual and sick leave benefits) when vested. Because the timing of the settlement of the liability related to compensated absences is not considered to be estimable, the entire amount of the liability has been classified as current in the government-wide financial statements.

M. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

N. Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental or component unit activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported inclusive or net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

O. Fund Equity

Financial Policies

The Board of Supervisors meets on a monthly basis to manage and review cash financial activities and to ensure compliance with established policies. It is the County's policy to fund current expenditures with current revenues and the County's mission is to strive to maintain a diversified and stable revenue stream to protect the government from problematic fluctuations in any single revenue source and provide stability to ongoing services. The County's unassigned General Fund balance will be maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing.

Financial Policies

When fund balance resources are available for a specific purpose in more than one classification, it the County's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

Under GASB 54, fund balances are required to be reported according to the following classifications:

Nonspendable fund balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid amounts, assets held for sale, and long-term receivables.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

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

O. Fund Equity: (Continued)

Restricted fund balance - Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed fund balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the government's highest level of decision-making authority.

Assigned fund balance - Amounts that are constrained by the County's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a Finance Committee), or by an official to whom that authority has been given. With the exception of the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.

Unassigned fund balance - This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed or assigned.

The Board of Supervisors is authorized to assign amounts for specific purposes. The Board of Supervisors is also authorized to commit amounts for specific purposes. The following is detail of the County's Fund Balances:

Category	General Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total Primary Government	Component Unit School Board
Nonspendable:						
Prepaid items	\$ 44,953	\$ -	\$ -	\$ -	\$ 44,953	\$ 17,948
Inventory	-	-	-	-	-	96,519
Total Nonspendable	\$ 44,953	\$ -	\$ -	\$ -	\$ 44,953	\$ 114,467
Restricted:						
Unexpended Bond Proceeds	\$ 1,645,080	\$ 8,266	\$ -	\$ -	\$ 1,653,346	-
Total Restricted	\$ 1,645,080	\$ 8,266	\$ -	\$ -	\$ 1,653,346	\$ -
Committed:						
Ryan School Reserve	\$ 39,013	\$ -	\$ -	\$ -	\$ 39,013	\$ -
Debt Service	-	155,735	-	-	155,735	-
Community Development	-	-	-	50	50	-
Textbooks	-	-	-	-	-	82,363
Cafeteria	-	-	-	-	-	175,587
Courthouse Construction	-	-	899,902	-	899,902	-
Capital Projects	-	-	1,247,893	-	1,247,893	-
Total Committed	\$ 39,013	\$ 155,735	\$ 2,147,795	\$ 50	\$ 2,342,593	\$ 257,950
Unassigned	\$ 18,614,064	\$ -	\$ -	\$ -	\$ 18,614,064	\$ (114,467)
Total Fund Balance	\$ 20,343,110	\$ 164,001	\$ 2,147,795	\$ 50	\$ 22,654,956	\$ 257,950

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

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

P. Net Position

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

Q. Inventory

Inventory is stated at the lesser of cost or fair market value. Cost is calculated on a first in, first out basis.

R. Net Position Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

S. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County only has one item that qualifies for reporting in this category. It is the deferred amount on refunding reported in the government-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The statement of financial position also reports deferred inflows of resources. The County has one type of item that qualifies for reporting in this category. Under a modified accrual basis of accounting, unavailable revenue representing property taxes receivable is reported in the governmental funds balance sheet. This amount is comprised of amounts prepaid on the 2nd half installments and is deferred and recognized as an inflow of resources in the period that the amount becomes available. This also includes uncollected property taxes due prior to June 30. Under the accrual basis, 2nd amounts prepaid on the 2nd half installments are reported as deferred inflows of resources.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

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

T. Adoption of Accounting Principles

Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, Statement No. 63 of the Governmental Accounting Standards Board

The County implemented the financial reporting provisions of the above Statement for the fiscal year ended June 30, 2013. This Statement provides guidance for reporting deferred inflows and deferred outflows of resources. The requirements of this Statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on an entity's net position. With the implementation of this Statement, certain terminology has changed and financial statement descriptions have changed from "net assets" to "net position." The net equity reported in the financial statements was not changed as a result of implementing this Statement and no restatement of prior balances is required.

Items Previously Reported as Assets and Liabilities, Statement No. 65 of the Governmental Accounting Standards Board

The County implemented the financial reporting provisions of the above Statement for the fiscal year ended June 30, 2013. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The net equity reported in the financial statements was not changed as a result of implementing this Statement and no restatement of prior balances is required.

NOTE 2—DEPOSITS AND INVESTMENTS:

Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the "Act") Section 2.2-4400 et. seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Investments

Statutes authorize 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).

The County does not have a written investment policy but follows state guidelines.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 2—DEPOSITS AND INVESTMENTS: (CONTINUED)

Custodial Credit Risk (Investments)

The County's investments at June 30, 2013 were held in the County's name by the County's custodial banks.

Credit Risk of Debt Securities

The County's rated debt investments as of June 30, 2013 were rated by Standard & Poor's and/or an equivalent national rating organization and the ratings are presented below using the Standard & Poor's rating scale.

County's Rated Debt Investments' Values	
Local Government	
Rated Debt Investments	Fair Quality Ratings
	AAAm
Money Market Mutual Fund	\$ 1,653,345
Local Government Investment Pool	48,386
Total	\$ 1,701,731
Component Unit -- Economic Development Authority	
Rated Debt Investments	Fair Quality Ratings
	AAAm
Local Government Investment Pool	\$ 8,793

External Investment Pools

The State Non-Arbitrage Pool (SNAP) is an open-end management investment company registered with the Securities and Exchange Commission (SEC). The fair values of the positions in the Local Government Investment Pool (LGIP) and in SNAP are the same as the value of the pool shares. The LGIP is not SEC registered; regulatory oversight of the pool rests with the Virginia State Treasury. LGIP maintains a policy to operate in a manner consistent with SEC Rule 2a-7.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 3—RECEIVABLES:

Receivables at June 30, 2013 consist of the following:

	Primary Government		Component Units	
	Governmental	Business- Type Activities	School	Economic
	Activities		Board	Development Authority
	General Fund			
Property taxes	\$ 12,502,710	\$ -	\$ -	\$ -
Penalties	43,624	-	-	-
Utility taxes	42,952	-	-	-
Recordation taxes	15,387	-	-	-
Court fines and fees	2,194	-	-	-
Lodging fees	50,935	-	-	-
Meals taxes	74,155	-	-	-
Landfill fees	19,304	-	-	-
EMS revenue recovery	1,543,260	-	-	-
Note receivable	-	-	-	128,000
E-rate reimbursement	-	-	6,298	-
Sewer charges	-	24,360	-	-
Broadband charges	-	10,561	-	-
Other	31,142	-	4,504	49,280
Total receivables	\$ 14,325,663	\$ 34,921	\$ 10,802	\$ 177,280
Allowance for uncollectibles	(1,570,199)	(1,531)	-	-
Net receivables	\$ 12,755,464	\$ 33,390	\$ 10,802	\$ 177,280

A note receivable in the amount of \$128,000 was obtained in connection with the sale of land held by the Economic Development Authority (EDA) in December, 2007. The note and accrued interest were payable in full in June 2013. The note accrues interest at 7% per annum and is secured by a deed of trust. During 2013, the Board of the EDA agreed to extend the maturity date of the note to June 2014.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 4—DUE FROM OTHER GOVERNMENTAL UNITS:

	Primary Government			Component
	Governmental			Unit
	Activities			
	General	Other		School
Fund	Governmental	Total	Board	
	Funds			
Commonwealth of Virginia:				
Local sales taxes	\$ 156,868	\$ -	\$ 156,868	-
State sales taxes	-	-	-	330,261
Personal property tax relief act	734,930	-	734,930	-
Comprehensive Services Act	72,681	-	72,681	-
Public assistance	31,233	-	31,233	-
Communications tax	76,654	-	76,654	-
Rolling stock tax	110,695	-	110,695	-
Shared expenses and grants	111,003	-	111,003	-
Other	33,156	-	33,156	-
Federal government:				
Public assistance	45,552	-	45,552	-
TEA-21 grant	69,100	-	69,100	-
USDA	39,906	-	39,906	-
Community development block grant	-	9,000	9,000	-
Other	7,753	-	7,753	-
Federal pass-through school funds	-	-	-	214,513
Total	\$ 1,489,531	\$ 9,000	\$ 1,498,531	\$ 544,774

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 5—INTERFUND ACTIVITY:

Primary Government:

Transfers To/From Other Funds:

Transfer to the Debt Service Fund to pay principal and interest on long-term debt	\$ (3,542,257)
Transfer to the Broadband Fund	(909,367)
Transfer to the Piney River Water & Sewer fund to support operations	<u>(45,000)</u>

Net transfers from General Fund \$ (4,496,624)

Transfer from the General Fund to pay principal and interest on long-term debt	\$ 3,542,257
Transfer to the Capital Projects fund	<u>(332,118)</u>

Net transfers to Debt Service Fund \$ 3,210,139

Transfer to the Broadband Fund	\$ (250,000)
Transfer from the Debt Service Fund fund to pay for Courthouse construction and other projects	<u>332,118</u>

Net transfers to the Capital Projects Fund \$ 82,118

Transfer to the Broadband Fund	\$ <u>(24,300)</u>
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Net transfers from the Housing Improvement Fund \$ (24,300)

Transfer from the General Fund to support operations	\$ <u>45,000</u>
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Net transfers to the Piney River Water & Sewer Fund \$ 45,000

Transfer from the General Fund to pay for broadband project	\$ 909,367
Transfer from the Capital Projects Fund to pay for broadband project	250,000
Transfer from the Housing Improvment Fund to pay for broadband project	<u>24,300</u>

Net transfers to the Broadband Authority Fund \$ 1,183,667

The component unit School Board consists of only one fund.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 6—CAPITAL ASSETS:

The following is a summary of the changes in capital assets for the fiscal year ended June 30, 2013:

Governmental Activities:

	Balance July 1, 2012,	Increases	Decreases	Balance June 30, 2013
Capital assets not being depreciated:				
Land and land improvements	\$ 425,761	\$ -	\$ -	\$ 425,761
Construction in progress	681,661	1,303,115	-	1,984,776
Total capital assets not being depreciated	<u>\$ 1,107,422</u>	<u>\$ 1,303,115</u>	<u>\$ -</u>	<u>\$ 2,410,537</u>
Other capital assets:				
Buildings and improvements	\$ 14,365,837	\$ 118,218	\$ -	\$ 14,484,055
Furniture, equipment and vehicles	4,595,720	182,847	205,564	4,573,003
School buildings, improvements and equipment *	22,250,000	-	1,665,000	20,585,000
Total other capital assets	<u>\$ 41,211,557</u>	<u>\$ 301,065</u>	<u>\$ 1,870,564</u>	<u>\$ 39,642,058</u>
Less: Accumulated depreciation for:				
Buildings and improvements	\$ 2,665,486	\$ 494,908	\$ -	\$ 3,160,394
Furniture, equipment and vehicles	2,152,318	392,861	126,372	2,418,807
School buildings, improvements and equipment *	4,741,126	514,625	435,375	4,820,376
Total accumulated depreciation	<u>\$ 9,558,930</u>	<u>\$ 1,402,394</u>	<u>\$ 561,747</u>	<u>\$ 10,399,577</u>
Other capital assets, net	<u>\$ 31,652,627</u>	<u>\$ (1,101,329)</u>	<u>\$ 1,308,817</u>	<u>\$ 29,242,481</u>
Net capital assets	<u><u>\$ 32,760,049</u></u>	<u><u>\$ 201,786</u></u>	<u><u>\$ 1,308,817</u></u>	<u><u>\$ 31,653,018</u></u>
Depreciation expense was allocated as follows:				
General government administration		\$ 264,049		
Public safety		252,677		
Public works		262,237		
Health and welfare		20,011		
Education		514,625		
Parks, recreation and cultural		74,191		
Community development		14,604		
Total depreciation expense		<u><u>\$ 1,402,394</u></u>		

* School Board capital assets are jointly owned by the County (primary government) and the Component Unit School Board. The County share of the School Board capital assets is in proportion to the debt owed on such assets by the County. The County reports depreciation on these assets as an element of its share of the costs of the public school system.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 6—CAPITAL ASSETS: (CONTINUED)

Component Unit School Board

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
Capital assets not being depreciated:				
Land and land improvements	\$ 851,210	\$ -	\$ -	\$ 851,210
Total capital assets not being depreciated	<u>\$ 851,210</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 851,210</u>
Other capital assets:				
Buildings and improvements	\$ 43,926,109	\$ -	\$ -	\$ 43,926,109
Furniture, equipment and vehicles	4,492,169	32,378	-	4,524,547
School buildings, improvements and equipment allocated to County *	(22,250,000)	1,665,000	-	(20,585,000)
Total other capital assets	<u>\$ 26,168,278</u>	<u>\$ 1,697,378</u>	<u>\$ -</u>	<u>\$ 27,865,656</u>
Less: Accumulated depreciation for:				
Buildings and improvements	\$ 15,593,119	\$ 1,191,757	\$ -	\$ 16,784,876
Furniture, equipment and vehicles	2,868,062	280,077	-	3,148,139
School buildings, improvements and equipment allocated to County *	(4,741,126)	(514,625)	(435,375)	(4,820,376)
Total accumulated depreciation	<u>\$ 13,720,055</u>	<u>\$ 957,209</u>	<u>\$ (435,375)</u>	<u>\$ 15,112,639</u>
Other capital assets, net	<u>\$ 12,448,223</u>	<u>\$ 740,169</u>	<u>\$ 435,375</u>	<u>\$ 12,753,017</u>
Net capital assets	<u>\$ 13,299,433</u>	<u>\$ 740,169</u>	<u>\$ 435,375</u>	<u>\$ 13,604,227</u>
Depreciation expense allocated to education		<u>\$ 957,209</u>		

* School Board capital assets are jointly owned by the County (primary government) and the Component Unit School Board. The County share of the School Board capital assets is in proportion to the debt owed on such assets by the County. The County reports depreciation on these assets as an element of its share of the costs of the public school system.

Reconciliation of primary government (governmental activities) net position investment in capital assets.

Net capital assets	\$ 31,653,018
Less: Long-term debt applicable to capital assets at June 30, 2013	\$ 30,365,633
Less: Bond proceeds and related premium received but not yet expended on capital assets at June 30, 2013	1,653,346
Net position investment in capital assets	<u>\$ 2,940,731</u>

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 6—CAPITAL ASSETS: (CONTINUED)

Business Type Activities:

Piney River Water & Sewer Operations

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
Capital assets not being depreciated:				
Land and land improvements	\$ 40,000	\$ -	\$ -	\$ 40,000
Total capital assets not being depreciated	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,000</u>
Other capital assets:				
Infrastructure	\$ 6,557,827	\$ -	\$ -	\$ 6,557,827
Equipment	25,619	-	-	25,619
Total other capital assets	<u>\$ 6,583,446</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,583,446</u>
Less: Accumulated depreciation for:				
Infrastructure	\$ 1,086,497	\$ 187,366	\$ -	\$ 1,273,863
Equipment	15,373	5,124	-	20,497
Total accumulated depreciation	<u>\$ 1,101,870</u>	<u>\$ 192,490</u>	<u>\$ -</u>	<u>\$ 1,294,360</u>
Other capital assets, net	<u>\$ 5,481,576</u>	<u>\$ (192,490)</u>	<u>\$ -</u>	<u>\$ 5,289,086</u>
Net capital assets	<u>\$ 5,521,576</u>	<u>\$ (192,490)</u>	<u>\$ -</u>	<u>\$ 5,329,086</u>

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 6—CAPITAL ASSETS: (CONTINUED)

Business Type Activities: (Continued)

Nelson County Broadband Authority

	<u>Balance July 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2013</u>
Capital assets not being depreciated:				
Construction in progress	\$ 2,062,945	\$ 1,198,394	\$ 3,261,339	\$ -
Total capital assets not being depreciated	<u>\$ 2,062,945</u>	<u>\$ 1,198,394</u>	<u>\$ 3,261,339</u>	<u>\$ -</u>
Other capital assets:				
Equipment	\$ -	\$ 3,261,339	\$ -	\$ 3,261,339
Total other capital assets	<u>\$ -</u>	<u>\$ 3,261,339</u>	<u>\$ -</u>	<u>\$ 3,261,339</u>
Less: Accumulated depreciation for:				
Equipment	\$ -	\$ 169,755	\$ -	\$ 169,755
Total accumulated depreciation	<u>\$ -</u>	<u>\$ 169,755</u>	<u>\$ -</u>	<u>\$ 169,755</u>
Other capital assets, net	<u>\$ -</u>	<u>\$ 3,091,584</u>	<u>\$ -</u>	<u>\$ 3,091,584</u>
Net capital assets	<u>\$ 2,062,945</u>	<u>\$ 4,289,978</u>	<u>\$ 3,261,339</u>	<u>\$ 3,091,584</u>

Reconciliation of primary government (business type activities) net position investment in capital assets.

Net capital assets	\$ 8,420,670
Less: Long-term debt applicable to capital assets at June 30, 2013	<u>1,116,838</u>
Net position investment in capital assets	<u>\$ 7,303,832</u>

NOTE 7—LONG-TERM OBLIGATIONS:

General Fund revenues are used to pay all long-term general obligation debt, and General Fund capital leases and compensated absences. School Fund revenues and appropriations from the General Fund are used to pay its compensated absences. Thus, all of the long-term debt obligations are reported as liabilities of the primary government.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 7—LONG-TERM OBLIGATIONS: (CONTINUED)

The following is a summary of long-term debt transactions of the County for the year ended June 30, 2013:

	Balance July 1, 2012	Issuances/ Additions	Retirements/ Reductions	Balance June 30, 2013
Primary Government:				
Governmental activities:				
Lease revenue refunding bonds	\$ 9,990,000	\$ -	\$ 480,000.00	\$ 9,510,000
Lease revenue bonds	6,705,490	441,391	7,146,881	-
General obligation bonds:				
School	10,510,000	-	865,000	9,645,000
Premium on issuance	334,273	-	49,191	285,082
State Literary Fund loans:				
School	1,750,000	-	1,750,000	-
Virginia Resource Authority:				
Infrastructure Revenue bonds:				
General	3,040,000	-	275,000	2,765,000
Premium on issuance	294,918	-	44,789	250,129
Refunding Revenue bonds:				
General	-	7,305,000	-	7,305,000
Premium on issuance	-	1,026,998	-	1,026,998
Retirement incentive obligation loan	338,076	-	47,513	290,563
Compensated absences	264,952	76,431	-	341,383
Net OPEB obligation	23,445	40,754	38,200	25,999
Landfill liability	982,018	25,212	-	1,007,230
Total	\$ 34,233,172	\$ 8,915,786	\$ 10,696,574	\$ 32,452,384
Reconciliation to Exhibit 1:				
Long-term liabilities due within one year				\$ 2,434,444
Long-term liabilities due in more than one year				<u>30,017,940</u>
Total				\$ <u>32,452,384</u>

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 7—LONG-TERM OBLIGATIONS: (CONTINUED)

	<u>Balance July 1, 2012</u>	<u>Issuances/ Additions</u>	<u>Retirements/ Reductions</u>	<u>Balance June 30, 2013</u>
Business-type activities:				
USDA Water Revenue Bond	\$ 479,520	\$ -	\$ 5,966	\$ 473,554
USDA Sewer Revenue Bond	650,986	-	7,702	643,284
	<u>\$ 1,130,506</u>	<u>\$ -</u>	<u>\$ 13,668</u>	<u>\$ 1,116,838</u>
 Reconciliation to Exhibit 1:				
Long-term liabilities due within one year				\$ 14,275
Long-term liabilities due in more than one year				<u>1,102,563</u>
Total				<u>\$ 1,116,838</u>

Annual requirements to amortize bonds, loans and related interest are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 2,205,014	\$ 1,167,282
2015	2,214,099	1,109,282
2016	2,293,446	1,016,906
2017	2,393,073	921,239
2018	2,142,999	825,851
2019-2023	10,892,198	2,753,743
2024-2028	7,671,022	780,030
2029-2033	150,692	164,669
2034-2038	187,642	127,718
2039-2043	233,661	81,699
2044-2048	248,555	25,078
Total	<u>\$ 30,632,401</u>	<u>\$ 8,973,497</u>

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 7—LONG-TERM OBLIGATIONS: (CONTINUED)

Details of Long-term Indebtedness:

	<u>Amount Outstanding</u>	<u>Amount Due in One Year</u>
Governmental:		
<u>General Obligation School Bonds:</u>		
\$750,000 School Bonds, 1994, issued May 1994, due in various installments of \$30,000 to \$40,000 through July 2014, interest at 6.1%	\$ 40,000	\$ 40,000
\$14,280,000 School Bonds, 2003, issued November 2003, due in various installments of \$420,000 to \$1,110,000 through January 2024, interest rates from 3.1% to 5.35%	9,605,000	665,000
Unamortized premium on issuance of 2003 School Bonds	<u>285,082</u>	<u>45,965</u>
Total general obligation school bonds	<u>\$ 9,930,082</u>	<u>\$ 750,965</u>
<u>Lease Revenue Refunding Bonds:</u>		
\$9,990,000 Lease Revenue Refunding Bonds Series 2012, issued March 2012, due in various semi-annual installments ranging from \$480,000 to \$860,000, through August 2027, interest rates at 2.75%	<u>\$ 9,510,000</u>	<u>\$ 465,000</u>
Total lease revenue refunding bonds	<u>\$ 9,510,000</u>	<u>\$ 465,000</u>
<u>VRA Refunding Revenue Bonds:</u>		
\$7,305,000 Refunding Revenue Bonds Series 2013A, issued June 5, 2013, payable in various annual installments through October 1, 2027; Interest payable semiannually at rates ranging from 2.017% to 4.13%.	\$ 7,305,000	\$ 565,000
Unamortized premium on issuance of 2013 VRA Bonds	<u>1,026,998</u>	<u>116,457</u>
Total VRA refunding revenue bonds	<u>\$ 8,331,998</u>	<u>\$ 681,457</u>

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 7—LONG-TERM OBLIGATIONS: (CONTINUED)

Details of Long-term Indebtedness: (Continued)

	<u>Amount Outstanding</u>	<u>Amount Due in One Year</u>
Governmental: (Continued)		
<u>Virginia Resource Authority Infrastructure Revenue Bonds:</u>		
\$2,460,000 issued June 7, 2007 due in semi-annual installments of interest only through April, 2008, interest at 4.48%; annual installments of principal and semi-annual payments of interest thereafter through September, 2016 with principal installments in amounts ranging from \$230,000 to \$325,000 and interest rates ranging from 4.1% to 4.625%.	\$ 1,210,000	\$ 280,000
Unamortized premium	10,857	4,977
\$1,555,000 issued May 23, 2012 due in various installments of principal and interest through October 2022, interest payable semi-annually ranging from 3.445% to 5.125%.	1,555,000	125,000
Unamortized premium	<u>239,272</u>	<u>42,168</u>
Total Virginia Resource Authority Infrastructure Revenue Bonds	<u>\$ 3,015,129</u>	<u>\$ 452,145</u>
<u>Loan Payable - Early Retirement Incentive Costs:</u>		
The County School Board adopted the early retirement incentive program. The School Board's share of the liability for those employees who elected to participate totaled \$761,771. This obligation was refinanced with a loan from a bank in August, 1999. This liability is not included in the pension benefit obligation disclosed in Note 9. The loan is payable in annual installments of \$70,468 (including principal and interest) due May 1, 2018, interest at 6.79%.	\$ 290,563	\$ 50,739
Total governmental loans and bonds	<u>\$ 31,077,772</u>	<u>\$ 2,400,306</u>

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 7—LONG-TERM OBLIGATIONS: (CONTINUED)

Details of Long-term Indebtedness: (Continued)

	<u>Amount Outstanding</u>	<u>Amount Due in One Year</u>
Business-type:		
<u>USDA Revenue Bonds:</u>		
\$499,000 Water Revenue Bond, Series 2007, issued November 8, 2007, interest only due on November 8, 2008, and then monthly principal and interest payments of \$2,186 through October, 2047; interest at 4.25%	\$ 473,554	\$ 6,223
\$676,000 Water Revenue Bond, Series 2007, issued November 8, 2007, interest only due on November 8, 2008, and then monthly principal and interest payments of \$3,070 through October, 2047; interest at 4.5%	<u>643,284</u>	<u>8,052</u>
Total business-type long-term obligations	<u>\$ 1,116,838</u>	<u>\$ 14,275</u>

Current Refunding of Debt:

On June 5, 2013 the County issued \$7,305,000 of Refunding Revenue Bonds, Series 2013A to currently refund its 1991 Literary Fund loan and 2009 Rural Development Loan. This refunding was undertaken to reduce total debt service over the next thirty years by \$3,672,312 and resulted in an economic gain of \$1,761,291.

USDA Revenue Bonds

Under the terms of the USDA Water and Sewer Revenue Bonds, the County is required to establish a reserve equal to 10% of the monthly installments of principal and interest until an amount equal to twelve monthly installments has been established. The requirement to establish the reserve commences with the first scheduled monthly installment of principal and interest. The funds are not required to be held in a separate bank account.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 7—LONG-TERM OBLIGATIONS: (CONTINUED)

USDA Revenue Bonds: (Continued)

The reserve was established in December 2008, and has a balance of \$28,908 at June 30, 2013. The reserve has been reflected as restricted cash in the accompanying financial statements.

The County paid \$49,367 in interest on the USDA Water and Sewer Bonds in fiscal 2013, of which \$0 has been capitalized in the accompanying financial statements.

Federal Arbitrage Regulations:

The County is in compliance with federal arbitrage regulations. Any arbitrage amounts that may be required to be paid are not material to the financial statements.

The following is summary of long-term obligations transactions of the School Board for the year ended June 30, 2013:

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Retirements & Other Reductions</u>	<u>Balance June 30, 2013</u>
School Board				
Compensated absences	\$ 338,492	\$ 46,378	\$ -	\$ 384,870
Net OPEB obligation	<u>130,501</u>	<u>133,400</u>	<u>80,600</u>	<u>183,301</u>
Total	<u>\$ 468,993</u>	<u>\$ 179,778</u>	<u>\$ 80,600</u>	<u>\$ 568,171</u>
Reconciliation to Exhibit 1:				
Long-term liabilities due within one year			\$ 38,487	
Long-term liabilities due in more than one year				<u>529,684</u>
Total			<u>\$ 568,171</u>	

NOTE 8—COMPENSATED ABSENCES:

In accordance with GASB Statement 16, *Accounting for Compensated Absences*, the County and its components units have accrued the liability arising from all outstanding compensated absences. The liability for future vacation and sick leave benefits is accrued when such benefits meet the following conditions.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 8—COMPENSATED ABSENCES: (CONTINUED)

The County's policy is to pay accrued vacation and compensatory time upon termination. Vacation time earned is limited to a maximum of 24 to 54 days, depending on years of service. Compensatory leave credits lapse after twelve months following the performance of work. School Board employees are paid up to 36 days of accrued vacation upon termination and at a rate of \$10 per day for sick leave only at retirement. Social Services employees are paid up to a maximum of 24 to 54 days of accrued vacation upon termination. Social Services employees are also paid unused sick leave upon termination; such pay is limited to the lesser of 25% of the unused balance or \$2,500.

	<u>Balance</u> <u>July 1, 2012</u>	<u>Net Increase/ (Decrease)</u>	<u>Balance</u> <u>June 30, 2013</u>
Primary Government:			
Governmental activities	\$ 264,952	\$ 76,431	\$ 341,383
Component Unit School Board	\$ 338,492	\$ 46,378	\$ 384,870

NOTE 9—DEFINED BENEFIT PENSION PLAN:

The County and Component Unit School Board participate in the Virginia Retirement System defined benefit pension plan.

A. Plan Description:

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

All full-time, salaried permanent (professional) employees of public school divisions and employees of participating employers are automatically covered by VRS upon employment. Benefits vest after five years of service credit. Members earn one month of service credit for each month they are employed and their employer is paying into the VRS. Members are eligible to purchase prior public service, active duty military service, certain periods of leave and previously refunded VRS service as service credit in their plan.

VRS administers two defined benefit plans for local government employees - Plan 1 and Plan 2:

- Members hired before July 1, 2010 and who were vested as of January 1, 2013 are covered under Plan 1. Non-hazardous duty members are eligible for an unreduced retirement benefit beginning at age 65 with at least five years of service credit or age 50 with at least 30 years of service credit. They may retire with a reduced benefit early at age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 9—DEFINED BENEFIT PENSION PLAN: (CONTINUED)

A. Plan Description: (Continued)

- Members hired or rehired on or after July 1, 2010 and Plan 1 members who were not vested on January 1, 2013 are covered under Plan 2. Non-hazardous duty members are eligible for an unreduced benefit beginning at their normal Social Security retirement age with at least five years of service credit or when the sum of their age and service equals 90. They may retire with a reduced benefit as early as age 60 with at least five years of service credit.
- Eligible hazardous duty members in Plan 1 and Plan 2 are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. These members include sheriffs, deputy sheriffs and hazardous duty employees of political subdivisions that have elected to provide enhanced coverage for hazardous duty service. They may retire with a reduced benefit as early as age 50 with at least five years of service credit. All other provisions of the member's plan apply.

The VRS Basic Benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the member's average final compensation multiplied by the member's total service credit. Under Plan 1, average final compensation is the average of the member's 36 consecutive months of highest compensation. Under Plan 2, average final compensation is the average of the member's 60 consecutive months of highest compensation. The retirement multiplier for non-hazardous duty members is 1.70%. The retirement multiplier for sheriffs and regional jail superintendents is 1.85%. The retirement multiplier for eligible political subdivision hazardous duty employees other than sheriffs and jail superintendents is 1.70% or 1.85% as elected by the employer. The multiplier for Plan 2 members was reduced to 1.65% effective January 1, 2013 unless they are hazardous duty employees and their employer has elected the enhanced retirement multiplies. At retirement, members can elect the Basic Benefit, the Survivor Option, a Partial Lump-Sum Option Payment (PLOP) or the Advance Pension Option. A retirement reduction factor is applied to the Basic Benefit amount for members electing the Survivor Option, PLOP or Advance Pension Option or those retiring with a reduced benefit.

Retirees are eligible for an annual cost-of-living adjustment (COLA) effective July 1 of the second calendar year of retirement. Under Plan 1, the COLA cannot exceed 5.00%; under Plan 2, the COLA cannot exceed 6.00%. During years of no inflation or deflation, the COLA is 0.00%. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

The system issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. A copy of the most recent report may be obtained from the VRS website at <http://www.varetire.org/Pdf/Publications/2012-annual-report.pdf> or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 9—DEFINED BENEFIT PENSION PLAN: (CONTINUED)

B. Funding Policy:

Plan members are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5.00% of their compensation toward their retirement. All or part of the 5.00% member contribution may be assumed by the employer. Beginning July 1, 2012 new employees were required to pay the 5% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5% member contribution. This could be phased in over a period up to 5 years and the employer is required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution. In addition, the County and School Board are required to contribute the remaining amounts necessary to fund participation in the VRS using the actuarial basis specified by the Code of Virginia and approved by the VRS Board of Trustees. The County's and School Board's non-professional employee contribution rates for the fiscal year ended 2013 were 13.15% and 9.21% of annual covered payroll, respectively.

The School Board's professional employees contribution rate for the fiscal year ended 2013, 2012, and 2011 to the VRS statewide sharing pool for its employees was 11.66%, 6.33%, and 3.93%, respectively. The School Board's contributions to VRS for the years ended June 30, 2013, 2012, 2011 were \$1,241,762, \$1,175,937, and \$923,974. The contributions made by the School Board for the current year and the two preceding years represented 100% of the required contribution for each year.

C. Annual Pension Cost:

For fiscal year 2013, the County's annual pension cost of \$474,882 was equal to the County's required and actual contributions.

For fiscal year 2013, the School Board's annual pension cost for the School Board's non-professional employees was \$141,101 which was equal to the Board's required and actual contributions.

Three-Year Trend Information for the County and School Board:

Fiscal Year Ending	Annual Pension Cost (APC) (1)	Percentage of APC Contributed	Net Pension Obligation
County:			
June 30, 2011	\$ 352,551	100%	-
June 30, 2012	360,280	100%	-
June 30, 2013	474,882	100%	-
School Board Non-Professional:			
June 30, 2011	196,341	100%	-
June 30, 2012	116,455	100%	-
June 30, 2013	141,101	100%	-

(1) Employer portion only

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 9—DEFINED BENEFIT PENSION PLAN: (CONTINUED)

C. Annual Pension Cost: (Continued)

The FY 2013 required contribution was determined as part of the June 30, 2011 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at June 30, 2011 included (a) an investment rate of return (net of administrative expenses) of 7.00%, (b) projected salary increases ranging from 3.75% to 5.60% per year for general government employees and 3.75% to 6.20% per year for teachers, and 3.50 to 4.75% for employees eligible for enhanced benefits available to law enforcement officers, firefighters, and sheriffs, and (c) a cost-of-living adjustment of 2.50% for Plan 1 employees and 2.25% for Plan 2 employees. Both the investment rate of return and the projected salary increases include an inflation component of 2.50%. The actuarial value of the County's and the School Board's assets is equal to the modified market value of assets. This method uses techniques that smooth the effects of short-term volatility in the market value of assets over a five-year period. The County and School Board's unfunded actuarial accrued liabilities are being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period at June 30, 2011 for the Unfunded Actuarial Accrued Liability (UAAL) was 30 years.

D. Funded Status and Funding Progress

As of June 30, 2012, the most recent actuarial valuation date, the County's plan was 75.93% funded. The actuarial accrued liability for benefits was \$16,526,361, and the actuarial value of assets was \$12,548,691, resulting in an unfunded actuarial accrued liability (UAAL) of \$3,977,670. The covered payroll (annual payroll of active employees covered by the plan) was \$3,398,629, and ratio of the UAAL to the covered payroll was 117.04%.

As of June 30, 2012, the most recent actuarial valuation date, the School Board's plan was 78.09% funded. The actuarial accrued liability for benefits was \$6,316,276, and the actuarial value of assets was \$4,932,376, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,383,900. The covered payroll (annual payroll of active employees covered by the plan) was \$1,477,219 and ratio of the UAAL to the covered payroll was 93.68%.

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

NOTE 10—OTHER POSTEMPLOYMENT BENEFITS—HEALTH INSURANCE:

A. Plan Descriptions

County

The County offers health insurance benefits to qualified retirees under a single-employer plan (the County Plan). Health benefits are for medical coverage only.

Eligible retirees under the age of 65 may choose one of the following health insurance options: (a) Key Advantage Expanded Benefits - PPO, or (b) Key Advantage 200 - PPO. An eligible retiree under the age of 65 may elect coverage for himself, for one dependent and himself, or for a family.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 10—OTHER POSTEMPLOYMENT BENEFITS—HEALTH INSURANCE: (CONTINUED)

A. Plan Descriptions: (Continued)

County: (Continued)

Eligible retirees 65 years or older may only participate in the Key Advantage 65 - PPO. An eligible retiree 65 years or older may elect coverage for himself, or for one dependent and himself.

The authority to establish and amend the benefit provisions of the County Plan rests with the County Board of Supervisors. There is no publicly available financial report for the County Plan.

School Board

The School Board offers health insurance benefits to qualified retirees under a single-employer plan (the School Board Plan). Health benefits include medical, dental and vision coverage.

Eligible retirees under the age of 65 may choose one of the following health insurance options: (a) Local Choice Expanded Benefits --PPO, (b) Local Choice 2000 - PPO, or (c) Local Choice High Deductible - PPO.

An eligible retiree under the age of 65 may elect coverage for himself, for one dependent and himself, or for a family.

Eligible retirees 65 years or older may only participate in the Advantage 65 - PPO. An eligible retiree 65 years or older may elect coverage for himself, or for one dependent and himself.

The authority to establish and amend the benefit provisions of the School Plan rests with the School Board. There is no publicly available financial report for the School Plan.

B. Funding Policies

County

The contribution requirements of plan members and the County are established and may be amended by the County Board of Supervisors. For eligible retirees, 100% of the nominal premium is the responsibility of the retiree. As of July 1, 2012, monthly required premiums were as follows:

	Monthly premium owed by retiree		
	Retiree	Retiree and one dependent	Family
Key Advantage 200 -- PPO	\$ 507	\$ 938	\$ 1,369
Key Advantage Expanded Benefits -- PPO	\$ 526	\$ 973	\$ 1,420
Key Advantage 65 -- PPO	\$ 152	\$ 304	N/A

The County has not adopted a funding policy for the implicitly subsidized costs of the County Plan. The County Plan has no assets and is financed on a pay-as-you-go basis.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 10—OTHER POSTEMPLOYMENT BENEFITS—HEALTH INSURANCE: (CONTINUED)

B. Funding Policies: (Continued)

School Board

The contribution requirements of plan members and the School Board are established and may be amended by the School Board. For eligible retirees, 100% of the nominal premium is the responsibility of the retiree. For the year beginning October 1, 2011, monthly required premiums were as follows:

	Monthly premium owed by retiree		
	Retiree	Retiree and one dependent	Family
Local Choice Expanded Benefits -- PPO	\$ 444	\$ 821	\$ 1,199
Local Choice 200 -- PPO	\$ 429	\$ 794	\$ 1,158
Local Choice High Deductible -- PPO	\$ 324	\$ 599	\$ 875
Advantage 65 -- PPO	\$ 176	\$ 352	N/A

The School Board has not adopted a funding policy for the implicitly subsidized costs of the School Plan. The School Plan has no assets and is financed on a pay-as-you-go basis.

C. Annual OPEB Cost and Net OPEB Obligation

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

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 10—OTHER POSTEMPLOYMENT BENEFITS—HEALTH INSURANCE: (CONTINUED)

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

The estimated contributions are based on projected medical premium payments and credit for the implicit rate subsidy made during the year for the retired employees by the County and the School Board. The following table presents the components of the County's and the School Board's annual OPEB cost for the year, the estimated contributions to the Plans, and changes in the County's and the School Board's net obligations for the Plans:

	<u>County</u>	<u>School Board</u>
Annual required contribution	\$ 40,800	\$ 132,900
Interest on OPEB obligation	821	5,200
Adjustment to ARC	(867)	(4,700)
Annual OPEB cost	<u>\$ 40,754</u>	<u>\$ 133,400</u>
Estimated contributions made	<u>(38,200)</u>	<u>(80,600)</u>
Increase in net OPEB obligation	\$ 2,554	\$ 52,800
Net OPEB obligation at beginning of year	<u>23,445</u>	<u>130,501</u>
Net OPEB obligation at end of year	<u><u>\$ 25,999</u></u>	<u><u>\$ 183,301</u></u>

The County's and the School Board's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the fiscal year 2013 and the two preceding years were as follows:

<u>Fiscal Year Ending:</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
County:			
June 30, 2011	\$ 29,764	80.63%	\$ 21,358
June 30, 2012	30,487	93.15%	23,445
June 30, 2013	40,754	93.73%	25,999
School Board:			
Non-professional			
June 30, 2011	\$ 121,756	68.33%	\$ 97,132
June 30, 2012	124,069	73.10%	130,501
June 30, 2013	133,400	60.42%	183,301

NOTE 10—OTHER POSTEMPLOYMENT BENEFITS—HEALTH INSURANCE: (CONTINUED)

D. Funded Status and Funding Progress

At January 1, 2013, the most recent actuarial valuation date, the County Plan was unfunded. The actuarial accrued liability for benefits was \$545,700, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$545,700. The covered payroll (annual payroll of active employees covered by the plan) was \$3,270,200, and the ratio of the UAAL to the covered payroll was 16.69%.

At January 1, 2013, the most recent actuarial valuation date, the School Board Plan was unfunded. The actuarial accrued liability for benefits was \$1,274,900, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,274,000. The covered payroll (annual payroll of active employees covered by the plan) was \$12,329,100, and the ratio of the UAAL to the covered payroll was 10.34%.

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

E. Actuarial Methods and Assumptions

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

County

In the January 1, 2013, most recent actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 3.50% investment rate of return, and an annual healthcare cost trend rate based on the Getzen Trend Model (7.70% graded to 4.80% graded over 70 years). The payroll growth rate was assumed to be 3.00%, which reflects a 2.50% inflation rate and a productivity component of 1.25%. The payroll growth rate also incorporates a step rate/ promotional rate of increase ranging from .50% to 1.25% based on years of service.

The UAAL is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at January 1, 2013 was 30 years.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 10—OTHER POSTEMPLOYMENT BENEFITS—HEALTH INSURANCE: (CONTINUED)

E. Actuarial Methods and Assumptions: (Continued)

School Board

In the January 1, 2013, most recent actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 3.50% investment rate of return, and an annual healthcare cost trend rate based on the Getzen Trend Model (7.70% graded to 4.80% graded over 70 years). The payroll growth rate was assumed to be 3.00%.

The UAAL is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at January 1, 2013 was 30 years.

NOTE 11—VRS HEALTH INSURANCE CREDIT - OTHER POSTEMPLOYMENT BENEFITS:

A. Plan Description

The School Board participates in the Health Insurance Credit Program, a plan designed to assist retirees with the cost of health insurance coverage. This program is a cost sharing, multiple-employer defined benefit plan administered by the Virginia Retirement System (VRS). The Virginia General Assembly establishes the dollar amount of the health insurance credit for each year of creditable service. The credit amount and eligibility differs for state, school division, political subdivision, local officer, local social services department and general registrar retirees.

A teacher, who retires under VRS with at least 15 years of total creditable service under the System and is enrolled in a health insurance plan, is eligible to receive a monthly health insurance credit of \$4 per year of creditable service. However, such credit shall not exceed the health insurance premium for the retiree. Disabled retirees automatically receive a monthly health insurance credit of \$4 multiplied by the smaller of (i) twice the amount of their creditable service or (ii) the amount of creditable service they would have completed at age 60 if they had remained in service to that age.

Benefit provisions and eligibility requirements are established by Title 51.1, Chapter 14 of the Code of Virginia. The VRS actuarially determines the amount necessary to fund all credits provided, reflects the cost of such credits in the applicable employer contribution rate pursuant to §51.1-145, and prescribes such terms and conditions as are necessary to carry out the provisions of the health insurance credit program. VRS issues separate financial statements as previously discussed in Note 9.

B. Funding Policy

The School Board is required to contribute, at an actuarially determined rate, the entire amount necessary to fund participation in the program. The current rate is 1.11% of annual covered payroll. The School Board's contributions to VRS for the years ended June 30, 2013, 2012, and 2011 were \$118,212, \$62,099, and \$62,081, respectively and equaled the required contributions for each year.

NOTE 12—EXCESS OF EXPENDITURES OVER APPROPRIATIONS:

There was no excess of expenditures over appropriations in any of the County or School Board funds for the year ended June 30, 2013.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 13—UNAVAILABLE/UNEARNED:

	<u>Government-wide Statements</u>	<u>Balance Sheet</u>
	<u>Governmental Activities</u>	<u>Governmental Funds</u>
Primary Government:		
Unavailable tax revenue:		
Uncollected property tax billings for which asset recognition criteria have not been met have been recorded as deferred revenue. The uncollected tax billings are not available for the funding of current expenditures.	\$ 9,981,961	\$ 11,814,629
Prepaid property taxes have been recorded as deferred revenue. Prepaid taxes collected are available for the funding of current expenditures.	<u>188,135</u>	<u>188,135</u>
Total primary government	<u>\$ 10,170,096</u>	<u>\$ 12,002,764</u>

The Component Unit School Board had no unearned or unavailable revenue.

NOTE 14—COMMITMENTS AND CONTINGENCIES:

Primary Government and Component Unit School Board:

Federal programs in which the County and School Board participate were audited in accordance with the provisions of U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Pursuant to the provisions of this circular all major programs and certain other programs were tested for compliance with applicable grant requirements. While no matters of noncompliance were disclosed by audit, the federal government may subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, any future disallowances of current grant program expenditures, if any, would be immaterial.

Operating Leases:

The County is leasing space at area locations in the County. None of the lease agreements have terms of more than one year. Total rent expenditures were \$75,060.

NOTE 15—LITIGATION:

At June 30, 2013 there were no matters of litigation involving the County or its component units that would have an adverse material effect on the financial position of the reporting entity should there be unfavorable rulings affecting the entities.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 16—SURETY BONDS:

	<u>Amount</u>
Virginia Department of Risk Management - Surety	
Judy Smythers, Clerk of the Circuit Court	\$ 450,000
Angela F. Johnson, Treasurer	400,000
Jean W. Payne, Commissioner of the Revenue	3,000
David Brooks, Sheriff	30,000
Above constitutional officers' employee - blanket bond	50,000
Virginia Association of Counties	
Group Self-Insurance Risk Pool - Crime coverage	
School Board employees	
Employee dishonesty - limit of liability	250,000
Fidelity and Deposit Company - Crime coverage	
Nelson County Department of Social Services employees	
Employee theft - per employee per occurrence	100,000
National Grange Mutual Insurance Company - Surety	
Thomas H. Bruguiera, Jr., Supervisor	1,000
Constance Brennan, Supervisor	1,000
Stephen A. Carter, County Administrator	2,000
Thomas D. Harvey, Supervisor	1,000
Allen M. Hale, Supervisor	1,000
Larry D. Saunders, Supervisor	1,000

NOTE 17—RISK MANAGEMENT:

The primary government and its component units are exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers compensation claims and natural disasters.

The County contracts with the Virginia Association of Counties Municipal Liability Pool to provide for insurance coverages for these risks of loss. In the event of a loss deficit and depletion of all assets and available insurance of the Pool, the Pool may assess all members in the proportion which the premium of each bears to the total premiums of all members in the year in which such deficit occurs. The property coverage is for specific amounts based on values assigned to the insured properties. Liability coverage is for \$4,000,000.

The School Board contracts with private insurers for property and liability coverages. Property coverages are for specific property values. General liability coverage is \$10,000,000 and wrongful acts liability coverage is \$4,000,000.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 17—RISK MANAGEMENT: (CONTINUED)

Unemployment Insurance:

The County and School Board are responsible for any unemployment claims. The Virginia Employment Commission bills the County for all unemployment claims.

Employee Health Insurance:

The County and School Board have contracted with a private carrier for health insurance coverages.

Other:

The County and its component units have had no reductions in insurance coverages from the prior year. There have been no settlements in excess of insurance coverages for the past three years, other than the payment of deductibles which are immaterial.

NOTE 18—ACCRUED LANDFILL REMEDIATION COST:

The County closed its landfill operation on October 8, 1993, and contracted with private contractors to dispose of its solid waste. The landfill closure commenced in July, 1994, and, in accordance with federal and state laws and regulations, the County is required to monitor the landfill for 10 years or until released by the Department of Environmental Quality. The original postclosure care liability of \$387,865 was determined by engineers. The revised cost estimate has been estimated at \$1,007,230 as of June 30, 2013. This cost may be revised in the future depending on changes in regulations and applicable environmental laws.

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

As discussed in Note 1, the County entered into a Use Agreement with the Region 2000 Services Authority to use its solid waste disposal landfills. Under the terms of the agreement, the County is responsible for its pro rata share, as defined, of costs budgeted for closure, post-closure and corrective action, to the extent that tipping fees paid are not adequate to cover such costs.

NOTE 19—RELATED PARTY TRANSACTIONS:

The County had certain transactions with the Nelson County Service Authority during fiscal year 2013. In addition to purchasing water from the Authority at its normal rates, the County provides office space for the Authority's administrative operations free of charge, and appropriated \$156,000 to the Authority for fire protection services. The County also paid \$162,812 to the Authority for debt service requirements for the Colleen water line.

COUNTY OF NELSON, VIRGINIA

Notes to Financial Statements
As of June 30, 2013 (Continued)

NOTE 19—RELATED PARTY TRANSACTIONS: (CONTINUED)

In October 2007, the County entered into an agreement with the Nelson County Service Authority (NCSA) to operate and maintain the Piney River III Water and Sewer system (Piney River III). NCSA also bills Piney River III customers, and remits collections to the County on a monthly basis. The County pays NCSA \$3.62 per 1,000 gallons of water delivered to Piney River III customers and \$2.94 per 1,000 gallons of sewerage delivered to NCSA by Piney River III customers.

NOTE 20—DEFERRED COMPENSATION PLAN:

The County offers an approved deferred compensation plan pursuant to Section 457 of the Internal Revenue Code. Permanent, part-time and full-time County employees are eligible to participate and may defer 25% of their gross income up to a maximum of \$16,500 in 2013. Eligible employees age 50 and over may defer up to \$22,000 in 2013. The compensation deferred is not available to employees until termination, retirement, death or an unforeseeable emergency.

The assets of the plan vest solely with the employee and are not available to the County general creditors.

Required Supplementary Information

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General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
General property taxes	\$ 20,195,156	\$ 20,195,156	\$ 21,529,646	\$ 1,334,490
Other local taxes	3,735,266	3,735,266	3,912,469	177,203
Permits, privilege fees, and regulatory licenses	193,150	193,150	176,921	(16,229)
Fines and forfeitures	236,600	256,840	278,688	21,848
Revenue from the use of money and property	104,500	104,500	109,932	5,432
Charges for services	236,950	236,950	224,528	(12,422)
Miscellaneous	25,410	25,410	124,531	99,121
Recovered costs	760,663	774,722	684,674	(90,048)
Intergovernmental revenues:				
Commonwealth	4,602,112	4,608,444	4,603,001	(5,443)
Federal	935,360	1,003,970	718,596	(285,374)
Total revenues	\$ 31,025,167	\$ 31,134,408	\$ 32,362,986	\$ 1,228,578
EXPENDITURES				
Current:				
General government administration	\$ 1,873,644	\$ 2,001,630	\$ 1,885,620	\$ 116,010
Judicial administration	732,529	781,492	733,316	48,176
Public safety	4,411,109	4,621,051	4,452,145	168,906
Public works	1,910,900	1,938,854	1,766,078	172,776
Health and welfare	2,371,730	2,457,724	2,446,824	10,900
Education	13,579,157	13,579,157	13,239,167	339,990
Parks, recreation, and cultural	473,664	477,354	465,924	11,430
Community development	1,132,023	1,223,797	944,992	278,805
Nondepartmental	1,580,720	1,020,770	87,166	933,604
Capital projects	2,945,980	2,975,480	1,224,680	1,750,800
Total expenditures	\$ 31,011,456	\$ 31,077,309	\$ 27,245,912	\$ 3,831,397
Excess (deficiency) of revenues over (under) expenditures	\$ 13,711	\$ 57,099	\$ 5,117,074	\$ 5,059,975
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	(4,327,154)	(4,496,624)	(4,496,624)	-
Issuance of long-term debt	1,800,000	1,800,000	-	(1,800,000)
Total other financing sources (uses)	\$ (2,527,154)	\$ (2,696,624)	\$ (4,496,624)	\$ (1,800,000)
Net change in fund balances	\$ (2,513,443)	\$ (2,639,525)	\$ 620,450	\$ 3,259,975
Fund balances - beginning	2,513,443	2,639,525	19,722,660	17,083,135
Fund balances - ending	\$ -	\$ -	\$ 20,343,110	\$ 20,343,110

Schedule of Pension and OPEB Funding Progress
At June 30, 2013

PRIMARY GOVERNMENT:

County Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (AVA) (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
June 30, 2010	\$ 12,341,225	\$ 15,768,810	\$ 3,427,585	78.26%	\$ 3,256,900	105.24%
June 30, 2011	12,657,287	16,214,067	3,556,780	78.06%	3,291,886	108.05%
June 30, 2012	12,548,691	16,526,361	3,977,670	75.93%	3,398,629	117.04%

County Retiree Healthcare Plan

Actuarial Valuation Date	Actuarial Value of Assets (AVA) (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
January 1, 2009	\$ -	\$ 447,900	\$ 447,900	0.00%	\$ 3,370,800	13.29%
January 1, 2011	-	422,000	422,000	0.00%	3,213,000	13.13%
January 1, 2013	-	545,700	545,700	0.00%	3,270,200	16.69%

DISCRETELY PRESENTED COMPONENT UNIT:

School Board Non-Professional Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets (AVA) (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
June 30, 2010	\$ 4,760,768	\$ 5,872,301	\$ 1,111,533	81.07%	\$ 1,568,454	70.87%
June 30, 2011	4,914,403	6,094,432	1,180,029	80.64%	1,552,895	75.99%
June 30, 2012	4,932,376	6,316,276	1,383,900	78.09%	1,477,219	93.68%

School Board Retiree Healthcare Plan

Actuarial Valuation Date	Actuarial Value of Assets (AVA) (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
January 1, 2009	\$ -	\$ 1,094,200	\$ 1,094,200	0.00%	\$ 12,354,600	8.86%
January 1, 2011	-	1,151,100	1,151,100	0.00%	12,281,000	9.37%
January 1, 2013	-	1,274,900	1,274,900	0.00%	12,329,100	10.34%

Other Supplementary Information

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Combining and Individual Fund Statements and Schedules

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Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Debt service:				
Principal retirement	\$ 2,213,456	\$ 1,997,868	\$ 10,564,394	\$ (8,566,526)
Interest and other fiscal charges	1,328,801	1,251,421	1,391,364	(139,943)
Total expenditures	\$ 3,542,257	\$ 3,249,289	\$ 11,955,758	\$ (8,706,469)
Excess (deficiency) of revenues over (under) expenditures	\$ (3,542,257)	\$ (3,249,289)	\$ (11,955,758)	\$ (8,706,469)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 3,542,257	\$ 3,542,257	\$ 3,542,257	\$ -
Transfers out	-	(332,118)	(332,118)	-
Issuance of VPSA/Literary loans	-	-	7,692,136	7,692,136
Premium on issuance	-	-	1,026,998	1,026,998
Total other financing sources (uses)	\$ 3,542,257	\$ 3,210,139	\$ 11,929,273	\$ 8,719,134
Net change in fund balances	\$ -	\$ (39,150)	\$ (26,485)	\$ 12,665
Fund balances - beginning	-	39,150	190,486	151,336
Fund balances - ending	\$ -	\$ -	\$ 164,001	\$ 164,001

Capital Projects Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Revenue from the use of money and property	\$ 75	\$ 75	\$ 79	\$ 4
Total revenues	\$ 75	\$ 75	\$ 79	\$ 4
EXPENDITURES				
Capital projects	\$ 853,826	\$ 853,826	\$ 239,044	\$ 614,782
Total expenditures	\$ 853,826	\$ 853,826	\$ 239,044	\$ 614,782
Excess (deficiency) of revenues over (under) expenditures	\$ (853,751)	\$ (853,751)	\$ (238,965)	\$ 614,786
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ 332,118	\$ 332,118
Transfers out	-	(250,000)	(250,000)	-
Issuance of lease revenue bonds	387,137	387,137	54,255	(332,882)
Total other financing sources (uses)	\$ 387,137	\$ 137,137	\$ 136,373	\$ (764)
Net change in fund balances	\$ (466,614)	\$ (716,614)	\$ (102,592)	\$ 614,022
Fund balances - beginning	466,614	716,614	2,250,387	1,533,773
Fund balances - ending	\$ -	\$ -	\$ 2,147,795	\$ 2,147,795

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Nonmajor Special Revenue Fund
 For the Year Ended June 30, 2013

	Housing Improvement Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues:				
Federal	684,008	684,008	582,066	(101,942)
Total revenues	<u>\$ 684,008</u>	<u>\$ 684,008</u>	<u>\$ 582,066</u>	<u>\$ (101,942)</u>
EXPENDITURES				
Current:				
Community development	\$ 657,008	\$ 657,008	\$ 557,766	\$ 99,242
Total expenditures	<u>\$ 657,008</u>	<u>\$ 657,008</u>	<u>\$ 557,766</u>	<u>\$ 99,242</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 27,000</u>	<u>\$ 27,000</u>	<u>\$ 24,300</u>	<u>\$ (2,700)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ (27,000)	\$ (27,000)	\$ (24,300)	\$ 2,700
Total other financing sources (uses)	<u>\$ (27,000)</u>	<u>\$ (27,000)</u>	<u>\$ (24,300)</u>	<u>\$ 2,700</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	50	50
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50</u>	<u>\$ 50</u>

Combining Statement of Fiduciary Net Position
 Fiduciary Funds
 At June 30, 2013

	<u>Agency Funds</u>		<u>Total</u>
	<u>Special Welfare</u>	<u>EMS Loan Fund</u>	
Assets			
Cash and cash equivalents	\$ 25,796	\$ 687,930	\$ 713,726
Other receivables	<u>5,903</u>	<u>-</u>	<u>5,903</u>
Total assets	<u>\$ 31,699</u>	<u>\$ 687,930</u>	<u>\$ 719,629</u>
Liabilities			
Amounts held for others	<u>\$ 31,699</u>	<u>\$ 687,930</u>	<u>\$ 719,629</u>
Total liabilities	<u>\$ 31,699</u>	<u>\$ 687,930</u>	<u>\$ 719,629</u>

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 For the Year Ended June 30, 2013

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
Special Welfare Fund:				
Assets				
Cash and cash equivalents	\$ 22,809	\$ 14,304	\$ 11,317	\$ 25,796
Other receivables	-	5,903	-	5,903
Total assets	<u>22,809</u>	<u>20,207</u>	<u>11,317</u>	<u>31,699</u>
Liabilities				
Amounts held for others	<u>\$ 22,809</u>	<u>\$ 20,207</u>	<u>\$ 11,317</u>	<u>\$ 31,699</u>
EMS Loan Fund:				
Assets				
Cash and cash equivalents	<u>\$ 659,293</u>	<u>\$ 163,637</u>	<u>\$ 135,000</u>	<u>\$ 687,930</u>
Liabilities				
Amounts held for others	<u>\$ 659,293</u>	<u>\$ 163,637</u>	<u>\$ 135,000</u>	<u>\$ 687,930</u>
Total Agency Funds				
Assets				
Cash and cash equivalents	\$ 682,102	\$ 177,941	\$ 146,317	\$ 713,726
Other receivables	-	5,903	-	5,903
Total assets	<u>682,102</u>	<u>183,844</u>	<u>146,317</u>	<u>719,629</u>
Liabilities				
Amounts held for others	<u>\$ 682,102</u>	<u>\$ 183,844</u>	<u>\$ 146,317</u>	<u>\$ 719,629</u>

Component Unit School Board
 Balance Sheet
 At June 30, 2013

	<u>School Operating Fund</u>
Assets	
Cash and cash equivalents	\$ 1,706,091
Receivables:	
Accounts receivable	10,802
Due from other governments	544,774
Inventories	96,519
Prepaid items	<u>17,948</u>
Total assets	<u>\$ 2,376,134</u>
Liabilities	
Accounts payable	\$ 84,575
Accrued liabilities	1,475,205
Due to primary government	<u>558,404</u>
Total liabilities	<u>\$ 2,118,184</u>
Fund balance	
Nonspendable	\$ 114,467
Committed	257,950
Unassigned	<u>(114,467)</u>
Total fund balances	<u>\$ 257,950</u>
Total liabilities and fund balance	<u>\$ 2,376,134</u>

Component Unit School Board
 Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position
 At June 30, 2013

Total fund balance for governmental fund (Exhibit 20) \$ 257,950

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund. Those assets consist of:

Land and improvements	\$	851,210	
Buildings and improvements, net of depreciation		27,141,233	
Equipment, net of depreciation		1,376,408	
School Board capital assets in primary government, net of depreciation		<u>(15,764,624)</u>	13,604,227

Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities.

Compensated absences	\$	(384,870)	
Net OPEB obligation		<u>(183,301)</u>	<u>(568,171)</u>
Total net position of governmental activities (Exhibit 1)			<u>\$ 13,294,006</u>

Component Unit School Board
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Fund
 For the Year Ended June 30, 2013

	<u>School Operating Fund</u>
Revenues	
Revenue from the use of money and property	\$ 87
Charges for services	450,615
Miscellaneous	347,159
Recovered costs	89,665
Intergovernmental revenues:	
Appropriations from primary government	13,236,117
Commonwealth	7,781,562
Federal	<u>1,714,626</u>
Total revenues	<u>\$ 23,619,831</u>
Expenditures	
Current:	
Education	
Instruction	\$ 15,567,896
Administration, attendance and health	1,223,835
Transportation	2,177,582
Facilities operations	2,704,743
School food services	1,088,332
Technology	<u>1,155,509</u>
Total expenditures	<u>\$ 23,917,897</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (298,066)
Fund balance, beginning of year	<u>556,016</u>
Fund balance, end of year	<u><u>\$ 257,950</u></u>

Component Unit School Board
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balance of Governmental Fund to the Statement of Activities
 For the Year Ended June 30, 2013

Net change in fund balance - total governmental fund (Exhibit 22) \$ (298,066)

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

Capital asset additions	\$	32,378	
Depreciation expense		(957,209)	
Adjustment for jointly owned capital assets		<u>1,229,625</u>	304,794

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment combines the net changes of the following:

Compensated absences	\$	(46,378)	
Net OPEB obligation		<u>(52,800)</u>	<u>(99,178)</u>

Change in net position of governmental activities (Exhibit 2) \$ (92,450)

Component Unit School Board
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2013

	School Operating Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 75	\$ -	\$ 87	\$ 87
Charges for services	568,268	516,298	450,615	(65,683)
Miscellaneous	448,983	362,024	347,159	(14,865)
Recovered costs	103,101	89,665	89,665	-
Intergovernmental revenues:				
Local government	13,576,107	13,576,107	13,236,117	(339,990)
Commonwealth	7,790,063	7,707,694	7,781,562	73,868
Federal	2,038,844	2,338,044	1,714,626	(623,418)
Total revenues	<u>\$ 24,525,441</u>	<u>\$ 24,589,832</u>	<u>\$ 23,619,831</u>	<u>\$ (970,001)</u>
EXPENDITURES				
Current:				
Education				
Instruction	\$ 16,444,980	\$ 16,127,214	\$ 15,567,896	\$ 559,318
Administration, attendance and health	1,306,550	1,340,974	1,223,835	117,139
Transportation	2,296,884	2,298,793	2,177,582	121,211
Facilities operations	2,877,827	2,892,607	2,704,743	187,864
School food services	1,063,607	1,063,607	1,088,332	(24,725)
Technology	1,062,163	1,172,236	1,155,509	16,727
Total expenditures	<u>\$ 25,052,011</u>	<u>\$ 24,895,431</u>	<u>\$ 23,917,897</u>	<u>\$ 977,534</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (526,570)</u>	<u>\$ (305,599)</u>	<u>\$ (298,066)</u>	<u>\$ 7,533</u>
Fund balances - beginning	<u>526,570</u>	<u>305,599</u>	<u>556,016</u>	<u>250,417</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 257,950</u>	<u>\$ 257,950</u>

Supporting Schedules

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Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2013

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 17,024,104	\$ 17,024,104	\$ 17,796,631	\$ 772,527
Real and personal public service corporation taxes	595,000	595,000	662,087	67,087
Personal property taxes	2,285,552	2,285,552	2,684,018	398,466
Mobile home taxes	26,000	26,000	13,713	(12,287)
Machinery and tools taxes	4,500	4,500	8,216	3,716
Penalties	130,000	130,000	183,584	53,584
Interest	130,000	130,000	181,397	51,397
Total general property taxes	<u>\$ 20,195,156</u>	<u>\$ 20,195,156</u>	<u>\$ 21,529,646</u>	<u>\$ 1,334,490</u>
Other local taxes:				
Local sales and use taxes	\$ 1,034,128	\$ 1,034,128	\$ 1,045,178	\$ 11,050
Consumers' utility taxes	460,711	460,711	479,765	19,054
Business license taxes	30,000	30,000	32,610	2,610
Utility franchise taxes	102,115	102,115	92,209	(9,906)
Motor vehicle licenses	686,625	686,625	708,474	21,849
Bank franchise tax	60,000	60,000	72,716	12,716
Taxes on recordation and wills	202,450	202,450	220,425	17,975
Transient occupancy tax	420,000	420,000	433,692	13,692
Meals tax	739,237	739,237	827,211	87,974
Street light tax	-	-	189	189
Total other local taxes	<u>\$ 3,735,266</u>	<u>\$ 3,735,266</u>	<u>\$ 3,912,469</u>	<u>\$ 177,203</u>
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 8,000	\$ 8,000	\$ 11,342	\$ 3,342
Dog pound fees	1,400	1,400	3,073	1,673
Land use application fees	15,000	15,000	6,370	(8,630)
Transfer fees	750	750	830	80
Zoning & Subdivision fees	1,000	1,000	3,452	2,452
Building permits	135,000	135,000	115,488	(19,512)
Building inspection fees	7,000	7,000	17,009	10,009
Special use permits	1,000	1,000	280	(720)
Well & Septic fees	6,000	6,000	7,075	1,075
Land disturbing fees	11,000	11,000	8,280	(2,720)
Tourism collections	7,000	7,000	3,722	(3,278)
Total permits, privilege fees, and regulatory licenses	<u>\$ 193,150</u>	<u>\$ 193,150</u>	<u>\$ 176,921</u>	<u>\$ (16,229)</u>
Fines and forfeitures:				
Court fines and forfeitures	\$ 236,600	\$ 256,840	\$ 278,688	\$ 21,848
Total fines and forfeitures	<u>\$ 236,600</u>	<u>\$ 256,840</u>	<u>\$ 278,688</u>	<u>\$ 21,848</u>
Revenue from use of money and property:				
Revenue from use of money	\$ 100,000	\$ 100,000	\$ 50,976	\$ (49,024)
Revenue from use of property	4,500	4,500	12,678	8,178
Sale of general property	-	-	5,744	5,744
Real estate tax sale proceeds	-	-	40,534	40,534
Total revenue from use of money and property	<u>\$ 104,500</u>	<u>\$ 104,500</u>	<u>\$ 109,932</u>	<u>\$ 5,432</u>

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2013

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Revenue from local sources: (Continued)				
Charges for services:				
Sheriff's fees	\$ 6,000	\$ 6,000	\$ 10,988	\$ 4,988
Law library fees	2,500	2,500	2,478	(22)
Courthouse maintenance fees	9,500	9,500	8,044	(1,456)
Document reproduction fees	3,000	3,000	4,527	1,527
Excess fees paid to Circuit Court	-	-	6	6
Court appointed attorney fees	-	-	1,575	1,575
Fingerprint/Report fees	100	100	310	210
Cost of postage - Circuit Court	-	-	21	21
Charges for Commonwealth's Attorney	500	500	1,279	779
Charges for sanitation and waste removal	165,000	165,000	145,506	(19,494)
Charges for parks and recreation	49,350	49,350	48,016	(1,334)
Sale of literature	1,000	1,000	1,778	778
Total charges for services	\$ 236,950	\$ 236,950	\$ 224,528	\$ (12,422)
Miscellaneous revenue:				
Expenditure refunds	\$ 15,000	\$ 15,000	\$ 95,176	\$ 80,176
Other miscellaneous	10,410	10,410	29,355	18,945
Total miscellaneous revenue	\$ 25,410	\$ 25,410	\$ 124,531	\$ 99,121
Recovered costs:				
DSS Reimbursement	\$ 50,000	\$ 50,000	\$ 54,162	\$ 4,162
School Resource officer and other costs	30,000	30,000	25,207	(4,793)
Jaunt Wintergreen	33,663	33,663	16,500	(17,163)
Colleen water & sewer connection fees	10,000	10,000	4,000	(6,000)
DMV stop fees	12,000	26,059	27,257	1,198
EMS revenue recovery	620,000	620,000	535,232	(84,768)
Forest Service Coop. agreement	5,000	5,000	7,343	2,343
Other recovered costs	-	-	14,973	14,973
Total recovered costs	\$ 760,663	\$ 774,722	\$ 684,674	\$ (90,048)
Total revenue from local sources	\$ 25,487,695	\$ 25,521,994	\$ 27,041,389	\$ 1,519,395
Intergovernmental revenues:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Motor vehicle carriers' tax	\$ 86,804	\$ 86,804	\$ 212,626	\$ 125,822
Mobile home titling tax	15,000	15,000	9,417	(5,583)
Tax on deeds	75,160	75,160	57,088	(18,072)
Communication sales & use tax	480,000	480,000	484,829	4,829
Personal property tax relief funds	1,708,030	1,708,030	1,708,524	494
Total noncategorical aid	\$ 2,364,994	\$ 2,364,994	\$ 2,472,484	\$ 107,490

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2013

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Intergovernmental revenues (continued):				
Revenue from the Commonwealth (continued):				
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 198,974	\$ 198,974	\$ 198,451	\$ (523)
Sheriff	726,332	726,332	726,748	416
Commissioner of revenue	79,320	79,320	79,317	(3)
Treasurer	84,477	84,477	80,077	(4,400)
Registrar/electoral board	35,233	39,233	33,375	(5,858)
Clerk of the Circuit Court	186,661	186,661	198,989	12,328
Total shared expenses	<u>\$ 1,310,997</u>	<u>\$ 1,314,997</u>	<u>\$ 1,316,957</u>	<u>\$ 1,960</u>
Welfare:				
Public assistance and welfare administration	\$ 318,014	\$ 318,014	\$ 309,530	\$ (8,484)
Other categorical aid:				
E911 wireless grant	\$ 40,000	\$ 40,000	\$ 39,087	\$ (913)
DMV animal friendly plates	400	400	413	13
Fire programs	42,000	42,000	42,839	839
Four for life	21,300	21,300	16,596	(4,704)
Litter control grant	5,265	7,597	7,597	-
Victim-witness grant	20,500	20,500	5,337	(15,163)
VJCCA Dept - Juvenile Justice	9,788	9,788	9,882	94
Comprehensive services act	463,854	463,854	373,002	(90,852)
Performance arts grant	5,000	5,000	5,000	-
Other categorical	-	-	4,277	4,277
Total other categorical aid	<u>\$ 608,107</u>	<u>\$ 610,439</u>	<u>\$ 504,030</u>	<u>\$ (106,409)</u>
Total categorical aid	<u>\$ 2,237,118</u>	<u>\$ 2,243,450</u>	<u>\$ 2,130,517</u>	<u>\$ (112,933)</u>
Total revenue from the Commonwealth	<u>\$ 4,602,112</u>	<u>\$ 4,608,444</u>	<u>\$ 4,603,001</u>	<u>\$ (5,443)</u>
Revenue from the federal government:				
Noncategorical aid:				
Payments in lieu of taxes	\$ 44,864	\$ 44,864	\$ 54,363	\$ 9,499
Categorical aid:				
Public assistance and welfare administration	\$ 477,022	\$ 477,022	\$ 478,134	\$ 1,112
Victim witness program	-	-	16,012	16,012
Sheriff's grants	-	12,000	7,420	(4,580)
VEC grant	-	-	4,000	4,000
SCAAP (federal prisoners)	-	-	2,262	2,262
Domestic preparedness grant	-	-	25,715	25,715
USDA specialty crop grant	-	54,144	59,193	5,049
FEMA disaster relief	-	-	1,845	1,845
Sheriff's Byrne Grant	-	1,914	-	(1,914)
Recovery Act BJA Byrne JAG Grant	-	552	552	-
Trail grant (TEA-21)	335,000	335,000	58,980	(276,020)
Tunnel Grant (TEA-21)	78,474	78,474	10,120	(68,354)
Total categorical aid	<u>\$ 890,496</u>	<u>\$ 959,106</u>	<u>\$ 664,233</u>	<u>\$ (294,873)</u>
Total revenue from the federal government	<u>\$ 935,360</u>	<u>\$ 1,003,970</u>	<u>\$ 718,596</u>	<u>\$ (285,374)</u>
Total General Fund	<u>\$ 31,025,167</u>	<u>\$ 31,134,408</u>	<u>\$ 32,362,986</u>	<u>\$ 1,228,578</u>

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2013

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Special Revenue Funds:				
Housing Improvement Fund:				
Intergovernmental Revenue:				
Revenue from the Federal Government:				
Categorical aid:				
Community Development Block Grant	\$ 684,008	\$ 684,008	\$ 582,066	\$ (101,942)
Total categorical aid	<u>\$ 684,008</u>	<u>\$ 684,008</u>	<u>\$ 582,066</u>	<u>\$ (101,942)</u>
Total revenue from the Federal Government	\$ 684,008	\$ 684,008	\$ 582,066	\$ (101,942)
Total Housing Improvement Fund	<u>\$ 684,008</u>	<u>\$ 684,008</u>	<u>\$ 582,066</u>	<u>\$ (101,942)</u>
Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ 75	\$ 75	\$ 79	\$ 4
Total revenue from local sources	<u>\$ 75</u>	<u>\$ 75</u>	<u>\$ 79</u>	<u>\$ 4</u>
Total Capital Improvements Fund	<u>\$ 75</u>	<u>\$ 75</u>	<u>\$ 79</u>	<u>\$ 4</u>
Total Primary Government	<u>\$ 31,709,250</u>	<u>\$ 31,818,491</u>	<u>\$ 32,945,131</u>	<u>\$ 1,126,640</u>
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Revenue from use of money and property:				
Revenue from the use of money	\$ 75	\$ -	\$ 87	\$ 87
Charges for services:				
Charges for education	\$ 14,000	\$ 6,000	\$ 6,000	\$ -
Charges for cafeteria	554,268	510,298	444,615	(65,683)
Total charges for services	<u>\$ 568,268</u>	<u>\$ 516,298</u>	<u>\$ 450,615</u>	<u>\$ (65,683)</u>
Miscellaneous revenue:				
Other miscellaneous	\$ 448,983	\$ 362,024	\$ 347,159	\$ (14,865)
Total miscellaneous revenue	<u>\$ 448,983</u>	<u>\$ 362,024</u>	<u>\$ 347,159</u>	<u>\$ (14,865)</u>
Recovered costs:				
Other recovered costs	\$ 103,101	\$ 89,665	\$ 89,665	\$ -
Total recovered costs	<u>\$ 103,101</u>	<u>\$ 89,665</u>	<u>\$ 89,665</u>	<u>\$ -</u>
Total revenue from local sources	<u>\$ 1,120,427</u>	<u>\$ 967,987</u>	<u>\$ 887,526</u>	<u>\$ (80,461)</u>
Intergovernmental revenues:				
Revenues from local governments:				
Contribution from County of Nelson, Virginia	\$ 13,576,107	\$ 13,576,107	\$ 13,236,117	\$ (339,990)
Total revenues from local governments	<u>\$ 13,576,107</u>	<u>\$ 13,576,107</u>	<u>\$ 13,236,117</u>	<u>\$ (339,990)</u>

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2013

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit - School Board: (Continued)				
School Operating Fund: (Continued)				
Intergovernmental revenues (Continued):				
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 1,924,272	\$ 1,918,116	\$ 1,925,919	\$ 7,803
Basic school aid	3,494,136	3,497,685	3,497,685	-
GED funding	15,717	15,717	15,717	-
Remedial summer education	36,788	36,017	36,017	-
Regular foster care	114,872	65,258	65,258	-
Gifted and talented	35,940	36,057	36,057	-
Remedial education	110,165	110,523	110,523	-
Special education	487,541	489,121	489,121	-
Textbook payment	70,107	-	70,335	70,335
Vocational standards of quality payments	110,947	111,306	111,306	-
Social security fringe benefits	215,643	216,342	216,342	-
Retirement fringe benefits	359,405	360,570	360,570	-
Group life insurance instructional	13,282	13,325	13,325	-
Early reading intervention	15,256	17,798	17,798	-
VPSA technology	154,000	154,000	154,000	-
Homebound education	6,937	6,190	6,190	-
Regional program tuition	94,136	83,198	83,198	-
Vocational education - equipment	-	6,050	6,050	-
Vocational education - occupational/tech ed	30,610	35,353	35,353	-
Special education - foster children	-	37,129	37,129	-
School food	10,953	19,351	18,589	(762)
At risk payments	113,160	113,520	113,520	-
Additional teachers assistance	69,154	69,154	69,154	-
Pre-school initiative	108,000	105,000	105,000	-
Primary class size	153,255	149,456	149,456	-
Other state funds	45,787	41,458	37,950	(3,508)
Total categorical aid	\$ 7,790,063	\$ 7,707,694	\$ 7,781,562	\$ 73,868
Total revenue from the Commonwealth	\$ 7,790,063	\$ 7,707,694	\$ 7,781,562	\$ 73,868
Revenue from the federal government:				
Categorical aid:				
Forest reserve	\$ 5,500	\$ 4,281	\$ 4,281	\$ -
Title 1/A grants to LEAs	614,211	760,937	445,601	(315,336)
IDEA 611 flow-through (Title VI-B)	655,354	640,267	498,842	(141,425)
Title 1 - Carl Perkins vocational	38,497	56,648	39,283	(17,365)
Preschool grants/special ed	13,324	13,324	6,263	(7,061)
Title II/D education technical	3,508	-	3,418	3,418
Longitudinal system expand	-	68,521	2,021	(66,500)
Title III language acquisition	72,339	72,340	27,516	(44,824)
Title II part A	133,982	175,639	95,112	(80,527)
School food	490,000	533,958	533,308	(650)
School food commodities	-	-	58,981	58,981
Total categorical aid	\$ 2,038,844	\$ 2,338,044	\$ 1,714,626	\$ (623,418)
Total School Operating Fund	\$ 24,525,441	\$ 24,589,832	\$ 23,619,831	\$ (970,001)

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2013

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 118,459	\$ 133,459	\$ 125,629	\$ 7,830
General government administration:				
County administrator	\$ 303,292	\$ 323,772	\$ 317,547	\$ 6,225
County attorney	75,000	107,500	104,741	2,759
Commissioner of revenue	235,741	242,389	238,868	3,521
Reassessment	270,088	270,088	225,686	44,402
Board of equalization	1,905	1,905	-	1,905
Treasurer	311,100	325,159	325,277	(118)
Finance and accounting	227,420	236,000	231,761	4,239
Technology	202,049	203,873	173,687	30,186
Land use panel	8,312	8,312	1,063	7,249
Total general and financial administration	\$ 1,634,907	\$ 1,718,998	\$ 1,618,630	\$ 100,368
Board of elections:				
Board of elections	\$ 31,684	\$ 58,594	\$ 52,912	\$ 5,682
Registrar	88,594	90,579	88,449	2,130
Total board of elections	\$ 120,278	\$ 149,173	\$ 141,361	\$ 7,812
Total general government administration	\$ 1,873,644	\$ 2,001,630	\$ 1,885,620	\$ 116,010
Judicial administration:				
Courts:				
Circuit court	\$ 29,550	\$ 29,550	\$ 27,364	\$ 2,186
General district court	6,313	6,313	3,606	2,707
VJCCA	41,785	71,785	55,710	16,075
Juvenile and domestic relations court	5,916	5,916	5,039	877
Magistrate	840	840	257	583
Clerk of the circuit court	324,977	334,290	314,195	20,095
Total courts	\$ 409,381	\$ 448,694	\$ 406,171	\$ 42,523
Commonwealth's attorney:				
Commonwealth's attorney	\$ 323,148	\$ 332,798	\$ 327,145	\$ 5,653
Total commonwealth's attorney	\$ 323,148	\$ 332,798	\$ 327,145	\$ 5,653
Total judicial administration	\$ 732,529	\$ 781,492	\$ 733,316	\$ 48,176
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 1,375,979	\$ 1,443,325	\$ 1,429,900	\$ 13,425
E-911	298,089	307,730	229,169	78,561
Emergency services council	601,884	647,128	629,499	17,629
Emergency services	370,923	372,092	346,686	25,406
T.J. EMS Council	19,629	19,629	19,629	-
Fire protection	156,000	156,000	156,000	-
Paid EMS	685,429	685,429	677,817	7,612
Forestry service	20,338	20,338	20,337	1

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2013

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Public safety: (Continued)				
Law enforcement and traffic control: (Continued)				
Regional jail services	\$ 541,731	\$ 613,251	\$ 619,051	\$ (5,800)
Building inspector	211,768	216,790	207,571	9,219
Animal control	127,234	137,234	114,501	22,733
OAR/Jefferson Area Community Corrections	1,945	1,945	1,945	-
Medical examiner	160	160	40	120
Total law enforcement and traffic control	<u>\$ 4,411,109</u>	<u>\$ 4,621,051</u>	<u>\$ 4,452,145</u>	<u>\$ 168,906</u>
Total public safety	<u>\$ 4,411,109</u>	<u>\$ 4,621,051</u>	<u>\$ 4,452,145</u>	<u>\$ 168,906</u>
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Automotive/motor pool	\$ 220,500	\$ 220,500	\$ 195,023	\$ 25,477
Total maintenance of highways, streets, bridges & sidewalks	<u>\$ 220,500</u>	<u>\$ 220,500</u>	<u>\$ 195,023</u>	<u>\$ 25,477</u>
Sanitation and waste removal:				
Refuse collection and disposal	\$ 1,017,423	\$ 1,023,779	\$ 935,985	\$ 87,794
Total sanitation and waste removal	<u>\$ 1,017,423</u>	<u>\$ 1,023,779</u>	<u>\$ 935,985</u>	<u>\$ 87,794</u>
Maintenance of general buildings and grounds:				
General properties	\$ 672,977	\$ 694,575	\$ 635,070	\$ 59,505
Total maintenance of general buildings and grounds	<u>\$ 672,977</u>	<u>\$ 694,575</u>	<u>\$ 635,070</u>	<u>\$ 59,505</u>
Total public works	<u>\$ 1,910,900</u>	<u>\$ 1,938,854</u>	<u>\$ 1,766,078</u>	<u>\$ 172,776</u>
Health and welfare:				
Health:				
Health department	\$ 223,268	\$ 309,262	\$ 261,338	\$ 47,924
Total health	<u>\$ 223,268</u>	<u>\$ 309,262</u>	<u>\$ 261,338</u>	<u>\$ 47,924</u>
Mental health and mental retardation:				
Region Ten community services board	\$ 72,078	\$ 72,078	\$ 72,078	\$ -
Total mental health and mental retardation	<u>\$ 72,078</u>	<u>\$ 72,078</u>	<u>\$ 72,078</u>	<u>\$ -</u>

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2013

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Health and welfare (Continued):				
Welfare:				
Public assistance and administration	\$ 1,104,441	\$ 1,104,441	\$ 1,095,318	\$ 9,123
MACAA	29,914	29,914	29,914	-
Senior center meals	22,241	22,241	22,241	-
At risk youth program	713,700	713,700	623,773	89,927
Shelter for help	7,644	7,644	7,644	-
JAUNT	101,002	101,002	87,255	13,747
JABA	90,000	90,000	90,000	-
Sexual assault resource agency	765	765	765	-
CASA of Central Virginia	2,500	2,500	2,500	-
Community service	4,177	4,177	4,518	(341)
Tax relief for the elderly	-	-	149,480	(149,480)
Total welfare	<u>\$ 2,076,384</u>	<u>\$ 2,076,384</u>	<u>\$ 2,113,408</u>	<u>\$ (37,024)</u>
Total health and welfare	<u>\$ 2,371,730</u>	<u>\$ 2,457,724</u>	<u>\$ 2,446,824</u>	<u>\$ 10,900</u>
Education:				
Other instructional costs:				
Community College	\$ 3,050	\$ 3,050	\$ 3,050	\$ -
Appropriation to public school system	<u>13,576,107</u>	<u>13,576,107</u>	<u>13,236,117</u>	<u>339,990</u>
Total education	<u>\$ 13,579,157</u>	<u>\$ 13,579,157</u>	<u>\$ 13,239,167</u>	<u>\$ 339,990</u>
Parks, recreation, and cultural:				
Parks and recreation:				
Parks and recreation	\$ 203,016	\$ 206,706	\$ 195,276	\$ 11,430
Total parks and recreation	<u>\$ 203,016</u>	<u>\$ 206,706</u>	<u>\$ 195,276</u>	<u>\$ 11,430</u>
Cultural enrichment:				
Wintergreen Performing Arts	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
Total cultural enrichment	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ -</u>
Library:				
Regional library	\$ 260,648	\$ 260,648	\$ 260,648	\$ -
Total library	<u>\$ 260,648</u>	<u>\$ 260,648</u>	<u>\$ 260,648</u>	<u>\$ -</u>
Total parks, recreation, and cultural	<u>\$ 473,664</u>	<u>\$ 477,354</u>	<u>\$ 465,924</u>	<u>\$ 11,430</u>
Community development:				
Planning and community development:				
Planning	\$ 208,632	\$ 225,079	\$ 207,713	\$ 17,366
Community development	273,509	346,504	346,464	40
Nelson Volunteer Coalition	5,100	5,100	5,100	-
Colleen water/sewer subsidy	162,812	162,812	162,812	-
Blue Ridge Railway Trail	335,000	335,000	79,644	255,356
Anti-litter program	5,265	7,597	834	6,763
Nelson County Economic Development Authority	-	-	6,720	(6,720)
Thomas Jefferson Partnership for Economic Development	12,500	12,500	12,500	-
Nelson County Community Development Foundation	55,729	55,729	55,729	-
Total planning and community development	<u>\$ 1,058,547</u>	<u>\$ 1,150,321</u>	<u>\$ 877,516</u>	<u>\$ 272,805</u>

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2013

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Community development: (Continued)				
Environmental management:				
Contribution to soil and water district	\$ 25,500	\$ 25,500	\$ 25,500	\$ -
Total environmental management	\$ 25,500	\$ 25,500	\$ 25,500	\$ -
Cooperative extension program:				
Extension office	\$ 47,976	\$ 47,976	\$ 41,976	\$ 6,000
Total cooperative extension program	\$ 47,976	\$ 47,976	\$ 41,976	\$ 6,000
Total community development	\$ 1,132,023	\$ 1,223,797	\$ 944,992	\$ 278,805
Nondepartmental:				
Refunds	\$ 36,000	\$ 42,500	\$ 39,097	\$ 3,403
Reserve for contingency	1,419,296	917,486	-	917,486
Other nondepartmental	125,424	60,784	48,069	12,715
Total nondepartmental	\$ 1,580,720	\$ 1,020,770	\$ 87,166	\$ 933,604
Capital projects:				
Blue Ridge Tunnel (TEA-21)	\$ 45,980	\$ 45,980	\$ 15,642	\$ 30,338
Solid waste truck	-	-	79,820	(79,820)
Public safety radio project	2,900,000	2,900,000	1,092,183	1,807,817
Other capital projects	-	29,500	37,035	(7,535)
Total capital projects	\$ 2,945,980	\$ 2,975,480	\$ 1,224,680	\$ 1,750,800
Total General Fund	\$ 31,011,456	\$ 31,077,309	\$ 27,245,912	\$ 3,831,397
Special Revenue Funds:				
Housing Improvement Fund:				
Community development:				
Planning and community development:				
Dental center renovation	\$ 657,008	\$ 657,008	\$ 557,766	\$ 99,242
Total community development	\$ 657,008	\$ 657,008	\$ 557,766	\$ 99,242
Total Housing Improvement Fund	\$ 657,008	\$ 657,008	\$ 557,766	\$ 99,242

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2013

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Debt Service Fund:				
Debt service:				
Principal retirement	\$ 2,213,456	\$ 1,997,868	\$ 10,564,394	\$ (8,566,526)
Interest and other fiscal charges	<u>1,328,801</u>	<u>1,251,421</u>	<u>1,391,364</u>	<u>(139,943)</u>
Total Debt Service Fund	<u>\$ 3,542,257</u>	<u>\$ 3,249,289</u>	<u>\$ 11,955,758</u>	<u>\$ (8,706,469)</u>
Capital Projects Fund:				
Capital projects expenditures:				
Courthouse construction	\$ 853,826	\$ 853,826	\$ 239,044	\$ 614,782
Total Capital Projects Fund	<u>\$ 853,826</u>	<u>\$ 853,826</u>	<u>\$ 239,044</u>	<u>\$ 614,782</u>
Total Primary Government	<u>\$ 36,064,547</u>	<u>\$ 35,837,432</u>	<u>\$ 39,998,480</u>	<u>\$ (4,161,048)</u>
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Education:				
Instruction costs:				
Instructional costs	\$ 16,444,980	\$ 16,127,214	\$ 15,567,896	\$ 559,318
Total instruction costs	<u>\$ 16,444,980</u>	<u>\$ 16,127,214</u>	<u>\$ 15,567,896</u>	<u>\$ 559,318</u>
Operating costs:				
Administration, attendance and health services	\$ 1,306,550	\$ 1,340,974	\$ 1,223,835	\$ 117,139
Pupil transportation	2,296,884	2,298,793	2,177,582	121,211
Operation and maintenance of school plant	2,877,827	2,892,607	2,704,743	187,864
School food	1,063,607	1,063,607	1,088,332	(24,725)
Technology	<u>1,062,163</u>	<u>1,172,236</u>	<u>1,155,509</u>	<u>16,727</u>
Total operating costs	<u>\$ 8,607,031</u>	<u>\$ 8,768,217</u>	<u>\$ 8,350,001</u>	<u>\$ 418,216</u>
Total education	<u>\$ 25,052,011</u>	<u>\$ 24,895,431</u>	<u>\$ 23,917,897</u>	<u>\$ 977,534</u>
Total Discretely Presented Component Unit-School Board	<u>\$ 25,052,011</u>	<u>\$ 24,895,431</u>	<u>\$ 23,917,897</u>	<u>\$ 977,534</u>

STATISTICAL INFORMATION

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COUNTY OF NELSON, VIRGINIA

Government-Wide Expenses by Function
Last Ten Fiscal Years (1)

Fiscal Year	General				Health and Welfare			Parks, Recreation, and Cultural			Community Development		Interest on Long-Term Debt		Total
	Fiscal Year	Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education	Cultural	Community Development	Interest on Long-Term Debt	Total				
2004	\$ 1,257,716	\$ 519,619	\$ 2,529,037	\$ 1,666,627	\$ 1,752,635	\$ 18,499,295	\$ 430,853	\$ 1,259,282	\$ 1,661,467	\$ 29,576,531					
2005	1,079,533	719,411	2,764,691	1,260,355	1,927,342	10,387,246	324,812	2,302,404	1,759,270	22,525,064					
2006	1,432,202	631,862	2,759,162	2,213,279	1,830,272	11,133,456	551,912	1,122,651	1,565,175	23,239,971					
2007	1,614,998	753,367	3,287,580	1,905,872	2,188,578	11,900,846	523,915	1,251,149	1,499,320	24,925,625					
2008	1,879,166	750,073	3,633,406	1,980,213	2,274,350	12,706,379	983,322	1,260,873	1,535,839	27,003,621					
2009	1,777,787	714,904	3,136,604	2,112,615	2,055,329	13,777,084	548,156	1,235,328	1,492,985	26,850,792					
2010	1,615,064	691,588	3,374,456	2,448,517	2,586,290	13,861,510	550,664	830,793	1,404,206	27,363,088					
2011	1,938,519	666,374	3,373,814	2,067,363	2,356,458	14,266,695	565,713	724,030	1,472,808	27,431,774					
2012	1,985,357	692,589	4,131,423	2,215,956	2,272,554	15,227,323	599,470	812,186	1,502,603	29,439,461					
2013	2,218,102	725,905	4,204,470	2,068,094	2,418,330	14,983,417	534,768	1,411,994	1,373,603	29,938,683					

(1) Primary Government only

Government-Wide Revenues by Source
Last Ten Fiscal Years (1)

Fiscal Year	PROGRAM REVENUES				GENERAL REVENUES					Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		General Property Taxes	Other Local Taxes	Use of Money and Property	Miscellaneous	Grants and Contributions Not Restricted to Specific Programs	
2004	\$ 823,348	\$ 2,536,899	\$ -	\$ -	\$ 8,213,965	\$ 2,839,896	\$ 132,379	\$ 13,741	\$ 2,365,198	\$ 16,925,426
2005	1,001,111	3,644,002	-	-	12,267,305	3,170,478	248,884	31,176	1,911,689	22,274,645
2006	936,052	2,798,169	291,992	291,992	12,879,059	3,464,371	544,498	301,915	2,105,442	23,321,498
2007	896,876	3,141,611	140,524	140,524	13,654,498	3,551,448	739,478	58,374	2,058,042	24,240,851
2008	838,119	3,301,632	3,095,040	3,095,040	16,116,702	3,776,293	535,958	216,226	1,923,332	29,803,302
2009	838,161	2,978,055	1,212,338	1,212,338	18,681,477	3,612,363	264,340	136,135	1,946,684	29,669,553
2010	829,726	3,183,247	931,093	931,093	18,800,138	3,867,866	180,395	169,732	1,900,031	29,862,228
2011	982,162	2,979,948	509,872	509,872	19,270,265	3,496,429	331,077	84,056	2,670,871	30,324,680
2012	741,776	2,659,104	2,753,439	2,753,439	20,120,918	3,610,714	154,369	68,990	2,395,975	32,505,285
2013	680,137	2,721,650	655,166	655,166	21,421,597	3,912,469	110,011	120,335	2,526,847	32,148,212

(1) Primary Government only

COUNTY OF NELSON, VIRGINIA

Table 3

General Governmental Revenues by Source (1)

Last Ten Fiscal Years

Fiscal Year	General Property Taxes		Other Local Taxes		Permit Privilege Fees & Regulatory Licenses	Fines & Forfeitures	Revenues from the Use of Money & Property		Charges for Services	Miscellaneous	Recovered Costs	Inter-governmental	Total
	General Property Taxes	Other Local Taxes	Use of Money & Property	Charges for Services									
2004	\$ 12,767,131	\$ 2,839,896	\$ 304,167	\$ 163,163	\$ 132,066	\$ 875,466	\$ 627,591	\$ 333,165	\$ 13,693,437	\$ 31,736,082			
2005	12,440,512	3,170,478	423,339	121,926	249,197	1,006,955	375,196	327,882	15,909,302	34,024,787			
2006	13,080,374	3,464,371	444,230	102,747	544,808	957,699	591,632	411,339	16,031,950	35,629,150			
2007	13,360,735	3,551,448	322,328	75,834	744,056	1,149,394	362,870	458,634	17,076,773	37,102,072			
2008	15,866,348	3,776,293	313,533	59,473	542,196	934,725	442,172	520,374	17,883,642	40,338,756			
2009	18,493,456	3,566,133	276,174	179,627	264,942	838,092	437,519	789,033	15,891,311	40,736,287			
2010	18,581,322	3,651,556	171,420	301,608	180,510	711,513	409,099	639,925	15,945,385	40,592,338			
2011	19,527,884	3,538,978	243,522	358,244	331,246	711,271	341,485	715,060	15,906,458	41,674,148			
2012	19,964,116	3,610,714	177,207	237,993	154,542	677,916	403,542	640,168	16,549,968	42,416,166			
2013	21,529,646	3,912,469	176,921	278,688	110,098	675,143	471,690	774,339	15,399,851	43,328,845			

(1) Includes General, Special Revenue and Capital Projects Funds, and Component Unit School Board.

COUNTY OF NELSON, VIRGINIA

Table 4

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

Fiscal Year	General Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education (2)	Recreation and Cultural	Community Development	Nondepartmental	Capital Projects	Debt Service		Total
											Debt	Service	
2004	\$ 1,132,513	\$ 518,119	\$ 2,405,339	\$ 1,661,745	\$ 1,831,001	\$ 17,868,836	\$ 366,780	\$ 1,250,681	\$ -	\$ 2,875,725	\$ 17,387,093	\$ 47,297,832	
2005	1,165,325	527,428	2,811,894	1,564,083	1,908,228	19,625,267	381,880	1,967,806	-	892,627	3,506,035	34,350,573	
2006	1,377,453	625,426	2,767,839	1,942,203	1,816,350	20,941,942	714,483	1,196,540	-	1,001,588	3,354,562	35,738,386	
2007	1,489,087	747,594	3,319,272	1,886,045	2,174,308	22,634,587	481,057	1,270,625	-	956,411	3,383,580	38,342,566	
2008	1,814,008	753,803	3,787,098	2,030,006	2,333,862	23,311,305	1,094,156	1,272,646	-	2,765,619	3,469,550	42,632,053	
2009	1,658,928	715,250	3,490,000	1,859,280	2,162,372	23,563,538	534,228	1,256,028	-	1,705,948	3,368,077	40,313,649	
2010	1,474,397	705,391	3,854,484	1,580,185	2,625,881	22,960,454	428,721	734,577	97,360	4,775,336	3,305,908	42,542,694	
2011	1,803,127	666,374	3,760,748	1,512,532	2,400,582	23,206,251	437,357	742,872	119,572	3,805,237	3,252,478	41,707,130	
2012	1,684,480	692,589	3,902,854	1,701,133	2,326,951	23,717,607	448,611	941,321	62,459	3,011,998	4,083,263	42,573,266	
2013	1,885,620	733,316	4,452,145	1,766,078	2,446,824	23,920,947	465,924	1,502,758	87,166	1,463,724	3,429,231	42,153,733	

(1) Includes General, Special Revenue and Capital Projects Funds, and Component Unit School Board.

(2) Does not include appropriation from primary government to School Board.

COUNTY OF NELSON, VIRGINIA

Table 5

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year	Total (1) (2)		Current Tax (1) (3) Collections	Percent of Levy Collected	Delinquent (1)		Total Tax Collections	Percent of Total Tax Collections to Tax Levy		Outstanding Delinquent Taxes (1)		Percent of Delinquent Taxes to Tax Levy
	Tax Levy	Tax (1) (2)			Tax Collections	Tax Collections		Total Tax Collections	Delinquent Taxes (1)	Delinquent Taxes (1)		
2004	\$ 12,576,983	\$ 11,770,010	93.58%	\$ 659,388	\$ 12,429,398	98.83%	\$ 1,384,855	11.01%				
2005	11,950,617	11,239,161	94.05%	933,353	12,172,514	101.86%	1,670,318	13.98%				
2006	12,370,699	12,038,922	97.32%	776,181	12,815,103	103.59%	1,452,213	11.74%				
2007	13,128,010	12,579,789	95.82%	538,403	13,118,192	99.93%	1,734,181	13.21%				
2008	15,476,228	14,747,107	95.29%	859,787	15,606,894	100.84%	1,964,747	12.70%				
2009	18,330,136	17,460,606	95.26%	760,255	18,220,861	99.40%	2,055,591	11.21%				
2010	20,346,994	19,384,220	95.27%	675,464	20,059,684	98.59%	2,340,974	11.51%				
2011	20,358,566	19,585,235	96.20%	1,275,961	20,861,196	102.47%	2,390,679	11.74%				
2012	21,147,999	20,464,264	96.77%	883,820	21,348,084	100.95%	2,595,800	12.27%				
2013	22,371,562	21,912,219	97.95%	960,970	22,873,189	102.24%	2,520,749	11.27%				

(1) Exclusive of penalties and interest.

(2) Real estate taxes are collected in installments. The due date of the first half installment is June 5. The tax levy includes the second half of the prior year and first half of the current year real estate tax levies.

(3) For fiscal year 2004, does not include second half of tax year real estate taxes that were collected prior to year end.

COUNTY OF NELSON, VIRGINIA

Table 6

Assessed Value of Taxable Property
Last Ten Fiscal Years

Tax Year	Real Estate	Personal Property	Mobile Homes	Machinery & Tools	Public Utility	Total
2004	\$ 1,364,660,680	\$ 100,054,868	\$ 5,485,496	\$ 1,537,849	\$ 72,852,929	\$ 1,544,591,822
2005	1,404,375,438	103,397,922	5,380,616	1,103,410	65,707,864	1,579,965,250
2006	1,446,732,528	119,346,836	5,518,958	1,091,610	61,254,854	1,633,944,786
2007	1,507,991,734	115,041,842	5,524,702	1,092,641	42,262,807	1,671,913,726
2008	2,845,613,076	123,677,866	5,389,338	1,116,973	42,226,210	3,018,023,463
2009	2,892,345,140	124,217,409	5,383,546	405,780	90,039,734	3,112,391,609
2010	2,897,808,640	131,092,255	5,375,658	429,315	95,139,502	3,129,845,370
2011	2,893,059,995	131,627,375	5,401,696	398,183	99,695,437	3,130,182,686
2012	2,899,427,265	133,865,528	5,371,407	456,903	99,614,737	3,138,735,840
2013	2,936,646,420	140,682,862	5,252,401	674,898	103,528,974	3,186,785,555

Note:

Includes only the assessed values, as adjusted for supplements and abatements as of the tax year indicated.

COUNTY OF NELSON, VIRGINIA

Table 7

Property Tax Rates (1)
Last Ten Fiscal Years

Tax Year	Real Estate	Personal Property	Mobile Homes	Machinery and Tools
2004	0.72	2.95	0.72	1.25
2005	0.72	2.95	0.72	1.25
2006	0.72	2.95	0.72	1.25
2007	0.72	2.95	0.72	1.25
2008	0.55	2.95	0.55	1.25
2009	0.55	2.95	0.55	1.25
2010	0.55	2.95	0.55	1.25
2011	0.55	2.95	0.55	1.25
2012	.55/.60	2.95	.55/.60	1.25
2013	0.60	2.95	0.60	1.25

(1) Per \$100 of assessed value

COUNTY OF NELSON, VIRGINIA

Table 8

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

Fiscal Year	Population (1)	Assessed Value (2)	Gross Bonded Debt (3)	Less:		Net Bonded Debt	Ratio of Net General Obligation Debt to Assessed Value		Net Bonded Debt per Capita
				Debt Service Monies Available					
2004	14,445	1,544,591,822	33,816,762	1,220,001	32,596,761	2.11%	2,257		
2005	14,445	1,579,965,250	32,641,021	1,236,349	31,404,672	1.99%	2,174		
2006	14,445	1,633,944,786	31,461,023	1,276,323	30,184,700	1.85%	2,090		
2007	15,161	1,671,913,726	32,668,988	1,490,684	31,178,304	1.86%	2,056		
2008	15,161	3,018,023,463	31,369,778	1,328,085	30,041,693	1.00%	1,982		
2009	15,161	3,112,391,609	29,788,245	1,301,739	28,486,506	0.92%	1,879		
2010	15,161	3,129,845,370	31,333,131	1,322,904	30,010,227	0.96%	1,979		
2011	15,161	3,130,182,686	33,211,918	1,613,157	31,598,761	1.01%	2,084		
2012	15,161	3,138,735,840	32,496,317	-	32,496,317	1.04%	2,143		
2013	15,161	3,186,785,555	30,656,196	-	30,656,196	0.96%	2,022		

(1) U.S. Bureau of the Census

(2) From Table 6

(3) Includes long-term general obligation bonded debt, Literary Fund loans, lease revenue bonds, bond anticipation loans and retirement incentive obligations of the primary government and Component Unit School Board. Excludes capital leases, compensated absences, accrued landfill costs and debt on the Piney River Water & Sewer Enterprise fund.

COUNTY OF NELSON, VIRGINIA

Table 9

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

Fiscal Year	(2) Principal	(2) Interest	Total Debt Service	Total General Governmental Expenditures (1)	Ratio of Debt Service to General Governmental Expenditures
2004	\$ 662,650	\$ 878,385	\$ 1,541,035	\$ 47,297,832	3.26%
2005	1,147,650	1,739,856	2,887,506	34,350,573	8.41%
2006	1,150,000	1,549,909	2,699,909	35,738,386	7.55%
2007	1,220,000	1,494,468	2,714,468	38,342,566	7.08%
2008	1,506,583	1,554,613	3,061,196	42,632,053	7.18%
2009	1,545,000	1,479,738	3,024,738	40,313,649	7.50%
2010	1,644,015	1,435,923	3,079,938	42,542,694	7.24%
2011	1,806,406	1,446,072	3,252,478	41,707,130	7.80%
2012	2,187,022	1,896,241	4,083,263	42,573,266	9.59%
2013	2,037,867	1,391,364	3,429,231	42,153,733	8.14%

(1) Includes General, Special Revenue and Capital Projects Funds, and Component Unit School Board.

(2) Includes lease revenue bonds, general obligation debt, and Literary Fund loans, exclusive of fiscal charges, does not include capital leases, early retirement incentive obligation, repayment of bond anticipation loans, or debt on the Enterprise Fund.

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COMPLIANCE SECTION

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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

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

To the Board of Supervisors
County of Nelson, Virginia
Nelson, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of County of Nelson, Virginia, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County of Nelson, Virginia's basic financial statements, and have issued our report thereon dated January 3, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered County of Nelson, Virginia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of County of Nelson, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of County of Nelson, Virginia's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Robinson, Farnell, Cox Associates

Charlottesville, Virginia

January 3, 2013

Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133

To the Board of Supervisors of County of Nelson
County of Nelson, Virginia

Report on Compliance for Each Major Federal Program

We have audited County of Nelson, Virginia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of County of Nelson Virginia's major federal programs for the year ended June 30, 2013. County of Nelson, Virginia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of County of Nelson, Virginia's major federal programs based on our audit of the types of compliance requirements referred to above. 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 County of Nelson, 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 on compliance for each major federal program. However, our audit does not provide a legal determination of County of Nelson, Virginia's compliance.

Opinion on Each Major Federal Program

In our opinion, County of Nelson, Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of County of Nelson, Virginia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered County of Nelson, Virginia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of County of Nelson, Virginia's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Robinson, Farnell, Cox Associates
Charlottesville, Virginia
January 3, 2013

COUNTY OF NELSON, VIRGINIA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Federal Grantor/Pass - Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services:			
Pass Through Payments:			
Department of Social Services:			
Temporary Assistance for Needy Families (TANF)	93.558	0400109/0400110	\$ 106,581
Refugee and Entrant Assistance - State Administered Programs	93.566	0500109/0500110	447
Low Income Home Energy Assistance	93.568	0600409/0600410	10,652
Child Care and Development Block Grant (CCDF Cluster)	93.575	0770109/0770110	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund (CCDF Cluster)	93.596	0760109/0760110	17,127
Stephanie Tubbs Jones Child Welfare Services Program	93.645	0900109/0900110	553
 Foster Care - Title IV-E	 93.658	 1100109/1100110	 37,217
Adoption Assistance	93.659	1120109/1120110	5,949
Social Services Block Grant	93.667	1000109/1000110	71,628
Chafee Foster Care Independence Program	93.674	9150108/9150109/9150110	503
Children's Health Insurance Program	93.767	0540109/0540110	3,730
Medical Assistance Program	93.778	1200109/1200110	<u>83,915</u>
 Total Department of Health and Human Services			 \$ <u>338,302</u>
Department of Agriculture:			
Direct Payments:			
Specialty crop grant	10.000	N/A	\$ 59,193
 Community Facilities Loans and Grants	 10.766	 N/A	 <u>441,391</u>
			\$ <u>441,391</u>
Pass Through Payments:			
Department of Agriculture:			
Food Distribution (Child Nutrition Cluster)	10.555	10.555/2011/2012	\$ 58,981
Department of Education:			
National School Lunch Program (Child Nutrition Cluster)	10.555	10.555/2011/2012	<u>407,453</u>
			466,434
School Breakfast Program (Child Nutrition Cluster)	10.553	10.553/2011/2012	125,854
Schools and Roads - Grants to States	10.665	10.665	4,281
Department of Social Services:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	0010109/0010110/0040109/0040110	<u>139,832</u>
 Total Department of Agriculture			 \$ <u>1,236,985</u>
Department of Housing and Urban Development:			
Pass-through payments:			
Department of Housing and Community Development:			
Community Development Block Grants/State's Program and Non- Entitlement Grants in Hawaii	14.228	10-3	\$ <u>582,066</u>
 Total Department of Housing and Urban Development			 \$ <u>582,066</u>

COUNTY OF NELSON, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2013

Federal Grantor/Pass - Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Department of Justice:			
Direct payments:			
State Criminal Alien Assistance Program	16.606	N/A	\$ 2,262
Total Department of Justice - direct payments			<u>\$ 2,262</u>
Pass Through Payments:			
Department of Criminal Justice Service:			
Crime Victims Assistance	16.575	10VAGZ0095/11VAGX0001	\$ 16,012
ARRA-Edward Byrne Memorial Justice Assistance Grant Program/ Grants to Units of Local Government	16.804	N/A	552
Total Department of Justice			<u>\$ 18,826</u>
Department of Commerce:			
Direct payments:			
ARRA-Broadband Technology Opportunities Program	11.557	N/A	\$ 476,944
Department of Transportation:			
Pass Through Payments:			
Department of Motor Vehicles:			
Alcohol Open Container Requirements	20.607	154AL1353100	\$ 7,420
Department of Conservation and Recreation:			
Recreational Trails Program	20.219	N/A	\$ 69,100
Total Department of Transportation			<u>\$ 76,520</u>
U.S. Election Assistance Commission:			
Pass Through Payments:			
Virginia Election Commission:			
Help America Vote Act Requirements Payments	90.401	N/A	\$ 4,000
Department of Homeland Security:			
Pass-through payments:			
Department of Emergency Services:			
State Homeland Security Program	97.073	N/A	\$ 25,715
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	N/A	1,845
Total Department of Homeland Security			<u>\$ 27,560</u>
Department of Education:			
Pass Through Payments:			
Department of Education:			
Title I Grants to Local Educational Agencies	84.010	S010A080046/S010A070046/S010A090046	\$ 445,602
Special Education -- Grants to States (Special Education Cluster)	84.027	H027A080107/H027A090107/H027A070107	498,842
Special Education -- Preschool Grants (Special Education Cluster)	84.173	H173A090112	6,263
Career and Technical Education - Basic Grants to States	84.048	V048A080046/V048A090046	39,283
Education Technology State Grants	84.318	S410A10047	3,418
English Language Acquisition Grants	84.365	T365A080046/S365A090046	27,516
ARRA-Statewide Data Systems	84.384	R384A100037	2,021
Improving Teacher Quality State Grants	84.367	S367A080044/S367A090044	95,112
Total Department of Education			<u>\$ 1,118,057</u>
Total Expenditures of Federal Awards			<u>\$ 3,879,260</u>

See accompanying notes to the schedule of expenditures of federal awards.

COUNTY OF NELSON, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the County of Nelson, Virginia under programs of the federal government for the year ended June 30, 2013. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the County of Nelson, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County of Nelson, Virginia.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

Note 3 - Food Donation

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

Note 4 - Relationship to Financial Statements

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

Intergovernmental federal revenues per the basic financial statements:

Primary government:

General Fund	\$	718,596
Housing Improvement Fund		582,066
Nelson County Broadband Authority		476,944
Loans - Community Facilities Loans and Grants		<u>441,391</u>
Total primary government	\$	<u>2,218,997</u>

Component Unit Public Schools:

School Operating Fund	\$	<u>1,714,626</u>
Total component unit public schools	\$	<u>1,714,626</u>

Less Payments in Lieu of Taxes not reported on Schedule of Expenditures
of Federal Awards

\$ (54,363)

Total federal expenditures per basic financial statements

\$ 3,879,260

Total federal expenditures per the Schedule of Expenditures
of Federal Awards

\$ 3,879,260

COUNTY OF NELSON, VIRGINIA

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:
 Material weakness(es) identified? No
 Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:
 Material weaknesses identified? No
 Significant deficiency(ies) identified? None reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of
OMB Circular A-133? No

Identification of major programs:

CFDA #	Name of Federal Program or Cluster
11.557	ARRA-Broadband Technologies Opportunities Program
84.027/84.173	Special Education Cluster (IDEA)
10.766	Community Facilities Loans and Grants
14.228	Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii

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

Auditee qualified as low-risk auditee? Yes

Section II - Financial Statement Findings

There are no financial statement findings to report.

Section III - Federal Award Findings and Questioned Costs

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

COUNTY OF NELSON, VIRGINIA

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2013

There were no findings reported for the year ended June 30, 2012.

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To: Chairman and Members, Nelson County Board of Supervisors; and
Mr. Stephen A. Carter, County Administrator, County of Nelson

From: Tim Padalino | Director | Department of Planning & Zoning

Date: December 5, 2013

Subject: Staff Report for Conditional Rezoning #2013-004 (Smack / Blue Mountain Brewery)

Introduction

The Department of Planning & Zoning received an application on October 24th from Mr. Taylor Smack of Blue Mountain Brewery, seeking review and approval of Conditional Rezoning #2013-004 pursuant to Article 16, Section 4-1 of the Nelson County Zoning Ordinance. This request seeks a conditional rezoning of Tax Map Parcel #4-A-60 from Residential (R-1) to Agricultural (A-1) in order to, “utilize the newly purchased property for brewery business that is not allowed in residential zoning.”

The applicant has voluntarily included proffers as part of this Conditional Rezoning request. Specifically, Mr. Smack proffers away all rights to the following uses as listed and as defined in the Nelson County Zoning Ordinance: Kennels (per Section 4-1-9); Public Utilities (per Section 4-1-11); and Automobile Graveyard (per Section 4-1-18).

Property Information

The subject property is located in the Afton area at 9403 Critzer Shop Road, further identified as Tax Map Parcel #4-A-60 (Figure 1). This 2.4-acre property, which is adjacent to the existing Blue Mountain Brewery (BMB), was previously the site of a single-family residential redevelopment which was abandoned before being sold to Mr. Smack. This property is currently zoned Residential (R-1), with some of the adjacent properties zoned Agricultural (A-1) including the site of the existing brewery, identified as Tax Map Parcel #4-A-59 (Figure 2). The subject property is owned by the applicant (Taylor Smack / BMB).

Notes from Site Plan Review

The Site Plan Review Committee met previously on October 9th to discuss a previous rezoning application from Mr. Smack, which was subsequently withdrawn at the October 23rd Planning Commission meeting. That previous application’s Minor Site Plan was re-submitted with Conditional Rezoning #2013-004, as no material change occurred. The Committee’s comments from October 9th are as follows:

Mr. Matt Clarke, Virginia Department of Transportation (VDOT) representative, noted that the rezoning application and stated purposes for the request could eventually result in a need for substantial improvements to the transportation facilities on-site, as well as off-site along the adjacent portion of Route 151. Specifically, VDOT provided the following initial comments:

- *In order to adequately assess the potential traffic and safety impacts build out under the proposed rezoning may have on Route 151, additional information is needed. This will include:*
 - *A explanation of the intended use of the property and its interconnectivity with the adjoining brewery and restaurant (Blue Mountain Brewery, Inc.),*
 - *The anticipated traffic generated from this intended use along with direction split at the entrance,*
 - *To help assist in the determination of potential traffic impacts resulting from the close proximity of the adjoining business, Blue Mountain Brewery, Inc., vehicle trip generations and directional splits are also requested for Blue Mountain Brewery, Inc.*
- *Access (entrance design) criteria to be aware of:*
 - *Commercial entrance spacing,*
 - *Entrance sight distances, i.e. intersection sight distance, stopping sight distances, and sight distance for left turns,*
 - *Based on anticipated traffic generation volumes at the entrance(s) there may be the potential for required road improvement such as right and or left turn lanes to address capacity and safety along Route 151,*
 - *As the Route 151 Corridor is identified as a Bicycle Route, accommodations for cyclists should also be considered.*
- *Once the intended use is defined and the requested traffic generation information is provided, we can complete our assessment and provide our final comments and recommendations. I am also available to meet with the County and land owner to discuss this opportunity in greater depth.*

However, VDOT's comments from that Site Plan Review meeting and from a subsequent conference call with Mr. Jeff Kessler on Monday, Dec. 2nd make it clear that they do not currently have enough information to provide the County or the applicant with detailed, formal comments. Instead, VDOT has reiterated that any specific on-site and/or off-site transportation issues will be addressed during the Major Site Plan Review process and/or any future Special Use Permit application process.

Notes on Application & Notes from Applicant

The applicant has provided a brief narrative to explain the intent and purpose of this rezoning application:

Blue Mountain Brewery has recently purchased the several acres of land adjacent to the brewery directly to the north of the Brewery site on Rt 151 North. This property is bound by Rt. 151 to the west, Church of the Blue Ridge to the north, and by Blue Mountain Brewery's existing property on the east and south sides. All our existing property before this purchase is zoned A-1, and we seek to rezone this new parcel as A-1 as well. It is currently zoned Residential.

Our reasoning for this request is fourfold:

1. *Rezoning this land Agricultural provides continuity with our other property*
2. *We would like to use this land for purposes that are allowable as by-right uses under A-1 zoning and/or with a Special Use Permit, but that are not allowable under the current R-1 zoning (proposed uses are hop growing, parking, wedding ceremonies and events center)*
3. *Much of the surrounding land that is not residential is zoned Agricultural*
4. *This area on Rt. 151 has developed as a region of thriving Agri-Tourism, filled with commercial ventures in rural, agricultural settings and uses*

Other Information

In accordance with Code of Virginia §15.2-2204. Advertisement of plans, ordinances, etc.: joint public hearings; written notice of certain amendments., I provided formal notification of this Conditional Rezoning application to Mr. Thomas Foley, Albemarle County's Chief Executive Officer, due to the subject property's proximity to Albemarle County. Shortly after that notification, Ms. Amelia McCulley, Zoning Administrator for Albemarle County and Afton resident, contacted this Department and expressed concerns over road safety and traffic issues related to any potential expansion of the brewery operation. Ms. McCulley also expressed that she was, "concerned that none of the proffers appear to address the public safety issue relating to traffic," and asked that these comments be included in this staff report to the Nelson County Supervisors.

Staff Recommendation

In consideration of the subject property's proximity (and direct adjacency) to other properties in the Agricultural District (A-1), and in consideration of the existing agricultural and agritourism land uses in the immediate area (such as Blue Mountain Brewery, Critzer Family Farm, A.M. Fog, Veritas Vineyard and Winery, and the Brew Ridge Trail), the proposed uses would be in keeping with the character and activity of the area.

The applicant's conditional rezoning request essentially seeks to expand the existing A-1 District from adjacent parcels onto the subject property. This proposal represents an acceptable land use pattern. As such, staff recommended to the Planning Commission at their November 20th Public Hearing that they recommend approval of Conditional Rezoning #2013-004 to the Board of Supervisors.

Planning Commission Recommendation

The Planning Commission reviewed this proposal at a public hearing on November 20th. That public hearing did not include any comment from the public, and the application review concluded with the following motion:

Commissioner Russell made the motion to recommend to the Board of Supervisors to approve Conditional Rezoning #2013-004 for Taylor Smack to rezone Tax Map #4-A-60 at 9403 Critzer Shop Road, Afton. The basis for this recommendation is that the rezoning, with conditions, not allowing Kennels; Public Utilities; or Automobile Graveyards Classes A or B, fits into the pattern of development that currently exists in the area at the upper northern section of Route 151. Commissioner Allen seconded the motion. Motion passed 4-0.

Conclusion

This application has been properly advertised in compliance with the requirements set forth in Code of Virginia § 15.2-2204. *Advertisement of plans, ordinances, etc.; joint public hearings; written notice of certain amendments.* Specifically, the Legal Notice advertising the public hearings by the Planning Commission on November 20th and by the Board of Supervisors on December 10th was advertised as follows:

- In the Nelson County Times on October 31, November 14, and November 21
- In the Daily Progress on November 8 and November 14

Please contact me with any questions or concerns leading up to the December 10th Board of Supervisors meeting and public hearing. Thank you very much.

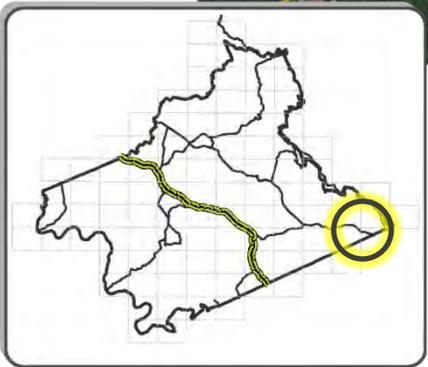
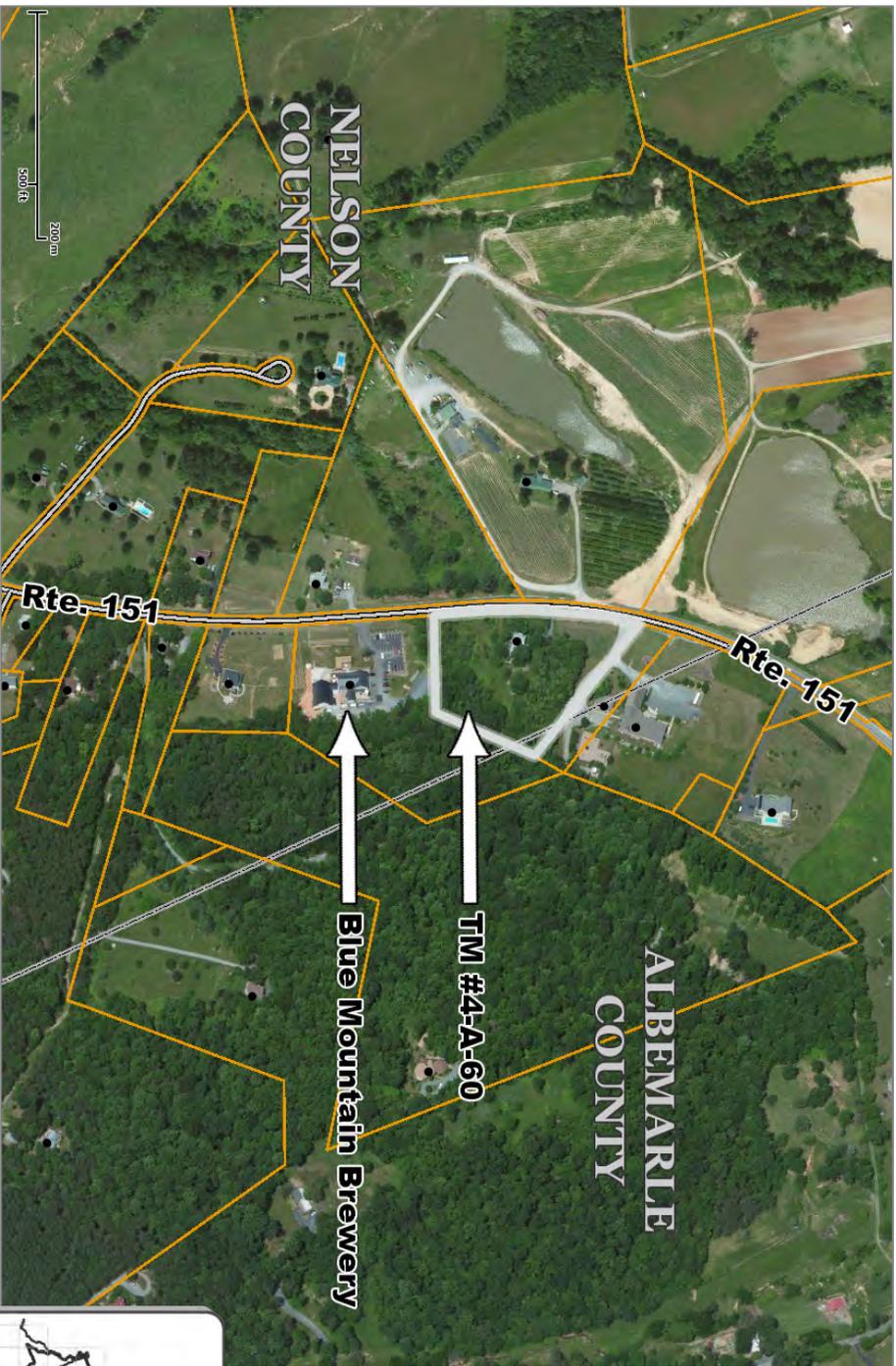


Figure 1. This aerial image of tax map parcel #4-A-60 (highlighted) shows the subject property in relationship to the existing Blue Mountain Brewery on Critzer Shop Road in Atton.

The inset vicinity map identifies the approximate location of the property relative to the rest of Nelson County.

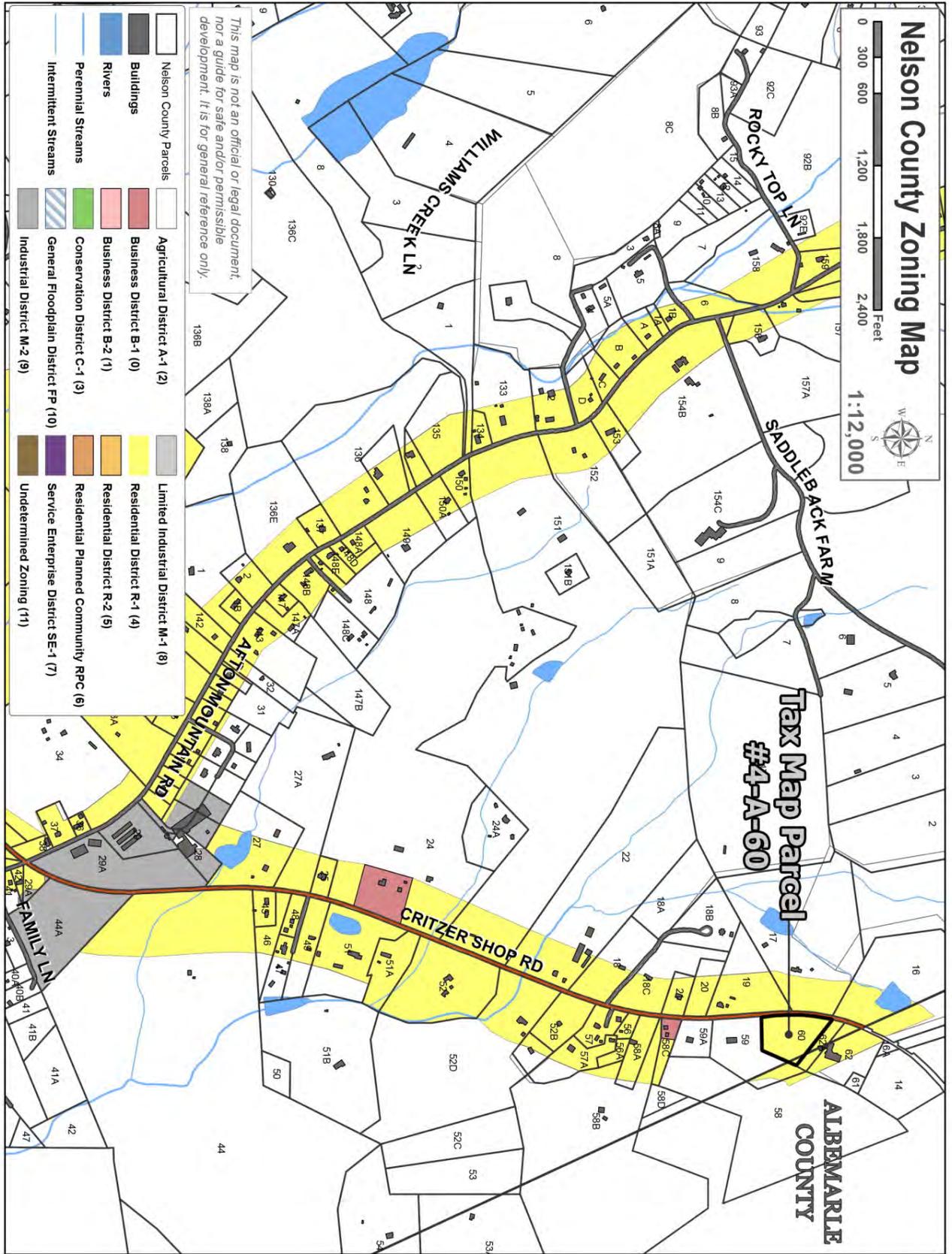


Figure 2: Zoning Map of subject property in relation to the surrounding area in Afton.



Rezoning #2013-004 Minor Site Plan: Sheet 1 (subject property and adjacent brewery property)



Rezoning #2013-004 Minor Site Plan: Sheet 2 (detail of subject property)



Subject property as seen looking north along Route 151.



Subject property as seen looking east across Route 151, with the existing Blue Mountain Brewery property at the far right of the image (to the south).

TO THE ZONING ADMINISTRATOR:

1. The undersigned hereby petitions the Planning Commission and/or Board of Supervisors for approval of the following (check appropriate box):

- Rezonning from ... to ...
Special Use Permit
Site Plan - Preliminary (Optional)
Site Plan - Final
Amend text of Zoning Ordinance
Subdivision - Regular Preliminary
Subdivision - Regular Final
Site Plan - Minor
Site Plan - Major
Other - R1 to A-1 conditional

Pursuant to Article 16, Section 1-1 of the Nelson County Zoning Ordinance. Pursuant to Section, Subsection of the Nelson County Subdivision Ordinance.

Reason(s) for request: TO utilize the newly purchased property for brewery business that is not allowed in R-1 zoning.

2. Applicant(s) and Property Owner(s): (Please print names of applicants and property owners and indicate applicable title. If applicant is not the property owner, show relationship, i.e. lessee, contract purchaser, etc.)

Applicant Property Owner Name: Taylor Smuck / Blue Mtn. Brewery
Address: 9519 Critzer Shop Rd., Arton, VA 22930
Tel. No.: 540-456-8020 Cell No. 540-471-7648 E-mail addr. Taylor@bluemountainbrewery.com
Relationship (if applicable): owner / president

Applicant Property Owner Name:
Address:
Tel. No.: Cell No. E-mail addr.

Relationship (if applicable):
Applicant Property Owner Name:
Address:
Tel. No.: Cell No. E-mail addr.

Relationship (if applicable):
Applicant Property Owner Name:
Address:
Tel. No.: Cell No. E-mail addr.

Relationship (if applicable):
(Use reverse if more space is needed.)

3. Location and Characteristics of Property:

- a. Address of property including specific location, route numbers, street names, direction (NSEW), Magisterial District, etc.: 9403 Critzer Shop Rd., on northbound Rt. 151 Rockfish Valley District
Official tax map number: TM-4-A-60
b. Acreage of property: 2.472
c. Present use: Abandoned; formerly residential
d. Present zoning classification: R-1
e. Zoning classification of surrounding properties:

(Continued on reverse.)

4. Names of Adjacent Property Owners: _____

5. **Affidavit:** The undersigned applicant(s) and/or property owner(s) certifies that this application and the foregoing answers, statements, and other information herewith submitted are, in all respects, true and correct to the best of their knowledge and belief. Also, the applicant(s) and/or property owner(s) gives permission for members of the Planning Commission, Board of Supervisors, and County Staff to visit and view the subject property.

Signature: [Signature]
Signature: _____
Signature: _____
Signature: _____

6. **Additional information:** Applicant would like to make the following Proffers: I accept this conditional rezoning to A-1 will not include the right to use the property - now or ever - as 1) Kennels as mentioned in Zoning Ordinance 4-1-9; 2) Public Utilities as mentioned in Zoning Ordinance 4-1-11; 3) Automobile graveyard as mentioned in Zoning Ordinance 4-1-18. Also see attachment.

7. **Please note:** In the event of cancellation or postponement at your request after the initial newspaper advertisement for this application, an additional fee will apply for re-advertisement. The fee will be based on the actual cost of the ad, and will not apply in cases of Planning Commission or Board of Supervisor deferments.

*****TO BE COMPLETED BY PLANNING & ZONING OFFICE*****

Completed application and fee (\$ 25) received on 11/7
Hearing Notice published on • DAILY PROGRESS: Nov. 8th; Nov 14th • N.C. TIMES: OCT. 31ST+Nov. 14TH
Planning Commission action: Date of Hearing: 11/20/2013
Recommendation: Recommended for approval by BOS

Board of Supervisor action: Date of Hearing: 12/10/2013
Date of Decision: _____
Action: _____

6. Additional Information:

Blue Mountain Brewery has recently purchased the several acres of land adjacent to the brewery directly to the north of the Brewery site on Rt 151 North. This property is bound by Rt. 151 to the west, Church of the Blue Ridge to the north, and by Blue Mountain Brewery's existing property on the east and south sides. All our existing property before this purchase is zoned A-1, and we seek to rezone this new parcel as A-1 as well. It is currently zoned Residential.

Our reasoning for this request is fourfold:

1. Rezoning this land Agricultural provides continuity with our other property
2. We would like to use this land for purposes that are allowable as by-right uses under A-1 zoning and/or with a Special Use Permit, but that are not allowable under the current R-1 zoning (proposed uses are hop growing, parking, wedding ceremonies and events center)
3. Much of the surrounding land that is not residential is zoned Agricultural
4. This area on Rt. 151 has developed as a region of thriving Agri-Tourism, filled with commercial ventures in rural, agricultural settings and uses

PROPOSED AMENDMENTS TO NELSON COUNTY, VIRGINIA
ZONING ORDINANCE

Article 7 – Residential Planned Community District RPC

7-8

Street Improvements

7-8-5

The uniqueness of each proposal for a Residential Planned Community requires that the specifications for the width, surfacing, construction and geometric design of streets, alleys, ways for public utilities, and the specifications for curbs, gutters, sidewalks, streetlights, and stormwater drainage shall be subject to modification from the specified, waive or modify the specifications otherwise applicable for a particular facility where the Planning Commission finds that such specifications are not required in the interests of the residents of the Residential Planned Community and that the modifications of such specifications are not inconsistent with the interests of the entire county, and conform to all other applicable ordinances and laws.

Article 10 – General Floodplain District FP

10-16

Standards for the floodway district.

The following provisions shall apply within the floodway district:

- A. Encroachments, including fill, new construction, substantial improvements and other developments are prohibited unless certification such as hydrologic and hydraulic analyses (with supporting technical data) is provided demonstrating that encroachments shall not result in any increase in flood levels during occurrence of the base flood. Hydrologic and hydraulic analyses shall be undertaken only by professional engineers or others of demonstrated qualifications, who shall certify that the technical methods used correctly reflect currently accepted technical concepts. Studies, analyses, computations, etc., shall be submitted in sufficient detail to allow a thorough review by the Planning and Zoning Director.

Development activities which increase the water surface elevation of the base flood may be allowed, provided that the property owner first applies and obtains the following:

1. Receives an endorsement from the State's Floodplain Program Engineer;
2. Receives a special use permit from the Nelson County Board of Zoning Appeals for a conditional Flood Insurance Rate Map and floodway revision; and
3. Receives the approval of the Federal Emergency Management Agency.

4. [Receives a Stormwater Management Permit in accordance with the County's Stormwater Management Ordinance \[Chapter _____, Code of Nelson County.\]](#)

- B. If Section 10-19 is satisfied, all new construction and substantial improvements shall comply with all applicable flood hazard reduction provisions of this Article.
- C. The placement of manufactured homes (mobile homes) is prohibited, except in an existing manufactured homes (mobile homes) park or subdivision. A replacement manufactured home may be placed on a lot in an existing manufactured home park or subdivision provided the anchoring, elevation, and encroachment standards are met.

10-20

Standards for subdivision proposals

- A. All subdivision proposals shall be consistent with the need to minimize flood damage;
- B. All subdivision proposals shall have public utilities and facilities such as sewer, gas, electrical and water systems [and stormwater BMP's/facilities](#) located and constructed to minimize flood damage;
- C. All subdivision proposals shall have adequate drainage provided to reduce exposure to flood hazards; and
- D. Base flood elevation data shall be provided for subdivision proposals and other development proposals (including manufactured home parks and subdivisions) that exceed fifty (50) lots or five (5) acres, whichever is the lesser.

10-21

Design criteria for utilities and facilities.

- A. Sanitary sewer facilities. All new or replacement sanitary sewer facilities and private package sewage treatment plants (including all pumping stations and collector systems) shall be designed to minimize or eliminate infiltration of floodwaters into the systems and discharges from the systems into the floodwaters. In addition, they should be located and constructed to minimize or eliminate flood damage and impairment.
- B. Water facilities. All new or replacement water facilities shall be designed to minimize or eliminate infiltration of floodwaters into the system and be located and constructed to minimize or eliminate flood damages.
- C. Drainage facilities. All storm facilities shall be designed to convey the flow of surface waters without damage to persons or property. The systems shall ensure drainage away from buildings and on-site waste disposal sites. The Board of Supervisors may require a primarily underground system to accommodate frequent floods and a secondary surface system to accommodate large, less frequent floods. Drainage plans shall be consistent with local and regional drainage plans. The facilities shall be designed to prevent the discharge of excess runoff onto adjacent properties.

- D. Utilities. All utilities, such as gas lines, electrical and telephone systems, [and stormwater BMPs/facilities](#), being placed in floodprone areas should be located, elevated (where possible), and constructed to minimize the chance of impairment during a flooding occurrence.
- E. Streets and sidewalks. Streets and sidewalks should be designed to minimize their potential for increasing and aggravating the levels of flood flow. Drainage openings shall be required to sufficiently discharge flood flows without unduly increasing flood heights.

Article 13 – Site Development Plan

13-4

Site Plan Content

The site plan, or any portion thereof, involving engineering, urban planning, landscape architecture, architecture, or land surveying, shall be prepared by a qualified person. Final Site Plans submitted for approval shall be certified by an architect, landscape architect, engineer, or land surveyor licensed or certified to practice by the Commonwealth of Virginia within the limits of his respective license or certification.

The Major Site Plan shall include:

- A. The plan shall be prepared at a scale of not less than 1"=20" except for the index sheet, unless approved by the Planning and Zoning Director.
- B. If the plan is prepared on more than one sheet, match lines shall clearly indicate where the several sheets join.
- C. Dimensions shall be in feet and decimals of feet to the closest one hundredth of a foot.
- D. The proposed title of the project and the name of the owner(s), engineer, architect, landscape architect, surveyor, and developer, as applicable.
- E. A signature panel to indicate approvals from the following:
 - a. Planning and Zoning Director.
 - b. Virginia Department of Transportation.
 - c. Virginia Department of Health.
 - d. Thomas Jefferson Soil and Water Conservation District.
 - e. Nelson County Service Authority.
- F. Tax map and parcel number.
- G. Adjacent property owners.
- H. North arrow, scale graphic, and date.
- I. Vicinity map.
- J. Existing zoning and zoning district boundaries on the property in the development and on immediately surrounding properties. All special zoning requirements attached directly to the site as a result of the issuance of any Special Use Permit, variance, or rezoning.
- K. The boundaries of the property in the development, including bearings and distances.

- L. All existing property lines, existing streets or rights-of-way opened or unopened; buildings, watercourses, and lakes; and other existing physical features in or adjoining the project. The physical features, such as watercourses, waterways and lakes on the adjoining properties need only be shown in approximate scale and proportion.
- M. Features of particular historic, cultural, scientific, or scenic significance as identified in the Comprehensive Plan, by the Planning and Zoning Director, or by any County department or state agency having site plan review responsibilities, or by the Virginia Department of Historic Resources, the Virginia Department of Conservation and Recreation, or the Virginia Outdoors Foundation including, but not limited to, historic features, archaeological features, and graveyards.
- N. Building setback lines; the location of all proposed buildings and structures, accessory and main; number of stories and height; proposed general uses for each building; and the number, size, and type of dwelling units where applicable. Preliminary plans and elevations for main and accessory buildings.
- O. Type, location, height, and materials of all existing and proposed fences and walls.
- P. Site coverage, showing percentage of site in buildings, parking, and open space.
- Q. Existing and proposed topography and contour lines of the development site with a contour interval of two (2) feet or less.
- R. The location and size of sanitary and storm sewers, gas lines, water mains, [stormwater management BMPs/facilities](#), culverts, and other underground structures; all overhead utilities and supporting poles in or affecting the development area, including existing and proposed facilities; and easements for these facilities, including the width of the easement.
- S. The location of all existing and proposed off-street parking and parking bays, loading spaces, and pedestrian walkways, indicating types of surfacing, dimensions of stalls, width of aisles and a specific schedule showing the number of parking spaces.
- T. Final plan for all signs to be erected and/or placed on building. The plan shall show the location and size of each sign along with the purpose of the sign.
- U. A final landscape plan.
- V. Outdoor lighting information, including a photometric plan and location, description and photograph or diagram of each type of outdoor luminary.
- W. All paving, including, without limitation, gravel or other pervious surfaces, shall be of a design and quality to support the traffic which can reasonably be expected to be generated by the proposed use.
- X. Limit of one hundred-year floodplain, and floodway as defined in Article 10 of this ordinance.
- Y. Location of any wetlands in compliance with applicable federal, state, and local definition of wetlands.
- Z. The location and dimensions of proposed recreation or open space, and required amenities and improvements, including details of disposition, in accordance with any open space or recreation plan adopted by the County.

- AA. Cul-de-sacs may not be construed or employed as a parking area. Suitable easements for future public water and sewer facilities necessary to serve the property shall be indicated on the plan.
- BB. All new electrical, telephone, cable television, fiber optic, and other utility lines on the site shall be installed underground.
- CC. To the greatest extent possible, parking areas shall not be located between the adjacent public right-of-way and the principal structure on the site unless topographic features or vegetation provide effective screening.
- DD. Site planning shall consider the future development of adjacent parcels as recommended by the Nelson County Comprehensive Plan or other approved local plan and as may be indicated by any filed site plan, whether approved or under review. The site plan shall provide for safe and convenient vehicular and pedestrian circulation between sites to be occupied by complementary uses.
- EE. If phasing is planned, phase lines and proposed timing of development.
- FF. A copy of the approved final Erosion and Sediment Control and Stormwater Management Plan.
- GG. Option: A Preliminary Major Site Plan may be submitted to the Planning Commission for review and comment prior to submittal of the Final Site Plan for review and approval.

13-6

Improvements

13-6-1

All required improvements shall be installed by the developer at his cost. In cases where specifications have been established either by the Virginia Department of Highways for streets, curbs, etc., or by local ordinances and codes, such specifications shall be followed. The developer's bond shall not be released until construction has been inspected and approved by the governing body. All improvements shall be in accordance with the following requirements:

- a. *Streets.* All streets in the proposed development shall be designed and constructed by the developer at no cost to the locality.
- b. *Alignment and layout.* The arrangement of streets in developments shall make provision for the continuation of existing streets in adjoining areas and proposed streets on adjacent approved site plans. The street arrangement must be such as to cause no unnecessary hardship to owners of adjoining property when they plat their land and seek to provide for convenient access to it. Where, in the opinion of the Commission, it is desirable to provide for street access to adjoining property, proposed streets shall be extended by dedication to the boundary line of such property. Half streets along the boundary of land proposed for development will not be permitted. Wherever possible, streets should intersect at right angles. In all hillside areas streets running with contours shall be required to intersect at angles of not less than sixty (60) degrees,

unless approved by the Planning and Zoning Director upon recommendation of the highway engineer.

- c. *Service drives.* Whenever a proposed development contains or is adjacent to a limited-access highway or expressway, provision shall be made for a service drive or marginal street approximately parallel to such right-of-way at a distance suitable for an appropriate use of the land between such highway and the proposed development. Such distances shall be determined with due consideration of the minimum distance required for ingress and egress to the main thoroughfare. The right-of-way of any major highway or street projected across any railroad, limited-access highway or expressway shall be of adequate width to provide for the cuts or fills required for any future separation of grades.
- d. *Approach angle.* Major streets shall approach major or minor streets at an angle of not less than eight (80) degrees, unless the Planning and Zoning Director, upon recommendation of the highway engineer, shall approve a lesser angle of approach for reasons of contour, terrain, or matching of existing patterns.
- e. *Minimum widths.* The minimum width of proposed streets, measured from lot line to lot line, shall be as shown on the major street plan, or if not shown on such plan shall be as specified by the Virginia Department of Highways for acceptance into the State Secondary System.
- f. *Construction requirements.* All public streets shall be constructed to requirement as specified by the Virginia Department of Highways for acceptance into the State Secondary System.
- g. *Minimum street construction.* Private streets will be so constructed as to alignment and grade, that the minimum grade is no greater than the Virginia Department of Highways Standards for the particular terrain. Road metal or base shall be of a material and width acceptable to the Virginia Department of Highways. Proper drainage shall be installed and maintained.
- h. *Names.* Proposed streets which are obviously in alignment with other already existing and named streets, shall bear the names of the existing streets. In no case shall the names of proposed streets duplicate existing street names irrespective of the use of the suffix street, avenue, boulevard, driveway, place, lane, or court. Street names shall be indicated on the preliminary and final plats, and shall be approved by the Planning and Zoning Director. Names of existing streets shall not be changed except by approval of the governing body.
- i. *Storm drainage facilities.* The developer shall provide all necessary information needed to determine what improvements are necessary to properly develop the subject property, including contour intervals, drainage plans and flood control devices. The developer shall also provide plans for all such improvements together with a properly qualified engineer's or surveyor's statement that such improvements when properly installed, will be adequate for proper development. The highway engineer shall then approve or disapprove the plans. The developer shall also

provide any other information required by the highway engineer. The developer shall install the approved storm drainage facilities.

Conformance with Article _____ [Stormwater Management Ordinance], when required, shall be deemed to satisfy this subsection.

- j. *Fire protection.* Adequate fire hydrants in a development at locations approved by the Planning and Zoning Director shall be installed by the developer, provided adequate public water is available. The location of the fire hydrants shall meet the National Board of Fire Underwriters specifications.
- k. *Easements.* The Commission may require that easements for drainage through adjoining property be provided by the developer. Easements of not less than fifteen (15) feet in width shall be provided for drainage, water, sewer, power lines and other utilities in the subdivision when required by the Planning and Zoning Director.
- l. *Bond.* Before any site plan will be finally approved the developer shall, in lieu of construction, furnish bond, or other security acceptable to the governing body, in an amount calculated by the Planning and Zoning Director to secure the required improvements in accordance with specifications and construction schedules established, which bond shall be payable to and held by the governing body. Bonds required for stormwater management facilities shall be provided as required in Article _____.
- m. *Plans and Specifications.* Two (2) blue or black line prints of the plans and specifications for all required physical improvements to be installed, shall be prepared by a licensed surveyor or licensed engineer and shall be submitted to the Planning and Zoning Director for approval or disapproval within sixty (60) days. If approved, one (1) copy bearing certification of such approval shall be returned to the developer. If disapproved, all papers shall be returned to the developer with the reason for disapproval in writing. If no action in sixty (60) days, the plat shall be deemed approved.

13-6-2

Where the developer can show that a provision of these standards would cause unnecessary hardship if strictly adhered to, and where, because of topographical or other conditions peculiar to the site, in the opinion of the Planning and Zoning Director a departure may be made without destroying the intent of such provisions, the Commission may authorize an exception. Any exception thus authorized is to be stated in writing in the report of the Commission, with the reasoning on which the departure was justified, set forth. No such variance may be granted by this ordinance which is opposed in writing by the highway engineer or health official or which fails to conform to all other ordinances and laws.

13-7

Administration.

A. *Administrative Authority.*

- 1. The Board of Supervisors designates the Planning Commission to review and act to approve or disapprove Final Site Plans within its jurisdiction.

2. The Planning and Zoning Director is designated to review and act to approve or disapprove Minor Site Plans, provided however, that the Planning and Zoning Director may refer any application within his jurisdiction to the Planning Commission for review and action.
 3. In the performance of its duties in the review of Final Site Plans, the Planning Commission shall request and consider the review and comments of the Planning and Zoning Director, the Site Plan Review Committee, selected County staff, and other public agencies.
 4. Approval Procedures.
 - a. The Planning and Zoning Director shall consult with the Virginia Department of Highways and Transportation, the Department of Health, and any other officials and professional representatives he deems necessary in preparation of his comments and recommendations.
 - b. Upon the official submission of a Final Site Plan, the Planning Commission shall complete action in accordance with Section 15.2-2259 of the Code of Virginia as amended from time to time.
 - c. Upon the official submission of a plan requiring approval by the Planning and Zoning Director, the Planning and Zoning Director shall complete action in accordance with Section 15.2-2259 of the Code of Virginia as amended from time to time.
 - d. An "official submission" is a plan that has been filed in the correct form in the proper office accompanied by the appropriate fee and containing all information required by this Article.
- B. *Other Administrative Considerations.*
1. The Planning and Zoning Director, as the designated agent of the Planning Commission, shall be responsible for the receipt and processing of all site plan applications, subject to the procedures provided in this chapter.
 2. The Planning and Zoning Director may establish, from time to time, such proper and reasonable administrative procedures, in addition to those provided herein, as shall be necessary for the proper administration of this chapter.
 3. County Staff and other designated public officials responsible for the supervisions, inspection, testing and enforcement of this chapter shall have the right to enter upon any property subject to the provisions of this chapter and the Zoning Ordinance at all reasonable times during the periods of plan review and construction for the purpose of ensuring compliance with this chapter.
 4. It shall be the responsibility of the applicant, owner or developer to notify the Planning and Zoning Director when each stage of the development shall be ready for field inspection for compliance with the approved site plan in accordance with testing and inspection schedules and regulations promulgated by this chapter.
- C. *Waiver of Requirements for a Site Plan.* The Planning and Zoning Director, at his sole discretion, may waive the requirement for a Minor Site Plan or any required element specified within it upon consideration of the factors outlined below.

provided that no such waiver shall be deemed to be a waiver of any other ordinance provision or requirement^[anc1].

The Planning Commission, at its sole discretion, may waive the requirements for the Major Site Plan or any required element specified within it upon consideration of the following factors:

1. Where it can be clearly established by the applicant that the use will not require the improvements subject to review in this chapter.
2. Where it can be clearly demonstrated by the applicant that a waiver from the requirement to submit a site plan (or a portion thereof) will be in keeping with the intent of this chapter.
3. Where it can be clearly shown that the application for a site plan and building permit involves building and safety regulations which are not critical to the purpose and intent of the Zoning Ordinance.
4. Where it can be clearly established by the applicant that such waiver will not have an adverse effect on: (a) the public health, safety, welfare, and convenience; (b) the planning for and provision of adequate public facilities, utilities, drainage, environmental controls, and transportation facilities; (c) preservation of agricultural, forestry and conservation lands; and (d) other relevant considerations related to the Comprehensive Plan.
5. Where it can be demonstrated that any change in, or expansion of, a use that meets the following criteria:
 - a. Such change or expansion does not occasion additional parking as required by this ordinance, and
 - b. No additional ingress/egress to a public road or changed ingress/egress is recommended by the Planning and Zoning Director based on intensification or use, and
 - c. No additional ingress/egress or alteration of existing ingress/egress is proposed, and
 - d. Disturbed land is less than five thousand (5,000) square feet in area, and
 - e. It has been verified in writing by the Planning and Zoning Director that: (a) availability and connection water and sewer are attainable; or (b) adequate private well and septic facilities can be provided where public water and sewer are not available.
6. An applicant seeking a waiver from a requirement to submit a Major or Minor Site Plan (or any portion thereof) shall, upon request, provide written documentation to the Planning and Zoning Director addressing the applicable conditions for waiver.

For Final Site Plan waivers, the Planning and Zoning Director shall refer the request and applicant's supporting documentation to the Planning Commission for action at its next regularly scheduled meeting. The applicant shall be notified in writing of the outcome of such action by the Planning and Zoning Director within ten (10) days upon action by the Planning Commission.

7. Notwithstanding any grant of waiver the applicant is not relieved by such grant of having to obtain all necessary permits and approvals, including but not limited to a building permit, erosion and sediment control permit, stormwater management permit, and, upon completion of improvements, a certificate of occupancy.

Section 4 – Design Standards

4-3 Streams, Drainage, ~~and~~ Erosion Control, and Stormwater Management

- A. Streams: When any stream is located within the boundaries of a property being subdivided, the developer/subdivider shall reserve a fifty (50) foot wide buffer zone (measured from the bank of the stream) on each side of the stream.

If a stream lies outside the subdivision boundary and the property being subdivided is located less than fifty (50) feet from the bank of the stream, the developer/subdivider shall reserve as a buffer zone whatever portion of the subdivided property lies within fifty (50) feet of the stream measured from the stream bank.

No residential structure or associated outbuilding shall be permitted within this buffer zone and such buffer zone shall not be considered part of any required street ~~width~~^[anc1].

- B. Drainage: For drainage purposes adequate easements, no less than ten (10) feet wide, shall be reserved over each manmade drainage course.

- C. Erosion and Sediment Control Plan ~~and Stormwater Management Improvements~~. If any subdivision requires land disturbing activity for which an erosion and sedimentation control plan must be filed pursuant to the Nelson County Erosion and Sediment Control Ordinance then the developer/subdivider must submit such plan and receive approval from the plan approving authority. ~~Systems and Best Management Practices shall be provided as part of the erosion control plan for storm runoff quantity and quality control in accordance with the "Design Guidelines and Development Standards for Stormwater Management in Nelson County, Virginia, Manual," dated August, 2003, as amended. Such plan must be filed as an addendum with the final plat. The developer/subdivider must apply for a land disturbing permit prior to commencement of any land disturbing activity.~~

- D. Stormwater Management Plan. If any subdivision requires land disturbing activity for which a stormwater management plan must be filed pursuant to the Nelson County Stormwater Management Ordinance, then the developer/subdivider must submit such plan and receive approval from the Program Administrator.

5-4
Preliminary Plat.

- A. General Requirements. Four (4) copies of the preliminary plat prepared by a person qualified to do such work, including but not limited to land planners, urban planners, professional engineers and surveyors, or persons having training or experience in subdivision planning or design shall be filed with the agent. The preliminary plat shall be drawn to a scale of one hundred (100) feet to the inch. Where conditions warrant, an alternate scale may be approved by the agent.
- B. Contents of Preliminary Plat. The preliminary plat shall show the following:
- (1) A topographic map with a contour interval of not greater than twenty (20) feet (or as approved by the agent) showing all the area covered by the proposed subdivision property related to Coast and Geodetic Survey data with the boundary lines of the tract to be subdivided and the 100-year flood plain limits delineated where applicable.
 - (2) The approximate total acreage of the proposed subdivision, proposed location of lots, lot numbers in numerical order, approximate dimensions and area of each lot, and block identification.
 - (3) The approximate location, width, and names of all existing or proposed streets within or adjacent to the proposed subdivision; the approximate locations of all railroads, watercourses, and existing buildings shown on Coast and Geodetic Survey maps or other topographic data and located within the boundaries of the proposed subdivision.
 - (4) The approximate location of all parcels of land intended to be dedicated, or reserved for public use, or to be reserved in the deed for the common use of property owners in the subdivision.
 - (5) The title under which the subdivision is proposed to be recorded, the names and addresses of the record owner and developer/subdivider, the name of the individual who prepared the plat, the date of drawing, number of sheets, the North point, and the scale.
 - (6) A vicinity sketch map of the area within a two-mile radius of the proposed subdivision showing the relationship of the proposed subdivision to the adjoining property; and showing all adjoining roads, their names and numbers, and other landmarks.
 - (7) Proposed provisions for all utilities including but not limited to electric, telephone, water and sewage, and stormwater management BMPs/facilities.

5-5 Final Plat

D. Addenda with Final Plat

9. A stormwater management plan is required by the Nelson County- Code.

RESOLUTION R2014-05
NELSON COUNTY BOARD OF SUPERVISORS
REFERRAL OF AMENDMENTS TO NELSON COUNTY ZONING & SUBDIVISION
ORDINANCE TO NELSON COUNTY PLANNING COMMISSION
(LOCAL STORMWATER MANAGEMENT PROGRAM)

WHEREAS, the Nelson County Board of Supervisors (the Board) has received and reviewed in public session conducted on January 14, 2014 a staff report on changes proposed to Appendix A-Zoning (Nelson County Zoning Ordinance) and Subdivision Ordinance of the Code of the County of Nelson, Virginia; and,

WHEREAS, the staff report proposed changes to the Zoning and Subdivision Ordinance in order for these Ordinances to be in concurrence with the mandated Stormwater Management Ordinance currently under review by the Virginia Department of Environmental Quality; to be used in administering the Local Stormwater Management Program;

NOW, THEREFORE, BE IT RESOLVED by the Nelson County Board of Supervisors, pursuant to the applicable provisions of Chapter 22, Planning, Subdivision of Land and Zoning of the Code of Virginia, 1950 with specific reference to §15.2-2285 of said Code, that the proposed amendments of the Code of Nelson County to incorporate local Stormwater Management Program components be referred to the Nelson County Planning Commission for review and development of a report on the Commission's findings and recommendations to the Board in accordance with Chapter 22 of the Code of Virginia.

Approved: _____, 2014

Attest: _____, Clerk
Nelson County Board of Supervisors

§ 15.2-2285. Preparation and adoption of zoning ordinance and map and amendments thereto; appeal.

A. The planning commission of each locality may, and at the direction of the governing body shall, prepare a proposed zoning ordinance including a map or maps showing the division of the territory into districts and a text setting forth the regulations applying in each district. The commission shall hold at least one public hearing on a proposed ordinance or any amendment of an ordinance, after notice as required by § [15.2-2204](#), and may make appropriate changes in the proposed ordinance or amendment as a result of the hearing. Upon the completion of its work, the commission shall present the proposed ordinance or amendment including the district maps to the governing body together with its recommendations and appropriate explanatory materials.

B. No zoning ordinance shall be amended or reenacted unless the governing body has referred the proposed amendment or reenactment to the local planning commission for its recommendations. Failure of the commission to report 100 days after the first meeting of the commission after the proposed amendment or reenactment has been referred to the commission, or such shorter period as may be prescribed by the governing body, shall be deemed approval, unless the proposed amendment or reenactment has been withdrawn by the applicant prior to the expiration of the time period. In the event of and upon such withdrawal, processing of the proposed amendment or reenactment shall cease without further action as otherwise would be required by this subsection.

C. Before approving and adopting any zoning ordinance or amendment thereof, the governing body shall hold at least one public hearing thereon, pursuant to public notice as required by § [15.2-2204](#), after which the governing body may make appropriate changes or corrections in the ordinance or proposed amendment. In the case of a proposed amendment to the zoning map, the public notice shall state the general usage and density range of the proposed amendment and the general usage and density range, if any, set forth in the applicable part of the comprehensive plan. However, no land may be zoned to a more intensive use classification than was contained in the public notice without an additional public hearing after notice required by § [15.2-2204](#). Zoning ordinances shall be enacted in the same manner as all other ordinances.

D. Any county which has adopted an urban county executive form of government provided for under Chapter 8 (§ [15.2-800](#) et seq.) may provide by ordinance for use of plans, profiles, elevations, and other such demonstrative materials in the presentation of requests for amendments to the zoning ordinance.

E. The adoption or amendment prior to March 1, 1968, of any plan or ordinance under the authority of prior acts shall not be declared invalid by reason of a failure to advertise, give notice or conduct more than one public hearing as may be required by such act or by this chapter, provided a public hearing was conducted by the governing body prior to the adoption or amendment.

F. Every action contesting a decision of the local governing body adopting or failing to adopt a proposed zoning ordinance or amendment thereto or granting or failing to grant a special exception shall be filed within thirty days of the decision with the circuit court having jurisdiction of the land affected by the decision. However, nothing in this subsection shall be construed to create any new right to contest the action of a local governing body.

(Code 1950, §§ 15-822, 15-846, 15-968.7; 1962, c. 407, § 15.1-493; 1964, c. 279; 1968, c. 652; 1970, c. 216; 1972, c. 818; 1975, c. 641; 1984, c. 175; 1988, cc. 573, 733, 856; 1989, c. 359; 1990, c. 475; 1991, c. 235; 1996, c. [867](#); 1997, c. [587](#).)



Nelson County Sheriff's Office

94 Courthouse Square
PO Box 36
Lovingson, VA 22949
434-263-7050
434-263-7056 (Fax)

W. David Brooks
Sheriff

December 30, 2013

To: Steve Carter
County Administrator
County of Nelson

Re: Car Radio's.

Mr. Carter:

I am writing, so that you will be aware that this department is in dire need for 4 new radios for vehicles that have no radios at this time. I have made Susan Rorrer aware of the need for 5 new radios when they were installed. Lieutenant Adcock contacted Clear Communications on the price of the new radios and stated that the radios that were purchased earlier were purchased at a bulk rate price and now any new radios would cost approximately twenty five hundred dollars each.

Without the requested 4 radios now, we will have vehicles that cannot be used for patrol and have to sit in the motor pool until such time when radios can be provided. We have switched out all radios from older vehicles into the new vehicles, and we have older vehicles still being use. This year, we received two new deputies and no new vehicles or radios. Now the time has come when we must provide equipment and vehicles for these deputies. Please take this request seriously and afford us the opportunity to receive the radios that are so badly needed.

Ronald W. Robertson
Captain
Nelson County Sheriff's Office

County of Nelson
Information Systems

January 2, 2014

To: Steve Carter
From: Susan Rorrer 
Re: Radio Project - Request for Additional Radios for Sheriff's Office

The Sheriff's Office has requested two additional portable radios and five additional mobile radios for personnel and vehicles in their department. The requested radios will provide portable radios for the two new deputy positions that were approved in July 2013 and mobile radios for three new police cars purchased in 2013, the crime scene vehicle and the Humvee.

The original contract with Motorola included the purchase of 18 mobile and 23 portable radios for the Sheriff's Office. The Sheriff's Office currently employs 20 officers, four court security personnel and four building security personnel. The office currently operates 24 vehicles and maintains 3 spare vehicles. No new radios have been requested for the spare vehicles.

Mobile and portable radios can be purchased under the current contract. The cost per subscriber unit for the Sheriff's Office mobile radios is \$2,874.74 and Sheriff's Office portable radios is \$1,946.10. The cost of Sheriff's Office radios is higher than other radios used with the system due to encryption and other enhanced features. The total cost of the requested radios is as follows:

Mobiles Radios:	5 @ \$2,874.74	\$14,373.70
<u>Portable Radios:</u>	<u>2 @ \$1,946.10</u>	<u>\$ 3,892.20</u>
Total:		\$18,265.90

Please let me know if you need any additional information.

NELSON COUNTY SHERIFF'S OFFICE

MEMO

Date: January 2, 2014

To: Susan Rorer

From: Lt. B. Adcock

CC: Capt

Subject: Radios

Portables: 25

R. Brooks	V. Wright	Sheriff
C. Justus	J. Coffey	Capt
A. Aguirre	H. Crawford	B. Adcock
C. Thacker	S. Sanchez	B. Mays/Inv
K. Roberts	M. Holmes	Part-time Inv.
S. Bradner	E. Wood	B. McDonald
S. Davis	R. Smutz	

Courts:

2 General District/J&D

1 Circuit Court

Security:

2

Replaces Current Sections 7.2 and 7.3 Annual Leave and Sick Leave

7.2 Annual Leave

Annual Leave is paid time off accrued by regular full time employees as defined by Section 7.1(A) which may be available for vacation or other personal uses as approved by management.

Annual leave schedules of employees shall be approved by the Department Head. Employees will not be allowed to take leave at times when in the judgment of the Department Head, their absence will leave the Department incapable of performing its designated public service.

Annual leave accrues at the end of each calendar month. It is credited to the employee and available for use on the first day of the next calendar month. No leave is earned for service of a partial month if the time worked is less than ten working days (80 hours). Leave will be accrued at the full monthly rate if the time worked is at least ten working days (80 hours).

Additionally, annual leave shall not accrue in the following situations:

- After 90 consecutive calendar days of leave with pay regardless of the type of leave to which the absence is charged. A return to work for a full monthly pay period interrupts the count of 90 consecutive calendar days of leave with pay. If another period of leave with pay occurs, a new 90-day period begins and the employee continues or resumes leave accrual.
- During the period that an employee is in non-working Long Term Disability (LTD) status through the Virginia Local Disability Program (VLDP). If an employee returns to regular full time employment for a full monthly pay period after being on LTD status, annual leave accrual will resume. **Employees must be paid up to the maximum allowed payment for any annual leave hours remaining when beginning non-working LTD status.**
- When an employee is suspended/placed on administrative leave with or without pay pending the results of investigation or court action or when an employee is on disciplinary suspension, no leave shall be earned for the monthly pay period(s) during which the absences occur.
- During the pay period(s) that an employee is in Leave Without Pay status.
- During any pay period(s) of unpaid Family and Medical Leave (FMLA).

For employees who participate in VLDP, annual leave may be used to supplement disability benefits during periods of Short Term Disability (STD) or Long Term Disability-Working (LTDW) when the disability benefit is less than 100%.

Employees with an approved Workers' Compensation claim will receive the Workers' Compensation benefit (66 2/3% of average weekly wage). Accrued annual leave or other accrued leave may be used to supplement the Workers' Compensation benefit to receive 100% pay.

The accrual rate for annual leave, the maximum amount of accrued annual leave that an employee may carryover from one leave year (July 1-June 30) to the next, and the maximum amount of annual leave payable upon separation from service are determined as shown in the following chart.

Annual Leave for Regular Full Time Employees				
Tenure	Annual	Per Mo	Annual Carryover	Maximum Payment
Less than 5 Years	96 hrs	8 hrs	192 hrs (24 days)	192 hrs (24 days)
5-9 Years	144 hrs	12 hrs	288 hrs (36 days)	288 hrs (36 days)
10 or more Years	192 hrs	16 hrs	384 hrs (48 days)	384 hrs (48 days)

7.3 Sick Leave

Sick Leave is paid leave from work accrued by regular full time employees as defined by Section 7.1(A) which may be available for reasons related to their own health or that of certain family members, and for personal or family related absences covered by the Family and Medical Leave Act (FMLA).

The justification for any sick leave use may be subject to verification by management (Department Head/County Administrator). An employee who wishes to use sick leave must comply with management's request for verification of the appropriateness of sick leave usage. An employee's use of paid sick leave may be denied if the employee fails to comply with a reasonable management request for verification of the need for sick leave, or if the verification provided is inadequate. For any absence in excess of 90 calendar days within a twelve month period, verification must be provided and filed with the County Administrator at the end of the 90 calendar days and monthly thereafter. Employees who misrepresent the need to use sick leave are subject to disciplinary action.

Forms of certification or verification employees may provide include:

- Certification from the treating physician that the employee is temporarily disabled from work. This should indicate the extent of the employee's disability, the anticipated duration of the disability, and any restrictions to work duty.
- Certification from the employee's physician that the employee currently has or has been exposed to a contagious disease such that his or her presence on the job might endanger the health of others.
- Evidence that the employee has a medical appointment that could not reasonably have been scheduled during the employee's non-work hours.
- Certification from the treating physician to verify absences for family member illnesses or of FMLA qualifying conditions.

Additionally, sick leave shall not accrue in the following situations:

- After 90 consecutive calendar days of leave with pay, inclusive of short term disability pay, regardless of the type of leave to which the absence is charged. A return to work for a full monthly pay period interrupts the count of 90 consecutive calendar days of leave with pay. If another period of leave with pay occurs, a new 90-day period begins and the employee continues or resumes leave accrual.
- When an employee is suspended/placed on administrative leave with or without pay pending the results of investigation or court action or when an employee is on

disciplinary suspension, no leave shall be earned for the monthly pay period(s) during which the absences occur.

- During any pay period(s) that an employee is in Leave Without Pay status.
- During any pay period(s) of unpaid Family and Medical Leave (FMLA).
- During the period that an employee is in non-working Long Term Disability (LTD) status through the Virginia Local Disability Program (VLDP). If an employee returns to regular employment for a full monthly pay period after being on LTD status, sick leave accrual will resume.

Employees shall be allowed to use their accrued sick leave to take paid time off from work for the following reasons:

- Medical necessity during the employee's temporary incapacity due to illness or injury, including the incapacity related to pregnancy or childbirth.
- Infection with or exposure to a contagious disease such that his or her presence on the job might jeopardize the health of others.
- The employee's medical appointments that cannot reasonably be scheduled during non-work hours.
- Medical necessity (due to illness or injury) or death in the immediate family. Immediate family for this purpose includes the employee's parents, spouse (as defined by laws of the Commonwealth), children (including step-children, foster children, and legal wards), grandchildren, brother, sister, any relative living in the household of the employee, mother-in-law, father-in-law, sister-in-law, brother-in-law, son-in-law, or daughter-in-law. The County Administrator may establish limits upon the charge to sick leave for such family applications.
- Medical conditions, illnesses, injuries or other situations that qualify under the FMLA.
- Employees with an approved Workers' Compensation claim will receive the Workers' Compensation benefit (66 2/3% of average weekly wage). Accrued sick leave or other accrued leave may be used to supplement the Workers' Compensation benefit to receive 100% pay.
- For employees who participate in VLDP, sick leave may be used to supplement disability benefits during periods of Short Term Disability (STD) or Long Term Disability-Working (LTDW) when the disability benefit is less than 100%.

Employees who are enrolled in Plan 1 or Plan 2 of the Virginia Retirement System (VRS) which is generally those employees hired before January 1, 2014 and employees hired after that date in positions covered by enhanced benefits for hazardous duty will receive sick leave benefits in accordance with the **Sick Leave for Plan 1 or 2 Employees 7.3(A)**.

Employees who are enrolled in the Hybrid Plan of the Virginia Retirement System (VRS) which is generally those employees hired on January 1, 2014 or later (except those hired in positions covered by enhanced benefits for hazardous duty) and those employees hired before January 1, 2014 who choose to opt-in to the hybrid retirement plan effective July 1, 2014 will receive sick leave benefits in accordance with the **Sick Leave for Hybrid Plan Employees 7.3(B)** in conjunction with the Virginia Local Disability Plan (VLDP) as administered by the Virginia Retirement System.

Exceptions to these policies for extenuating circumstances may be granted by the County Board of Supervisors upon application filed through the County Administrator.

(A) Sick Leave for Plan 1 or 2 Employees

In addition to the sick leave provisions denoted herein, the general provisions of Section 7.3 shall also apply to Plan 1 and Plan 2 employees.

Sick leave accrues at the end of each calendar month. It is credited to the employee and available for use on the first day of the next calendar month. No leave is earned for service of a partial month if the time worked is less than ten working days (less than 80 hours). Leave will be accrued at the full monthly rate if the time worked is at least ten working days (80 hours or more). Remaining balances of sick leave are not payable upon separation from service.

The accrual rate for sick leave and the maximum amount of accrued sick leave that an employee may carry over from one leave year (July 1-June 30) to the next are determined as shown in the following chart.

Sick Leave for Plan 1 and Plan 2 Employees				
Tenure	Annual	Per Mo	Annual Carryover	Maximum Payment
Less than 5 Years	96 hrs	8 hrs	Unlimited	None
5-9 Years	96 hrs	8 hrs	Unlimited	None
10 or more Years	96 hrs	8 hrs	Unlimited	None

(B) Sick Leave for Hybrid Plan Employees

In addition to the sick leave provisions denoted herein, the general provisions of Section 7.3 shall also apply to Hybrid Plan employees.

Employees hired before January 1, 2014 who choose to opt-in to the hybrid retirement plan effective July 1, 2014 will no longer accrue sick leave in accordance with the Sick Leave for Plan 1 or 2 Employees. July 1, 2014 and on each July 1 thereafter, these employees will receive the annual allotment of sick leave based on the number of complete years of regular full time service that the employee has on July 1 as provided in the sick leave chart for hybrid plan employees. Employees who have a balance of sick leave at June 30, 2014 will maintain that balance. However, that balance of sick leave must be utilized prior to using any of the sick leave allotted each July 1.

Employees hired on or after January 1, 2014 who are enrolled in the Hybrid Plan of the Virginia Retirement System (VRS) will be credited with a pro-rata amount of sick leave based on the number of complete pay periods from the date of hire through June 30. For example, if an employee is hired on January 15, the employee will receive 8 hours for each of the 5 complete pay periods to be worked from February through June (40 hours). On July 1, 2014 and on each July 1 thereafter, employees will receive the annual allotment of sick leave based on the number of complete years of regular full time service the employee has on July 1 as provided in the sick leave chart for hybrid plan employees.

An employee may not carry over sick leave from one leave year (July 1-June 30) to the next with the exception of balances maintained by employees hired before January 1, 2014 who elected to opt-in to the hybrid retirement plan. Remaining balances of sick leave are not payable upon separation from service.

The general provisions of Section 7.3 relative to situations in which sick leave shall not accrue will be applied in the following manner. The annual allotment of sick leave shall be reduced by the monthly amount for each pay period within the leave year in which no leave should have accrued. Should the employee not have a sufficient sick leave balance for this reduction, then the employee's compensation shall be reduced equivalent to the amount of sick leave used for which he or she was not eligible to accrue. If at July 1, the employee is in a situation in which leave accrual is suspended, a pro-rata amount of sick leave shall be credited to the employee at the time the employee is eligible to resume sick leave accrual.

The annual allotment of sick leave will be determined according to the following chart.

Sick Leave for Hybrid Plan Employees				
Tenure on July 1	Annual Allotment	Per Mo	Annual Carryover	Maximum Payment
Less than 5 Years	96 hrs	8 hrs	None	None
5-9 Years	108.00	9 hrs	None	None
10 or more Years	120.00	10 hrs	None	None

When an employee is on disability leave, it is assumed that his work schedule is a standard 8 hour day Monday through Friday. This includes those pay periods in which the employee starts STD or returns to work following STD, as well as in cases of intermittent and/or major chronic disabilities where the employee works part of a pay period. Employees working alternate schedules must revert back to the standard 5 day (Monday-Friday)/40 hour schedule when they are approved to receive STD benefits and remain in this status until released to return to work full-time/full duty without restrictions.

RESOLUTION R2014-06
NELSON COUNTY BOARD OF SUPERVISORS
APPROVAL OF NELSON COUNTY ANNUAL AND SICK LEAVE POLICIES
TO INCORPORATE VRS HYBRID PLAN EMPLOYEES REVISION TO
SECTION 7.2 AND 7.3 OF THE NELSON COUNTY PERSONNEL POLICIES
AND PROCEDURES MANUAL

WHEREAS, the County of Nelson currently has policies governing annual and sick leave for employees;

WHEREAS, employees hired on January 1, 2014 or later (except those hired in positions covered by enhanced benefits for hazardous duty) and those current employees who choose to opt-in to the hybrid retirement plan effective July 1, 2014 shall receive short and long term disability benefits through the Virginia Local Disability Program administered by the Virginia Retirement System;

WHEREAS, the Virginia Local Disability Program provides income protection if an employee cannot work because of illness, injury, or major chronic conditions; and

WHEREAS, the current sick leave policies serve a similar purpose and as such the current leave policies should be amended in consideration of the benefits provided by the Virginia Local Disability Program;

NOW THEREFORE, BE IT RESOLVED, that the Nelson County Board of Supervisors hereby approves and authorizes that the current Section 7.2 Annual Leave through Section 7.3 Sick Leave in the Nelson County Personnel Policies and Procedures Manual (Adopted December 12, 1995 and Effective January 1, 1996) be amended and replaced with the attached Section 7.2 through Section 7.3 which have been modified to incorporate the Virginia Local Disability Program.

Adopted: _____, 2014

Attest: _____, Clerk
Nelson County Board of Supervisors

Chapter 4
Article II
Division IV
Nelson County Unsafe Buildings and Structures Ordinance

Sec. 4-57. Short title; authority.

a. This article may be known and cited as the "Nelson County Unsafe Buildings and Structures Ordinance."

b. This article has been enacted pursuant to Code of Virginia §15.2-906 (1950, as amended), and shall be administered consistent with the provisions of the Uniform Statewide Building Code and regulations promulgated thereunder, applicable to or adopted by Nelson County.

Sec. 5-58. Definitions.

Building shall mean any structure used or intended for supporting or sheltering any use or occupancy.

Building official shall mean the person so designated by the Nelson County Board of Supervisors to serve as the code official for administration and enforcement of the provisions of the Virginia Uniform Statewide Building Code, or his designee.

County shall mean Nelson County, Virginia.

Owner shall mean any person having a legal or equitable interest of record.

Person shall mean any individual, firm, partnership, cooperative, corporation, association, estate, trust, trustee in bankruptcy, receiver, club, society, or other group or combination acting as a unit.

Structure shall mean that which is built or constructed.

Sec. 4-59. Order to remove, repair, or secure.

The building official may order any owner of property in the county to remove, repair, or secure any building, wall, or other structure which he determines might endanger the public health or safety of other residents of the county.

a. The order shall be contained in a notice issued by the building official to the owner and to the lien holder. The notice shall be in writing and shall identify the condition of the building, wall, or other structure that constitute a danger to the public health or safety, specify the measures that

must be taken to eliminate the danger, and state a reasonable time within which the measures must be taken.

b. The notice shall be mailed by certified or registered mail, return receipt requested and be sent to the last known address of the property owner. The notice shall also be published once a week for two successive weeks in a newspaper having general circulation in the county.

c. For purposes of the section, "repair" includes maintenance work to the exterior of a building to prevent deterioration of the building, wall, or structure, or adjacent buildings.

Sec. 4-60. Authority of building official to remove, repair, or secure.

Upon the issuance by the building official of an order to remove, repair, or secure any building, wall, or any other structure which might endanger the public health or safety of other residents of the county, the County Administrator, through the county's agents or employees, is authorized to remove, repair, or secure any building, wall or any other structure, if:

a. Notice has been provided to the owner of the property and the lienholder as provided in Section 4-59;

b. At least 30 days have passed since the later of either the return of the receipt or newspaper publication, as provided in section 4-59(b,) except that the county may take action to prevent unauthorized access to the building within seven days of such notice if the structure is deemed to pose a significant threat to public safety and such fact is stated in the notice; and,

c. The owner and the lien holder of the property have failed to remove, repair, or secure the building, wall, or other structure within the time period specified in the notice.

Sec. 4-61. Recovery of costs if the county removes, repairs, or secures; lien.

a. If the county removes, repairs, or secures a building, wall or other structure pursuant to Section 4-59, the cost or expenses thereof shall be chargeable to and paid by the owner of the property.

b. Every charge authorized by this section may be collected by the county as taxes are collected.

c. Every charge authorized by this section with which the owner of the property has been assessed and which remains unpaid shall constitute a lien against the property. The lien shall rank on a parity with liens for unpaid local taxes and shall be enforceable in the same manner as provided in Virginia Code §§ 58.1-3940 *et seq.* and 58.1-3965 *et seq.*

Sec. 4-62. Written consent.

Notwithstanding the foregoing, with the written consent of the property owner, the county may, through its agents or employees, demolish or remove a derelict nonresidential building or structure provided that such building or structure is neither located within or determined to be a contributing property within a state or local historic district nor individually designated in the Virginia Landmarks Register. The property owner's written consent shall identify whether the property is subject to a first lien evidenced by a recorded deed of trust or mortgage and, if so, shall document the property owner's best reasonable efforts to obtain the consent of the first lienholder or the first lienholder's authorized agent. The costs of such demolition or removal shall constitute a lien against such property. In the event the consent of the first lienholder or the first lienholder's authorized agent is obtained, such lien shall rank on a parity with liens for unpaid local taxes and be enforceable in the same manner as provided in Section 4-61. In the event the consent of the first lienholder or the first lienholder's authorized agent is not obtained, such lien shall be subordinate to that first lien but shall otherwise be subject to Section 4-61.

Sec. 4-63. Civil penalty.

If the owner of the property should fail to remove, repair, or secure the building, wall, or other structure within the time period specified in the notice the owner shall be liable for a civil penalty of \$1,000.00.

Sec. 4-64. Remedies of this article not exclusive.

The remedies authorized by this article shall not be exclusive of any other remedy provided by law, including any remedy to abate, raze, or remove an unsafe structure or equipment as provided in the building code, or any remedy to abate, raze, or remove a building, wall, or structure that constitutes a public nuisance as provided in Virginia Code §§ 15.2-900, 15.2-1115, and 48-1 *et seq.*

State Law Reference: *Va. Code* §15.2-906

RESOLUTION R2014-07
NELSON COUNTY BOARD OF SUPERVISORS
AUTHORIZATION FOR PUBLIC HEARING TO AMEND THE CODE OF
NELSON COUNTY, VIRGINIA CHAPTER 4 - BUILDINGS,
ARTICLE II – BUILDING CODE, DIVISION 4 -NELSON COUNTY UNSAFE
BUILDINGS AND STRUCTURES

BE IT RESOLVED, that pursuant to §15.2-1427, of the Code of Virginia 1950 as amended, the County Administrator is hereby authorized to advertise a public hearing to be held on **February 11, 2014** at 7:00 p.m. or as soon as possible thereafter, in the General District Courtroom in the Courthouse in Lovingston, Virginia. The purpose of said public hearing is to receive public input on an ordinance proposed for passage to enact Chapter 4, Article II, Division IV, Nelson County Unsafe Buildings and Structures.

Adopted: _____, 2014

Attest: _____, Clerk
Nelson County Board of Supervisors

NELSON COUNTY BOARDS AND COMMISSIONS APPLICATION FORM

Subject: Appointments - Statement of Interest Form

Completing this form is one way to indicate your interest in being considered for appointment to some of the Boards, Commissions and Committees appointed by the Board of Supervisors. All appointments remain at the discretion of the Board of Supervisors.

Please complete and mail this form to:

Nelson County Board of Supervisors
Attention: Stephen A. Carter, Clerk of Board
Post Office Box 336
Lovingston, VA 22949

or fax to (434) 263-7004

Date 1/8/14

Mr. _____ Mrs. X Ms. _____

Name: Sharon M Wray

List a maximum of three (3) Boards on which you are interested in serving.

1. PVCC Board
2. _____
3. _____

Home Address: 1460 Salem Road
Schuyler, VA 22969

Occupation: Program Manager Employed by: UVA Medical Center

Home Phone No.: 434-831-2421 Business Phone No.: 434-982-2590

Fax No.: _____ E-Mail Address: sharonwray@embarqmail.com

Do you live in Nelson County? Yes No

Are you currently a member of a County Board, Commission, Committee or Authority? Yes No

If yes, list the Board(s):

PVCC Board

What talent(s) and/or experience can you bring to the Board(s)?

- Many years of work experience
- love of learning
- the desire to make sure that educational opportunities exist for all who wish to increase their knowledge

What do you feel you can contribute to the Board(s) and to the community that may not be evident from information already on this form?

- share any insights I have concerning education wants/needs
- business management & budgeting knowledge/experience

Please use this space for any additional information you would like to provide:

resume attached

A resume or separate sheet with additional information may be included.

ATTENDANCE REQUIREMENTS

Section 2-153, Absences, Chapter 2, Administration, Article V. Appointments for Boards and Commissions of the Nelson County Code, an appointee of the Board of Supervisors who either (a) fails, during a calendar year, to attend seventy-five percent of the regular meetings of the board or commission of which he/she is a member, or (b) is absent for three consecutive regular meetings, shall be deemed to have tendered his/her resignation from such position. The Board of Supervisors may accept such resignation by appointing another person to fill the position.

In light of the above, will you be able to attend at least 75% of the regular meetings of the boards to which you may be appointed?

Yes No

Sharon Wray

Objective: Position allowing the use of knowledge and skills gained over the years at the Medical Center.

Profile: Motivated business professional with graduate level degree. Works well with all levels of personnel within an organization. Ability to handle many tasks at once and works well under pressure.

Skills Summary:

- Project Management
- Written Correspondence
- Budget Preparation
- Microsoft Office Suite
- A2K3
- Medical Terminology
- Contract Negotiation
- Web Design
- Computer Savvy
- Report Preparation
- Supervision
- PeopleSoft
- Financial Reporting
- Patient Billing

Employment History Sep 2009- Present University of Virginia Clinical Engineering
Medical Center Charlottesville, VA

Program Manager

- Negotiate service agreements for medical equipment
- Manage New Medical Device process for the Medical Center
- Budget preparation
- Update medical equipment database with service history
- Manage SCOPE (Supply Chain Optimization Performance Enhancement) information for Clinical Engineering
- Present savings at monthly SCOPE meeting
- Submit explanations for budget variances when necessary

July 2007 – 2009 University of Virginia Pharmacy
Medical Center Pharmacy Charlottesville, VA

Promoted to Medical Center Manager

- Prepare budget for six departmental codes (over \$60M)
- Submit monthly statistics for benchmarking
- Supervise office personnel
- Supervise Patient Assistance personnel
- Supervise reconciliation for insurance reimbursements
- Supervise payroll process
- Submit Annual Report for Pharmacy Services

1985-2001 University of Virginia
Medical Center Pharmacy Charlottesville, VA

Administrative Assistant promoted to Medical Center Specialist

- Maintain personnel records
- Payroll
- Maintain CDM for Pharmacy Department
- Supervise and train clerical personnel
- Supervise monthly reconciliation of insurance reimbursements
- Data collection for monthly statistics
- Responsible for monthly IDT process for billing
- Assist management with budget preparation

1976-1985 University of Virginia
Medical Center Pharmacy Charlottesville, VA

Pharmacy Assistant

- Filled medication orders under the supervision of a pharmacist
- Made IV solutions and hyperals under the supervision of pharmacist
- Moved to outpatient pharmacy in 1983
- Helped open Primary Care Center Pharmacy

In Primary Care Pharmacy, ordered supplies, maintained records and filled prescriptions under the supervision of a pharmacist

1974 - 1976 Leggett Charlottesville, VA
Sales Associate

Education

1989 - 1996 Piedmont Virginia Community College
Charlottesville, VA

A.A.S. Business Management

1996-2000 Old Dominion University Norfolk, VA

B. S. in Business Administration - Accounting

2001-2003 Morehead University Kentucky

Master in Business Administration

Other
Activities

1996
Vice Chair of Medical Center Employee Council

1997-1998
Chair of Medical Center Employee Council

**Executive Employee Communications Council
Human Resources Steering Committee**

Community
activities

- Participate in Church activities (President of Ladies' Group)
- Teach computer classes at community center
- Volunteer for Albemarle County Fair
- Serve meals at Salvation Army
- Participate in the United Way Day of Caring
- RAM Clinic at Wise
- Knit hats for newborns at UVA Medical Center
- Take meals to Ronald McDonald House

Memo To: Board of Supervisors

From: Debbie McCann

Date: January 14, 2014

Subject: Sheriff's Dept. Requests for Funding (Part-time wages and vehicles)

The Sheriff's Office has requested an additional \$10,000 for part-time wages (speed enforcement). This line was originally budgeted at \$10,000. As of the end of December, the department has expended \$10,814. In the past this type of request has been appropriated with an offset of Court Fine receipts. However, Court Fine receipts through the end of December total \$148,854 which would project out through the end of the fiscal year to be approximately \$297,708. The projection is approximately \$22,000 short of the budgeted amount for fines of \$319,818. Per budget discussions, Court Fine receipts in the amount of \$139,818 were designated to cover two full-time law enforcement positions, one part-time security officer, and one part-time investigator. The part-time investigator position has not been filled, and as such I would suggest that the additional \$10,000 requested for part-time speed enforcement wages be transferred from the part-time investigator funding which has not been utilized. The total funding allocated to the part-time investigator position is \$23,206. As a further option, the Board could consider freezing the part-time investigator position to cover potential shortfalls in Court Fine receipts.

During the budget process, the Board had delayed consideration of purchasing an additional three police vehicles that the Department had requested until such time as actual Court Fine collections could be evaluated. If Court Fines were to be allocated towards the purchase of these vehicles, the required collection amount would be \$80,000-\$90,000 more than the \$319,818 currently projected in the budget.



Nelson County Sheriff's Office

94 Courthouse Square
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Livingston, VA 22949
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W. David Brooks
Sheriff

November 20, 2013

To: Board of Supervisors
County of Nelson
84 Courthouse Square
Livingston, VA 22949

Re: Budget Amendment

The Nelson County Sheriff's Office requests a budget amendment to line item 31020-1009, Part-time speed enforcement in the amount of \$10,000.00. This money will allow this department to continue this program for most of the physical year.



Ronald W. Robertson
Captain/Chief Deputy
Nelson County Sheriff's Office