McSOLEY McCOY & CO.
Certified Public Accountants and Business Advisors

December 19, 2011

To Sheriff Kevin McLaughlin
Chittenden County Sheriff's Department

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Chittenden County Sheriff's Department (the "Department") for the year ended June 30, 2011.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated August 1, 2011, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on October 11, 2011.

Significant Audit Findings

Qualitative Aspects of Accounting Practices
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Department are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2011. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates used by management.

Difficulties Encountered in Performing the Audit
We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements
Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The attached schedule summarizes corrected misstatements of the financial statements.

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Disagreements with Management
For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations
We have requested certain representations from management that are included in the management representation letter dated December 19, 2011.

Management Consultations with Other Independent Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Department and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

McSoley McCoy & Co.

McSoley McCoy & Co.

Chittenden County Sheriff's Department
Corrected Misstatements of the Financial Statements
For the Year Ended June 30, 2011

To capitalize receipt of assets from COPS Grant

16010	Major Equipment	$ 9,584	
43000	Federal and State Grant		$ 9,584

To record prepaid expenses

13001	Prepaid Expense	15,778	
55351	General Liability	18,567	
23001	Unearned Revenue		7,207
43020	Revenue - County Support		11,92
5530	Workers Comp Insurance		5,343
5534.5	Public Official Insurance		8,971
5734	Vehicle Insurance		903

To record 2nd quarter civil process fees due to State of Vermont

52005	Civil 15% to State	9,233	
20001	Accounts Payable		9,233

To capitalize equipment received from Department of Public Safety

16010	Major Equipment	73,200	
5515	Equipment		73,200

To reclassify receipt of Homeland Security Grant from the equipment expense account.

5515	Equipment	58,560	
49000	Homeland Security Grant		58,560

To capitalize 2010 purchases of assets that were previously expensed and record their depreciation expense for 2010.

16010	Major Equipment	21,615	
16040	Vehicles	63,600	
16050	Depreciation - Vehicles		2,362
32000	Retained Earnings		82,853

To reclassify receipt from sale of vehicle to gain/loss account.

16040	Vehicles	5,000	
47000	Sale of Equipment		5,000

To record depreciation expense for the year

5509	Depreciation	80,329	
16030	A/D - Equipment		17,283
16050	Depreciation - Vehicles		63,046

To record asset disposals

16030	A/D - Equipment	120,451	
16050	Depreciation - Vehicles	106,263	
47000	Sale of Equipment	8,870	
16010	Major Equipment		120,451
16040	Vehicles		115,133

To roll forward net assets

46050	Miscellaneous Receipts	825	
32000	Retained Earnings		825

To record equipment purchased with the COPS grant

16010	Major Equipment	4,792	
46050	Miscellaneous Receipts		4,792

To re-class assets that were expensed and should be capitalized

16010	Major Equipment	1,280	
16010	Major Equipment	2,030	
16010	Major Equipment	2,400	
16010	Major Equipment	2,845	
16010	Major Equipment	14,942	
5515	Equipment		2,400
5515	Equipment		6,155
5515	Equipment		14,942

To adjust accrued wages to actual and reverse accrued sick time

20160	Payroll Liabilities – Accrued Wages Sick & Vacation	35,927	
32000	Retained Earnings		32,232
66001	Wages & Salary		3,695

To record revenue earned in 2011 but recorded in 2012 –
TO BE REVERSED

12001	Accounts Receivable	25,003	
41110	Contract Hours		1,824
41110	Contract Hours		4,449
41111	Contract Overtime Hours		5,184
41125	AHS Contract		5,366
41301	Civil Process		2,350
41403	Deputy Hours		4,024
48000	County Support		1,806

To re-class revenue earned in 2010 that were recorded in 2011

41110	Contract Hours	4,992	
41111	Contract Overtime Hours	576	
41112	Contract Mileage	729	
41301	Civil Process	2,350	
41303	Mileage	437	
41403	Deputy Hours	2,213	
41404	Transport Mileage	292	
43013	Anytime Grants	1,931	
43014	Grant Mileage	630	
46003	State Miscellaneous Mileage	135	
48000	County Support	1,718	
32000	Retained Earnings		16,006