McSOLEY McCOY & CO.
Certified Public Accountants and Business Advisors

January 15, 2011

To Sheriff Steven Gadapee
Essex County Sheriff's Department

We have audited the financial statements of the business-type activities of the Essex County Sheriff's Department for the year ended June 30, 2010, and have issued our report thereon dated January 15, 2011. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated July 6, 2010, 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 20, 2010.

Significant Audit Findings

Qualitative Aspects of Accounting Practices
Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Essex County Sheriff's Department are described in Note 1 to the financial statements. Management adopted ASC 855 which went into effect for years ending after June 15, 2009. No other new accounting policies were adopted and the application of existing policies was not changed during June 30, 2010. We noted no transactions entered into by the Department during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

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.

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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. Management has corrected all such misstatements.

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 January 15, 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 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 department'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 management of Essex County Sheriff's 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.

Client: ***Vermont Sheriff Departments***
Engagement: ***AUD - Essex County Sheriff's Department***
Trial Balance: ***TB***

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
to expense items that were capitalized but shouldn't have been.			
6550	Office supplies	532.00	
1304	Office Equipment		532.00
Total		**532.00**	**532.00**
Adjusting Journal Entries JE # 2			
to record journal entries to adjust accts payable to actual			
2000	Accounts Payable	4,366.00	
1000.8	PSB Checking		245.00
3000	Retained Earnings		4,121.00
Total		**4,366.00**	**4,366.00**
Adjusting Journal Entries JE # 3			
to adjust accounts rec. to actual per revenue cutoff testing			
1200	Accounts Receivable	1,373.00	
4010.1	Contracted Services		1,373.00
Total		**1,373.00**	**1,373.00**
Adjusting Journal Entries JE # 4			
to record worker comp insurance from prepaid insurance to expense			
5500.1	Insurance Expense - Workers Comp	5,243.00	
1205	Prepaid Insurance		5,243.00
Total		**5,243.00**	**5,243.00**
Adjusting Journal Entries JE # 5			
to record prepaid expense			
1210	Prepaid Expenses	1,234.00	
3000	Retained Earnings	2,057.00	
5003	Equipment		1,234.00
5110	Auto expense		2,057.00
Total		**3,291.00**	**3,291.00**
Adjusting Journal Entries JE # 6			
to book current year depreciation			
6150	Depreciation	27,836.00	
1300	AD Equipment		15,199.00
1301	AD Office Equipment		345.00
1302	AD Vehicles		12,292.00
Total		**27,836.00**	**27,836.00**

Client: ***Vermont Sheriff Departments***
Engagement: ***AUD - Essex County Sheriff's Department***
Trial Balance: ***TB***

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 7			
to correctly record vehicle			
1305	Vehicles	11,960.00	
5611.3	Misc Expense	120.00	
3001	Opening Bal Equity		120.00
3001	Opening Bal Equity		11,960.00
Total		**12,080.00**	**12,080.00**
Adjusting Journal Entries JE # 8			
to clear the 05 chevy loan off the books			
2300.1	Passumpsic 2005 Chev - Long term note	6,508.00	
2300	Long term notes		6,508.00
Total		**6,508.00**	**6,508.00**
Adjusting Journal Entries JE # 9			
to adjust wage payable to actual			
6560	Payroll expense	1,516.00	
2002	Wages payable		1,516.00
Total		**1,516.00**	**1,516.00**
Adjusting Journal Entries JE # 10			
to adjust retained earnings to actual			
3000	Retained Earnings	1,149.00	
5611.3	Misc Expense		1,149.00
Total		**1,149.00**	**1,149.00**
Adjusting Journal Entries JE # 11			
to fix debt accounts			
1000.8	PSB Checking	236.00	
5110	Auto expense	80.00	
5610	Auto Interest Expense	263.00	
2300.2	Long Term Notes - Passumpsic 2007 Chev		579.00
Total		**579.00**	**579.00**
Adjusting Journal Entries JE # 12			
to correct cash			
1000.8	PSB Checking	2,964.00	
5110	Auto expense		2,964.00
Total		**2,964.00**	**2,964.00**