

November 26, 2012

To Sheriff Stephen Bernard  
Rutland County Sheriff's Department

We have audited the financial statements of the business-type activities of the Rutland County Sheriff's Department (the Department) for the year ended June 30, 2012. Professional Standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated March 1, 2012, 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 September 19, 2012.

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 the year ended June 30, 2012. We noted no transactions entered into by the Department 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 and uncorrected misstatements of the financial statements.

### *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 November 26, 2012.

### *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 Department'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 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 the Rutland 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.

Rutland County Sheriff's Department  
Corrected Misstatements  
June 30, 2012

To capitalize equipment.

16010	Fixed Assets - Equipment	\$ 59,033	
59000	Various Grant Services		\$ 9,584
59101	Homeland Security MDT's		3,599
59101	Homeland Security MDT's		17,660
59102	HSU Morpho Trak (Grant purch)		28,190

To adjust for prepaid expenses.

15050	Prepaid Expenses	7,817	
59101	Homeland Security MDT's		4,800
59102	HSU Morpho Trak (Grant purch)		3,017

To expense insurance payments.

54225	Insurance and Bonds	3,027	
15050	Prepaid Expenses		3,027

To record current year depreciation.

55510	Depreciation Exp-Office Equip	2,315	
55530	Amort - LH Improvements	552	
56510	Depreciation Exp-Comm. Equip.	1,397	
56510	Depreciation Exp-Comm. Equip.	12,392	
57520	Depreciation Exp-Vehicles	61,703	
16020	Fixed Assets - Accum Depr - Equip		12,392
16040	Fixed Assets - Accumulated Depr Off. Equip		2,315
16060	Fixed Assets - Accum Depr. Comm. Equip		1,397
16080	Fixed Assets - Accumulated Depr. Vehicles		57,987
16100	Fixed Assets - Accum. Amort-L/H Improvements		552
44300	Sale of Equipment(+/-)		3,716

To reclass the deposit on 88 Grove Street.

23050	Mark Foley	1,000	
16112	88 Grove Street Renovations		1,000

To accrue interest at year end.

54610	Interest Payments	2,291	
20100	Accrued Interest Payable		2,291

Rutland County Sheriff's Department  
Uncorrected Misstatements  
June 30, 2012

To adjust prepaid expenses.

15050	Prepaid Expenses	\$	871		
54150	Dues & Subscriptions			\$	871