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Report on Compliance with Commonwealth of Virginia Laws, Regulations, Contracts and Grant Agreements

The Honorable Members of the
Board of Supervisors
County of Roanoke, Virginia:

We have audited the basic financial statements of the County of Roanoke, Virginia (the County) as of and for the year ended June 30, 2005, and have issued our report thereon dated November 16, 2005.

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 *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 of material misstatement.

Compliance with Commonwealth of Virginia laws, regulations, contracts and grant agreements applicable to the County is the responsibility of the management of the County. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the County's compliance with certain provisions of the Commonwealth of Virginia's laws, regulations, contracts, and grant agreements. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion. The following is a summary of the Commonwealth of Virginia laws, regulations, contracts, and grant agreements for which we performed tests of compliance:

Code of Virginia

Budget and Appropriation Laws
Cash and Investment Laws
Conflicts of Interest Act
Debt Provisions
Retirement Systems
Procurement Laws
Uniform Disposition of Unclaimed Property Act

State Agency Requirements

Enhanced 911 Service Taxes
Comprehensive Youth Services Act
Education
Personal Property Tax Relief Act
Social Services

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The results of our tests of compliance disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards or Specifications for Audits of Counties, Cities and Towns*.

This report is intended solely for the information and use of the audit committee of the board of supervisors, management, the Auditor of Public Accounts of the Commonwealth of Virginia, and the applicable state agencies and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

November 16, 2005